# PRIORITY VS. NON PRIORITY DEBTS

## MONEY SUPPORTER TRAINING

**Five partner agencies** from the advice and support practitioner community across Scotland worked with Shelter Scotland and MAPs to develop this money first-aid training product. A total of 50 individuals were involved in the co-design process, contributing their own knowledge and experience to the information and resources within. The training product is intended to be **piloted with 250 individuals upon its release nationally.**

# PRIORITY VS. NON PRIORITY DEBTS

**If the person you support has debts, make them aware that there are two types of debt.**

The consequences of not paying priority debts are serious. Priority debts should be dealt with before non-priority debts.

Failing to pay non-priority debts is usually less serious than not paying a priority debt.

## Priority debts:

- Mortgage repayments and loans secured on the home. Non-payment could lead to repossession
- Rent. Rent arrears could lead to eviction
- Fuel debts. Non-payment could result in fuel being cut off, or expensive pre-payment meter being installed
- Any advance payment loans from the DWP
- Child support and maintenance payments
- Council tax
- Certain payments ordered by the courts.

## Non priority debts:

- Credit card debts
- Hire Purchase agreements (HP)
- Unsecured bank loans - loans that are not secured against Client's property
- Loans from friends and family
- Payday and short-term loans
- Catalogues
- Store Cards
- Benefit overpayments
- Water
- Sky TV
- Mobile Phone
- Internet
- Agencies and individuals who visit door to door.

# IF THE PERSON YOU SUPPORT HAS DEBTS, MAKE THEM AWARE THAT THERE ARE TWO TYPES OF DEBT.

**You do not have to be a specialist money adviser to provide vital financial support to others** and this training product has been designed for those who provide a range of frontline support services. As well as knowledge it also provides you with a toolbox-like collection of resources. Which you can make use of to facilitate the advice and support you provide to others.

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Scotland