



The Insolvency
Service

Guide to Bankruptcy

When - Where - How - What

Contents

1. About this guide.	3
2. What is bankruptcy?	3
3. How are you made bankrupt?	4
4. Where is the bankruptcy order made?	4
5. Who will deal with my case?.....	5
6. What are your duties as a bankrupt?	5
7. How will bankruptcy affect you?	6
8. What are the restrictions on a bankrupt?.....	11
9. Becoming free from bankruptcy	11
10. Bankruptcy restrictions orders and undertakings.....	13
11. Debts incurred after you have been made bankrupt:.....	13
12. Alternatives to bankruptcy.....	13
13. Insolvency terms - what do they mean?	13
14. Where to go for help and advice	15
15. Data Protection Act 1998 – How we collect and use Information	16
16. Where can I find out more?	17

1. About this guide.

This publication is for general guidance only. If bankruptcy proceedings are taken against you, or you are thinking of making yourself bankrupt, you should seek your own legal or financial advice from a Citizens Advice Bureau, a solicitor, a qualified accountant, an authorised insolvency practitioner, a reputable financial adviser or a debt advice centre.

Other organisations also offer insolvency advice and debt counselling. Some of them are entirely reputable and offer a professional service. However, others are controlled by individuals with no obvious qualifications who appear to be motivated mainly by a desire to exploit an already difficult situation.

Beware, particularly of unsolicited approaches through the post or by telephone.

a. If you are not bankrupt

Bankruptcy is a serious matter. You will have to give up any possessions of value and your interest in your home. It will almost certainly involve the closure of any business you run and the dismissal of your employees. Bankruptcy will also impose certain restrictions on you.

You do not have to become bankrupt just because you are in debt. Look at the alternatives to bankruptcy as soon as possible in case they are more suitable in your situation.

A publication called "Alternatives to Bankruptcy" is available on-line at the Insolvency Service website at: www.bis.gov.uk/insolvency/publications

b. If you are already bankrupt

Sections 2-12 explain the bankruptcy procedure. The official receiver will give you further instructions. You can still propose a voluntary arrangement which could annul (cancel) your bankruptcy.

A separate publication called "Can my bankruptcy be cancelled? Information on annulment of a bankruptcy order" is available on-line at the Insolvency Service website at:
www.bis.gov.uk/insolvency/publications

You should consider this publication if you think that you should not have been made bankrupt or if all your bankruptcy debts and the fees and expenses of the bankruptcy proceedings can be paid or secured in full.

2. What is bankruptcy?

Bankruptcy is one way of dealing with debts you cannot pay. The bankruptcy proceedings:

- free you from overwhelming debts so you can make a fresh start, subject to some restrictions; and
- make sure your assets are shared out fairly among your creditors.

Anyone can go bankrupt, including individual members of a partnership.

There are different insolvency procedures for dealing with companies and for partnerships themselves.

Separate publications about these insolvency procedures are available on our website: www.bis.gov.uk/insolvency/publications.

3. How are you made bankrupt?

A court makes a bankruptcy order only after a bankruptcy petition has been presented. It is usually presented either:

- by yourself (debtor's petition); or
- by one or more creditors who are owed £750 or more by you and that amount is unsecured (creditor's petition).

A bankruptcy order can still be made even if you refuse to acknowledge the proceedings or refuse to agree to them. You should therefore co-operate fully once the bankruptcy proceedings have begun. If you dispute the creditor's claim, you should try and reach a settlement before the bankruptcy petition is due to be heard. Trying to do so after the bankruptcy order has been made is both difficult and expensive.

To find out more information please see the following publications:

- How to petition for your own bankruptcy
- How to make someone bankrupt

Available on our website: www.bis.gov.uk/insolvency/publications.

4. Where is the bankruptcy order made?

Bankruptcy petitions are usually presented at the High Court in London (if your debts total £100,000 or **more** and you trade or live in the London insolvency district), or at the Central London County Court (if your debts total **less** than £100,000 and you trade or live in the London insolvency district) or at a county court near to where you trade or live.

