

# How to deal with priority debts

## What is a priority debt?

A debt is a **priority debt** if non-payment means you could either lose your home, have your fuel cut off, have essential goods taken away or be put in prison.

Type of priority debt	What can happen if you don't pay
Rent and mortgage arrears	You could lose your home if the lender or landlord makes a claim for possession
Gas and electric bills	Your supplier could cut the supply off or ask the court for a warrant to enter your home and fit a pre-payment meter
Tax debts, including council tax	The government or council could ask the court to send you to prison if they think you are deliberately not paying

Hire purchase payments can be a priority debt if what you're buying with them is essential. For example a car you need to get to work.

## What is a non priority debt?

**Non-priority debts** can only be enforced by the creditor getting a CCJ against you and then applying to court to:

- instruct a bailiff to visit you and take control of your goods
- take money from your bank account
- take money from your wages
- get a charge secured against your home if you own it

Non priority debts can include loans and credit cards. Water debts are non-priority debts because the water company can't cut off your supply.

## Repaying priority debts

Prepare a budget sheet to work out whether you have any available income after paying your normal household expenditure. Recent bills and bank statements help.

If you have available income, you should write to the creditor to make an offer of repayment. This should be your regular payment plus an amount towards your arrears. Explain why you have been unable to pay and evidence any financial hardship you are facing.

## Dealing with letters from court

Get advice as soon as possible to make sure you don't miss any deadlines to respond. Don't ignore these letters - your debt will go up and could it lead to enforcement action.

Even if you owe the money and don't have a defence, the court can normally give you time to pay if you respond to the claim form in time.

## Where to get more help

If you have debts that you are finding difficult to manage, you can get free help from a debt adviser.

Organisations you can contact for debt advice:

- [National Debtline](#)
- [Citizens Advice](#)
- [Stepchange](#)
- [Payplan](#)

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You can get further advice from [england.shelter.org.uk/housing\\_advice](https://www.england.shelter.org.uk/housing_advice), a local Shelter advice service or local Citizens Advice. If you have nowhere to sleep tonight, are at risk of harm or losing your home within the next 2 months, call Shelter Helpline on 0808 800 4444 for advice and information on your options. Calls to Shelter's helpline are free from landlines and main mobile networks.

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