

# **Checklist: How to Manage Debt in Retirement (UK)**

## **1. Get a clear view of your debts and income**

- List all debts: credit cards, loans, overdrafts, catalogues, mortgage arrears, etc.
- Note amounts owed, interest rates, and monthly repayments
- List all income sources: State Pension, private pensions, benefits, rental income

## **2. Identify priority debts**

- Check if you're behind on:
  - Rent or mortgage
  - Council tax
  - Gas, electricity or water bills
  - TV licence or court fines
- Focus on bringing these up to date first-missing them can have serious consequences

## **3. Create a realistic retirement budget**

- List essential spending: rent/mortgage, food, energy, travel, healthcare
- Include debt payments and set aside for annual costs (e.g. car insurance, Christmas)
- Cut or reduce non-essentials where possible (subscriptions, eating out)
- Look for small savings in mobile, broadband, and insurance costs

## **4. Avoid relying on credit to pay for essentials**

- If you're using cards or loans for food, bills, or family help-stop and reassess
- Use [Turn2us.org.uk](https://turn2us.org.uk) or [Entitledto.co.uk](https://entitledto.co.uk) to check for benefits
- Explore help with energy bills, Council Tax Reduction, or Pension Credit

## **5. Contact creditors early if you're struggling**

- Let lenders know you're retired and on a fixed income
- Ask about lower payments, frozen interest, or temporary payment breaks
- Request written communication if phone calls are stressful

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- You have a right to fair treatment under FCA rules

### **6. Seek free, regulated debt advice**

- Get help from a trusted UK service-never pay for debt advice:
  - StepChange: [stepchange.org](https://stepchange.org)
  - Citizens Advice: [citizensadvice.org.uk](https://citizensadvice.org.uk)
  - National Debtline: [nationaldebtline.org](https://nationaldebtline.org)
  - Christians Against Poverty: [capuk.org](https://capuk.org)
- Discuss options like:
  - Debt Management Plans (DMP)
  - Debt Relief Orders (DRO)
  - Bankruptcy or IVAs (only with advice)

### **7. Protect your mental wellbeing**

- Acknowledge the emotional strain-debt is stressful at any age
- Talk to someone you trust or contact a support charity (e.g. Age UK)
- Remind yourself: you're taking positive action by addressing the issue

### **8. Be careful with equity release or borrowing against your home**

- Only consider equity release after getting independent advice
- Understand the long-term impact on your finances, inheritance, and benefits
- Use FCA-regulated providers and avoid anyone offering "quick solutions"

### **Optional: Build a small emergency buffer (if possible)**

- Aim to save a little each month-even £10 or £20
- Use a separate account to avoid spending it accidentally
- Use this fund only for real emergencies to avoid new debt

### **Final reminder:**

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You don't need to fix everything at once. Progress can be slow, but each step you take strengthens your financial footing in retirement.