A petition can be presented against you even if you are not present in England or Wales at that time. This can happen when you normally live in, or within the previous 3 years have had residential or business connections with, England or Wales.

The Court and Tribunals Service website at hmctscourtfinder.justice.gov.uk/HMCTS has a list of county courts with bankruptcy jurisdiction, and an index which will show you the geographical area they cover, plus contact details for each of the courts.

If you now normally live or work in another EU country (apart from Denmark) it is unlikely that you can be made bankrupt in England or Wales, even if you have had residential or business connections here within the previous 3 years. If this applies to you, you may wish to seek separate independent legal advice.

Sometimes government departments start bankruptcy proceedings in the High Court in London or in one of the District Registries. If you did not trade or do not live in the London area, your case will usually be transferred to the appropriate local county court and, if a bankruptcy order is made, it will be dealt with by the local official receiver.

Once the bankruptcy order has been made the official receiver will give notice of the order in the 'London Gazette', which is an official publication that contains legal notices. In addition, the official receiver has discretion to advertise the order in any other way, if they think it is appropriate to do so.

5. Who will deal with your case?

a. The official receiver

An official receiver is appointed by the Secretary of State and is an officer of the court. The official receiver has responsibility for administering your bankruptcy and protecting your assets from the date of the bankruptcy order. They will also act as trustee of your bankruptcy estate unless an insolvency practitioner is appointed.

The official receiver is also responsible for looking into your financial affairs for the period before and during your bankruptcy. They may report to the court and has to report to your creditors. The official receiver must also report any matters which indicate that you may have committed criminal offences in connection with your bankruptcy or that your behaviour has been dishonest or you have been in some way to blame for your bankruptcy.

The official receiver will give notice of the bankruptcy order to courts, sheriffs, bailiffs, HM Revenue and Customs, the Land Registry and any relevant professional bodies. Enquiries will also be made of banks, building societies, mortgage, pension and insurance companies, solicitors, landlords and any other persons or organisations who may be able to provide details of any assets or liabilities that you have, or have had, an interest in (either on your own or jointly with others). Third parties will also be asked about any other matters relating to your bankruptcy.

If you are unhappy with the way your case is handled by the official receiver you should follow the procedure set out in our publication 'Complaints Procedure: This is available from our website: www.bis.gov.uk/insolvency/publications

b. An insolvency practitioner

Insolvency practitioners are individuals who specialise in insolvency work. An insolvency practitioner, who must be authorised by either the Department for Business Innovation and Skills (BIS) or the appropriate professional body, can be appointed trustee instead of the official receiver. They are responsible for disposing of your assets and making payments to your creditors.

If you wish to complain about the professional conduct of a private sector insolvency practitioner trustee (or liquidator), you should contact the [Complaints Gateway](#). All complaints relating to regulated work carried out by an insolvency practitioner authorised by a participating Recognised Professional Body should be forwarded in the first instance to the Complaints Gateway hosted by the Insolvency Service in Leeds.

For general enquiries you can contact The Insolvency Service Insolvency Enquiry Line on 0845 602 9848 available Monday to Friday 8am to 5pm (except bank holidays) or email: Insolvency.EnquiryLine@insolvency.gsi.gov.uk.

To find out more information please see the following publications:

- What happens when you are interviewed by the official receiver
- Complaints procedure

6. What are your duties as a bankrupt?

When a bankruptcy order has been made, you must:

