



## A guide to Debt Management



### What is a Debt Management Plan

A Debt Management Plan (DMP) can be the ideal solution for individuals with lower levels of debts.

A DMP is an informal arrangement between you and your creditors to enable you to repay your debts with regular affordable repayments.

### Who can set up a DMP?

Any individual with personal debts they are finding difficulty servicing can set up a DMP.

### How the process works?

When you first contact WRI Associates we will discuss your financial circumstances with you and explain the options available to you. If you decide that a DMP is the right solution for you we will help to frame a proposal to be put to your creditors (the people you owe money to). Your obligations and any implications of the Plan will be explained in detail.

If you are happy to proceed with the DMP, your Plan Administrator will issue the proposal to your creditors and will ask that they freeze interest on your account.

Because a debt management plan is an informal arrangement, this may afford you more flexibility to pay back your debts as and when you can.

However you must be aware that because a DMP is not legally binding your creditors can, in theory, still proceed with court action and there is no guarantee that interest will be frozen.

### Building a Proposal

Your proposal to your creditors will be tailored to your own circumstances. The proposal will be based on you making regular affordable payments to the Plan Administrator who will then distribute the payments to your creditors.

Our highly experienced staff will help to ensure that your proposal is affordable to you and will meet with your creditors' expectations.

### How long does a Plan last?

A DMP allows you to regulate your finances by spreading the repayment of your debts over a longer period. The length of time it will take to complete the plan will therefore be dependent on the level of your debt, the amount of money you can afford to pay regularly and whether your creditors agree to freeze interest on your debt.

### Advantages of a DMP

- You can agree the proposal which will be put to your creditors.
- The proposal will be tailored to your own circumstances.
- All correspondence from creditors will be dealt with by the Plan Administrator.
- Pressure from creditors is removed.
- Your assets are not included in the plan, and if the proposal is accepted by creditors, and you maintain the payments your assets will be safe from creditor action.

### There are, however, some potential disadvantages:

Certain court actions taken by creditors prior to establishing the DMP are likely to continue to be effective. It is therefore important to fully disclose any actions that may already have been taken against you in order that the appropriate arrangements can be made for these to be released if possible. At worst, the effects of these procedures need to be taken into account when framing the proposal for the proposal. Because the plan is informal, your creditors can, in theory, still take action against you.

Whilst our Plan Administrator has an excellent relationship with creditors, there is no guarantee that they will agree to freeze interest on your debt.

### Why WRI Associates?

Lead by our highly experienced managing director, Ian Wright, our focus is to deliver sustainable solutions that solve your financial difficulties once and for all, allowing you to regulate your finances and plan for the future.

Ian has over 20 years experience in dealing with individuals who are experiencing financial difficulties. He has acted as Trustee for many clients and is focussed on providing solutions which work.

Our highly experienced team have helped deliver successful solutions for many years.

As a client of WRI Associates you will have a dedicated advisor who will deal with you throughout your time as a client. You won't be dealing with a call centre or find you are speaking to someone different every time you call.



We'd be delighted to help you.  
Please contact us at:

WRI Associates Ltd  
3rd Floor  
Turnberry House  
175 West George Street  
Glasgow, G2 2LB  
T: 0141 285 0919 F: 0141 221 7904  
E: [debtadvisedesk@wriassociates.co.uk](mailto:debtadvisedesk@wriassociates.co.uk)  
Or visit [www.wriassociates.co.uk](http://www.wriassociates.co.uk)  
or [www.debtadvisedesk.co.uk](http://www.debtadvisedesk.co.uk)