- comply with the official receiver's request to provide information about your financial affairs. The official receiver may request that you attend at their office for an interview - the court will give you the address of the official receiver. (Note: usually before the interview, you will be sent or given a questionnaire which you should fill in as fully and accurately as possible.) If the official receiver does not ask that you attend at the office for an interview, you will be sent a letter which will set out what is required of you. Again it is likely that you will be asked to complete a questionnaire. You should note that in either circumstance, any questionnaire completed **before** the bankruptcy order, supplied to you by an adviser or another third party, will not be acceptable;
- give the official receiver a full list of your assets and details of what you owe and to whom (your creditors);
- look after and then hand over your assets to the official receiver together with all your books, records, bank statements, insurance policies and other papers* relating to your property and financial affairs;
- tell your trustee about assets and increases in income you obtain during your bankruptcy. (Note: by law you must inform your trustee of any property which becomes yours during the bankruptcy. Such property includes lump sum cash payments that you may receive, for example redundancy payments, property or money left in a will);
- stop using your bank, building society, credit card and similar accounts straightaway;
- not obtain credit of £500 or more from any person without first disclosing the fact that you are bankrupt;
- not make payments direct to your creditors.

You may also have to go to court and explain why you are in debt. If you do not co-operate, you could be arrested.

*Your books and papers will normally be destroyed after your trustee has finished with them. However, you can have them back, provided they have not already been destroyed.

7. How will bankruptcy affect you?

a. In relation to your creditors

If you are made bankrupt, you must not make payments directly to your creditors. Creditors to whom you owe money when you are made bankrupt make a claim to your trustee (either the official receiver or an insolvency practitioner). They should not ask you directly for payment; if you receive any requests, pass them immediately to your trustee to deal with and tell the creditor that you are bankrupt.

There are some very limited exceptions to this non-payment rule. The main ones are:

- secured creditors, such as creditors who have a mortgage or charge on your home.
Note: If mortgage payments are not made, the lender may take possession proceedings with a view to selling your home. Where the amount owed to a secured creditor is greater than the value of your home, the balance owed will be an unsecured debt in the bankruptcy proceedings;
- non-provable debts, such as court fines and other obligations arising under an order made in family proceedings or under a maintenance assessment made under the Child Support Act 1991. Non-provable debts are not included in the bankruptcy proceedings and you are still responsible for paying off such debts;
- Benefits paid to you which have been overpaid may be able to be included in your bankruptcy. It is important to look at the dates the benefits were paid to you and the dates you were notified both of the overpayment and the decision of the benefit provider to recover that overpayment. If any of the dates are after the making of the bankruptcy order, the overpayment will not be included in your bankruptcy, and you will still be liable to repay it;
- student loans; and
- any monies owed after 19 March 2012 to the Department for Work and Pensions for budgeting loans and crisis loans will still be repayable during and after discharge from bankruptcy.

Suppliers of services to your home (gas, electricity, water and telephone) may not demand from you payment of bills in your name which are unpaid at the date of the bankruptcy order. But they may ask you for a deposit towards payment for further supplies or could arrange for the accounts to be transferred into the name of your spouse, civil partner or partner. You must pay continuing commitments such as rent (if you rent your home), together with any debts you incur after the bankruptcy.

b. Payment to creditors

The official receiver will tell your creditors that you are bankrupt. They may either act as the trustee or may arrange a meeting of creditors for them to choose an insolvency practitioner to be the trustee. This happens if you appear to have significant assets. You may have to go to this (or any other) meeting of your creditors.

The trustee will tell the creditors how much money (if any) will be shared out in the bankruptcy. Creditors then have to make their formal claims. The costs of the bankruptcy proceedings are paid first from the money that is available. The costs include fees that the official receiver or the insolvency practitioner charge for administering your case.

At least part of the claims from your employees (if any) may be preferential and are paid next, along with any other preferential debts. Finally, other creditors are paid, together with interest on all debts, as far as there are funds available from the sale of your assets. If there is a surplus, it will be returned to you. You would then be able to apply to the court to have your bankruptcy 'annulled' (cancelled).

If your trustee makes a payment to your creditors, they may place an advertisement about your bankruptcy in a newspaper asking creditors to submit their claims. Depending on how long it takes your trustee to deal with your assets, this advertisement may appear several years after the bankruptcy order.

c. Your assets

You must disclose the following items to the official receiver:

- tools, books, vehicles and other items of equipment which you need to use personally in your employment, business or vocation;
- clothing, bedding, furniture, household equipment and other basic items you and your family need in the home.

The official receiver will let you keep these items unless they can be replaced with a suitable cheaper alternative.

The official receiver/trustee will take control of all your other assets on the making of the bankruptcy order. They, or any insolvency practitioner who is appointed as trustee, will dispose of them and use the money to pay the fees, costs and expenses of the bankruptcy and then your creditors. If appointed, the insolvency practitioner's fees for acting as trustee are also paid from the money raised by selling your assets.

The trustee may apply to the court for an order restoring property to them if you disposed of it in a way which was unfair to your creditors (for example, if before bankruptcy you had transferred property to a relative for less than it was worth). The trustee may claim property which you obtain or which passes to you (for example, under a will) while you are bankrupt.

A student loan made before or after the start of a student's bankruptcy is not regarded as an asset that the trustee may claim, if a balance of the loan remains payable.

If you have made a claim against another person through court proceedings, or you think you may have a claim (a right of action) against another person, the claim may be an asset in the bankruptcy.

d. What happens to your home?

If you own your home, whether freehold or leasehold, solely or jointly, mortgaged or otherwise, your interest in the home will form part of your estate which will be dealt with by your trustee. The home may have to be sold to go towards paying your debts.

If your spouse, civil partner or children are living with you, it may be possible for the sale of the property to be put off until after the end of the first year of your bankruptcy. This gives time for other housing arrangements to be made. Your spouse, civil partner, a relative or friend may be able to buy your interest in your home from the trustee. Such a purchase would prevent a sale of the property by the trustee at a future date. Your spouse or any other interested party should be encouraged to take legal advice about the home as soon as possible.

If the trustee cannot, for the time being, sell your home, they may obtain a charging order on your interest in it, but only if that interest is worth more than £1,000. If a charging order is obtained, your interest in the property will be returned to you, but the legal charge over your interest will remain. The amount covered by the legal charge will be the total value of your interest in the property and this sum must be paid from your share of the proceeds when you sell the property.

Until your interest in the home is sold, or until the trustee obtains a charging order over it, that interest will continue to belong to the trustee but only for a certain period, usually 3 years, and will include any increase in its value. Therefore, the benefit of any increase in value will go to the trustee to pay your debts, even if the home is sold some time after you have been discharged from bankruptcy: **the increase in the value will not be yours.**

If, after a certain time, usually 3 years, your trustee has not sold or obtained a charge over your interest in the property, or applied for an order of possession, or obtained a charging order against the property, or you have not come to any arrangement with your trustee about that interest, it may be returned to you.

To find out more information please see the following publication:

- What will happen to my home?

Available on our website: www.bis.gov.uk/insolvency/publications.e.

Your pension

A trustee cannot usually claim a pension as an asset if your bankruptcy petition was presented on or after 29 May 2000, as long as the pension scheme has been approved by HM Revenue and Customs.

For petitions presented before 29 May 2000, trustees can claim some kinds of pensions. If you are receiving a pension or become entitled to do so before you are discharged, the pension is included as income for the purposes of an income payments order (IPO).

To find out more information please see the following publication:

- What will happen to my pension?

Available on our website: www.bis.gov.uk/insolvency/publications.

f. Your life assurance policy

Generally, your trustee will be able to claim any interest that you have in a life assurance policy. The trustee may be entitled to sell or surrender the policy and collect any proceeds on behalf of your creditors. If the life assurance policy is held in joint names, for instance with your spouse or civil partner or partner, that the other person is likely to have an interest in the policy and should contact the trustee immediately to discuss how their interest in the policy should be dealt with.

You may want the policy to be kept going. Ask your trustee: it may be possible for your interest to be transferred for an amount equivalent to the present value of that interest.

If the life assurance policy has been legally charged to any person, for instance an endowment policy used as security for the mortgage on your home, the rights of the secured creditor will not be affected by the making of the bankruptcy order. But any remaining value in the policy may belong to your trustee.

g. Work-related registrations, licences and permissions

Any registration, licence or permission you hold in connection with your work or trade might be affected by the making of the bankruptcy order. You should inform the person who issued the registration or authority of your bankruptcy to establish if it will remain in force or will be cancelled or withdrawn. Any value attaching to these items may belong to the trustee. In considering this issue you should disregard items of a personal nature such as a driving licence.

h. Your business

If you are self-employed, your business is normally closed down and any employees are dismissed. Any business assets will be claimed by the trustee unless they are exempt and you will have to give

the official receiver all your accounting records. You are still responsible for completing all tax and VAT returns.

Your employees may be able to make a claim to the National Insurance Fund for outstanding wages and holiday pay, payment in lieu of notice, and redundancy. Employees can claim in the bankruptcy for any money owed that is not paid by the National Insurance Fund.

There is nothing to prevent a bankrupt from being self-employed so you can start to trade again, subject to restrictions. You will be responsible for keeping accounting records for this business and for dealing with the tax and VAT requirements for the new business. You will need to register again for VAT if you meet the registration requirements. You should not continue to use your pre-bankruptcy VAT registration number.

i. Your wages

Your trustee may apply to court for an income payments order (IPO), which requires you to make contributions towards the bankruptcy debts from your income. The court will not make an IPO if it would leave you without enough income to meet the reasonable domestic needs of you and your family. If you have an increase or decrease in income, the IPO can be changed.

IPO payments continue for a maximum of 3 years from the date the order is made by the court and may continue after you have been discharged from your bankruptcy. Or you may enter into a written agreement with your trustee, called an income payments agreement (IPA), to pay a certain amount of your income to the trustee for an agreed period, which cannot be longer than 3 years. There are no fixed guidelines on IPOs or IPAs - each case is assessed individually.

To find out more information please see the following publication:

- Income Payment Orders and Income Payment Agreements

Available on our website: www.bis.gov.uk/insolvency/publications.

j. Your credit file

The three main credit reference agencies in the UK are Callcredit, Equifax and Experian. These agencies hold certain information about most adults in the UK. This information is called your credit reference file or credit report.

The official receiver does not send any form of notice to credit reference agencies. The agencies pick up information from other sources such as the Individual Insolvency Register, advertisements of bankruptcies in newspapers, 'The London Gazette' and the Register of County Court Judgments.

The bankruptcy entry will remain on your credit reference file for six years from the date of the bankruptcy order even if you have been discharged and have told the credit reference agencies. After six years, the credit reference agencies will automatically remove the bankruptcy entry from your credit reference file. It is your responsibility to have details of the bankruptcy order removed from your credit file if your file is not updated.

Further information can be found at www.bis.gov.uk/insolvency/personal-insolvency/credit-rating

There is a publication called 'Credit Explained' which is produced by the Information Commissioner's Office. A copy of this is available from the Information Commissioner's Office website at www.ico.uk or from their publications Orderline (telephone 08453 091 091).

8. What are the restrictions on a bankrupt?

The following are criminal offences for an undischarged bankrupt:

- obtaining credit of £500 or more either alone or jointly with any other person without disclosing your bankruptcy. (Note: this is not just borrowing money - it includes your getting credit as a result of a statement or conduct which is designed to get credit, even though you have not made a specific agreement for it. For example, ordering goods without asking for credit and then failing to pay for them when they are delivered);
- carrying on business (directly or indirectly) in a different name from that in which you were made bankrupt, without telling all those with whom you do business the name in which you were made bankrupt;
- being concerned (directly or indirectly) in promoting, forming or managing a limited company, or acting as a company director, without the court's permission, whether formally appointed as a director or not.
- You may not hold certain public offices. You may not hold office as a trustee of a charity or a pension fund.

After the bankruptcy order, you may open a new bank or building society account but you should tell them you are bankrupt; they may impose conditions and limitations. You should ensure you do not obtain overdraft facilities without informing the bank that you are bankrupt, or write cheques which are likely to be dishonoured. Tell your trustee about any money that you have in the account which is more than you need for your reasonable living expenses. Your trustee can claim the surplus amounts to pay your creditors.

To find out more information please see the following publications:

- What will happen to my bank account?

Available on our website: www.bis.gov.uk/insolvency/publications.

9. Becoming free from bankruptcy

a. How long does bankruptcy last?

You will be automatically freed from bankruptcy (known as “discharged”) after a maximum of 12 months.

You will also become free from bankruptcy immediately if the court annuls (cancels) the bankruptcy order. An order of annulment can only be made by the court.

You can apply for an annulment at any time if:

- the bankruptcy order **should not have been made**, for example because the proper steps were not taken when obtaining the order; or
- all your bankruptcy debts and the fees and expenses of the bankruptcy proceedings have been either **paid in full or secured (guaranteed)** to the satisfaction of the court; or
- you have reached an agreement called an “**individual voluntary arrangement**” with your creditors to repay all or part of your debts.

To find out more information please see the following publications:

- Alternatives to Bankruptcy
- In Debt? Dealing with your creditors

Available on our website: www.bis.gov.uk/insolvency/publications.

On the other hand, if you have not carried out your duties under the bankruptcy proceedings, the official receiver or your trustee may apply to the court for your discharge to be postponed. If the court agrees, your bankruptcy will only end when the suspension has been lifted and the time remaining on your bankruptcy period has run. If your discharge has been suspended (stopped) prior to 1 April 2004, you should contact the official receiver for information about how and when you may be discharged from bankruptcy.

b. Debts

Discharge releases you from most of the debts you owed at the date of the bankruptcy order. Exceptions include debts arising from fraud and any claims which cannot be made in the bankruptcy itself. You will only be released from a liability to pay damages for personal injuries to any person if the court thinks fit.

When you are discharged you can borrow money or carry on business without the restrictions previously referred to. You can act as a limited company director unless you are disqualified from doing so as a result of a separate order arising out of your involvement with a company.

c. Assets you owned or obtained before your discharge

When you are discharged there may still be assets that you owned, either when your bankruptcy began, or which you obtained before your discharge, which the trustee has not yet dealt with. Examples of these may be the interest in your home, an assurance policy or an inheritance. These assets are still controlled by the trustee who can deal with them **at any time** in the future. This may not be for a number of years **after your discharge**.

With some assets - such as your home and some types of assurance policy - your spouse, civil partner, partner, a relative or friend may want to buy your interest. They should get in touch with the trustee straightaway to find out how much they would have to pay.

You must tell the official receiver about assets you obtain after the trustee has finished dealing with your case but **before** you are discharged. These assets could be claimed to pay your creditors. You have a duty to continue to assist your trustee after you have been discharged.

d. Assets you obtain after your discharge

Usually you may keep all assets you acquire after your discharge.

To find out more information please see the following publication:

- When will my bankruptcy end? Information on discharge from bankruptcy
- available on our website: www.bis.gov.uk/insolvency/publications.

10. Bankruptcy restrictions orders and undertakings

If, during the enquiries into your affairs, the official receiver decides that you have been dishonest either before or during the bankruptcy or that you are otherwise to blame for your position, they may apply to the court for a bankruptcy restrictions order. The court may make an order against you for between 2 and 15 years and this order will mean that you continue to be subject to the restrictions of the bankruptcy. You may give a bankruptcy restrictions undertaking which will have the same effect as an order, but will mean that the matter does not go to court.

11. Debts incurred after you have been made bankrupt:

Bankruptcy deals with your debts at the date of the bankruptcy order. After that date you should manage your finances more carefully. If you incur new debts this could result in:

- a further bankruptcy order;
- Prosecution if, when you incurred the debts, you did not disclose that you were bankrupt

12. Alternatives to bankruptcy

It may be better for both you and your creditors to use an alternative procedure instead of bankruptcy.

To find out more information please see the following publications:

- Alternatives to bankruptcy
- In Debt: Dealing with your creditors

Available on our website: www.bis.gov.uk/insolvency/publications.

13. Insolvency terms - what do they mean?

Annulment

Cancellation.

Assets

Anything that belongs to you that may be used to pay your debts.

Bankruptcy order

A court order making you bankrupt.

Bankruptcy restrictions order or undertaking

A procedure whereby you may have a court order made against you or give an undertaking which will mean that bankruptcy restrictions continue to apply for a period of between 2 to 15 years.

Bankruptcy petition

A request made (by you as the debtor or by a creditor) to the court for you to be made bankrupt and giving the reasons why.

Charging order

An order made by the court which gives the trustee a legal charge on your interest in your home. This continues even after you are discharged from bankruptcy.

Creditor

Someone to whom you owe money.

Debts

Money you owe.

Discharge

Freed from bankruptcy

Estate

Your assets or property which your trustee can deal with to pay your creditors.

Income payments agreement

You may enter into a written agreement with your trustee to pay them part of your wages, salary or other income for an agreed period.

Income payments order

The court may order you to pay part of your wages, salary or other income to the trustee if your income is more than you or your family need to live on.

Insolvency practitioner

An authorised person who specialises in insolvency, usually an accountant or solicitor. They are authorised either by the Secretary of State or by one of a number of recognised professional bodies.

Interest

A right to, or share in, a property.

Legal charge

A form of security (e.g. a mortgage) to ensure payment of a debt.

Petition

See "Bankruptcy petition".

Preferential creditor

A creditor in bankruptcy proceedings who is entitled to receive certain payments in priority to other unsecured creditors. These creditors include occupational pension schemes and employees.

Proxy

Instead of attending a meeting, a person can appoint someone to go and vote in their place – a 'proxy'.

Public examination

The court may order that a bankrupt be questioned in open court about their affairs, dealings and property.

Trustee

The trustee in bankruptcy is either the official receiver or an insolvency practitioner who takes control of your assets. The trustee's main duties are to sell these assets and share the money out among the creditors.

Unsecured creditor

A creditor who does not hold security (such as a mortgage) for money owed. Some unsecured creditors may also be preferential creditors.

14. Where to go for help and advice

These are not the only organisations that may be able to help you. The Insolvency Service and the Courts Service cannot accept responsibility for the information, advice, or other services provided by these organisations.

Contact details

The Money Advice Service

The money advice service is an independent service, set up by government to help people make the most of their money, they give free, unbiased money advice to everyone across the UK – online, over the phone and face to face.

Helpline: 0300 500 5000

Opening hours: Monday to Friday 8am to 8pm and Saturday 9am to 1pm

Website: www.moneyadviceservice.org.uk/?locale=en

Advisory, Conciliation and Arbitration Service (ACAS)

The Advisory Conciliation and Arbitration Service (ACAS) is a public body funded by taxpayers. It offers free help and information on work-related issues.

Helpline: 08457 474747 Opening hours: Monday to Friday 8am to 8pm

Saturday 9am to 1pm.

Website: www.acas.org.uk.

The ACAS website contains details of the local ACAS offices.

Business Debtline

Business Debtline is a registered charity that provides a free telephone debt counselling service for the self-employed and small businesses facing financial hardship. Advice is free, independent and confidential.

Helpline: 0800 197 6026 Opening hours: Monday to Friday 10am to 5.30pm.

Website: www.bdl.org.uk

Citizens Advice (CAB)

Citizens Advice is a registered charity that offers free, independent and confidential advice from locations throughout the UK.

Helpline: 0207 833 2181 to find your local Citizens Advice Bureau (CAB).

Opening hours: Monday to Friday 8am to 6pm.

Website: www.citizensadvice.org.uk

Citizens Advice Consumer Service

Citizens Advice Consumer Service provides free, confidential and impartial advice on consumer issues.

Opening hours Monday to Friday 9am to 5pm

Helpline 0845 404 0506

Website: www.citizensadvice.org.uk/index/getadvice/consumer_service.htm

Community Legal Service (CLS)

The Legal Services Commission (LSC) runs the Community Legal Service (CLS) and administers what was previously known as legal aid. The CLS

Helpline: 0845 345 4345 Opening hours: Monday to Friday 9am to 6.30pm.

Website: www.legalservices.gov.uk/civil.asp

StepChange Debt Charity

StepChange Debt Charity is an independent charity dedicated to overcoming problem debt. Their advice and solutions services are tailored and free.

Helpline: 0800 138 1111

Opening hours: Monday to Friday 8am to 8pm and Saturday 9am to 3pm

Website: www.stepchange.org

Law Society

The Law Society provides information to help you find the legal support you need. Find out how to get expert help and read the guides on common legal issues

Helpline: 020 7242 1222 Opening hours: Monday to Friday 9am to 5.30pm.

Website: www.lawsociety.org.uk

National Debtline

National Debtline provides free, confidential and independent advice over the telephone for anyone in financial difficulty.

Helpline: 0808 808 4000 Opening hours: Monday to Friday 9am to 9pm and Saturdays 9.30am to 1pm.

Website: www.nationaldebtline.co.uk.

Dealing with loan sharks

Loan sharks are illegal money lenders who often charge very high interest rates. If you spot a loan shark, or have borrowed money from one, you can report them in confidence.

Report a loan shark

Telephone: 0300 555 22222 Monday to Friday 9am to 5pm.

Email: reportaloanshark@stopaloansharks.gov.uk

15. Data Protection Act 1998 – How we collect and use Information

The data controller obtains personal data about individuals to fulfil the statutory functions of The Insolvency Service and its official receivers in relation to bankruptcy, Debt Relief Orders (DROs), company insolvencies and other regulatory functions.

The data controller may check information provided by individuals, or personal data provided by third parties, with other personal data held by the data controller.

The data controller may also obtain personal data about individuals from various other regulatory or statutory bodies, public authorities, police, prosecution authorities and the courts, or provide personal data to them, to check the accuracy of information or to prevent or detect crime.

They will not disclose personal data about individuals to anyone outside The Insolvency Service unless the law permits them to do so.

The official receiver is the data controller for the purposes of the Data Protection Act 1998 and is registered under the Act for the processing of personal data for insolvency cases allocated to them by the courts. The Department of Business, Innovation and Skills (BIS) is the Data Controller under the Act for personal data held and processed by other parts of The Insolvency Service.

[The Insolvency Service Data Protection Statement is available in full here.](#)

16. Where can I find out more?

Our publications give general information about insolvency procedures.

You can obtain further copies of this publication from The Insolvency Service website: www.bis.gov.uk/insolvency/publications. All our publications are available on this web page.

For general enquiries you can contact The Insolvency Service Insolvency Enquiry Line on 0845 602 9848 available Monday – Friday 8am – 5pm (except bank holidays) or email: Insolvency.EnquiryLine@insolvency.gsi.gov.uk.

If your query relates to a specific case then you should either contact the officer dealing with that case or obtain independent professional advice as appropriate.

Her Majesty's Courts and Tribunals Service publishes a series of information publications and contact details on their website at: <http://www.justice.gov.uk/global/contacts/hmcts/index.htm>.

This publication provides general information only. Every effort has been made to ensure that the information is accurate, but it is not a full and authoritative statement of the law and you should not rely on it as such. The Insolvency Service cannot accept any responsibility for any errors or omissions as a result of negligence or otherwise.

You can obtain further copies of this, and other publications from The Insolvency Service website: www.bis.gov.uk/insolvency/publications

Disclaimer and copyright information

This publication provides general information only. Every effort has been made to ensure that the information is accurate, but it is not a full and authoritative statement of the law and you should not rely on it as such. The Insolvency Service cannot accept any responsibility for any errors or omissions as a result of negligence or otherwise.

© **Crown copyright 2013**

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/> or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or e-mail: psi@nationalarchives.gsi.gov.uk.

This publication is also available on our website at www.bis.gov.uk/insolvency.

October 2013 – URN 13/1197