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# Asking a lender for a debt write-off

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**Coercing a partner into debt is a common tactic that perpetrators of economic abuse use. They seek to create instability, and make it difficult for you to leave and rebuild your life. An abuser may have: forced you to take out credit; used credit in your name; or made you use your credit against your wishes. This may have left you with debts you can't repay.**

**There are a number of solutions to coerced debt that you can explore with a qualified debt adviser. These include explaining the circumstances to the lender and asking them to write off the debt. This is not a guaranteed solution, and it is important to speak to an adviser about all your options and the best option for you.**

## **Tackling coerced debt**

You are in debt to a lender (a **creditor**) if there is money owing on a credit agreement in your name. The credit agreement is a legal obligation to repay the debt.

If you have been coerced into taking out the credit agreement, or if the abuser's behaviour has forced you into spending more credit than you can afford, repaying the debt may feel extremely unfair. By working with a qualified debt adviser, you may be able to find a solution that is manageable for you and helps relieve the pressure of the debt.

Some people decide to ask the lender for a debt write-off. This is successful in a small number of cases, however there is no legal obligation on the lender to write off any money owed to them. Whether this is the right course of action for you will depend on your personal circumstances. If it is something you wish to pursue, it will help to do this with the support of a qualified debt adviser. You can discuss with them other

options, including debt management and insolvency. [We have resources on these topics](#), and on challenging the liability for coerced debt if this is something that you wish to consider.

**All debt solutions, including seeking a write-off, can have long-term consequences depending on your circumstances. If you wish to ask a lender to write off money you owe, it is advisable to do this with the support of a qualified debt adviser.**

**“I was already feeling vulnerable in my home life and worried about keeping myself and my children safe. But dealing with creditors chasing me for money amplified my anxiety of the whole world collapsing on top of me.”**

## Can a debt be written off?

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It is not easy to convince a lender to write off a debt that is owed to them. However, some people have successfully asked the lender to write off a debt by explaining the circumstances of the abuse. It is not always successful and the response you receive will vary from lender to lender. Some lenders may refuse while others agree.

Sometimes, a lender may be sympathetic to your situation. Others may need to be convinced that there is no hope of the money being repaid and so it is not worth pursuing the debt.

Requesting a debt write-off can be more difficult if you have assets, such as a property, in your name. When a debt adviser requests a write-off, they will usually send the lender an income and expenditure form to show that you don't have assets or surplus income. The lender may be less likely to agree to a debt write-off if you have money left over or assets.

**“I was so relieved when my debt advisor explained the situation to the creditor and they agreed to write it off. It's one less thing hanging over me while I start my new life. Before, I was constantly anxious about whether I would have enough money in my account to make the payments every month.”**

## Good practice guidelines

UK Finance has published a [Code of Practice](#) on how banks and building societies should respond to financial abuse. This includes recommending that firms provide support for customers with debt and arrears. It advises banks to respond to customers on a case-by-case basis and adapt usual processes where appropriate to help customers experiencing abuse.

These good practice guidelines place no legal obligation on lenders to write off any customer's debts. A decision on whether to write off a debt is at the lender's discretion.

## Mental health

The Money Advice Liaison Group gives guidance on how debt can have a negative impact on mental health. They have produced [Good Practice Awareness Guidelines](#) for helping consumers with mental health conditions and debt. The guidelines say that lenders should consider writing off debt when:

- the customer has a long-term mental health condition
- the condition is unlikely to improve
- it is unlikely that the customer would be able to repay their debts.

If you have experienced mental health difficulties, asking for a debt write-off on these grounds may be another option for you.

If coerced debt is affecting your mental health, a qualified debt adviser may suggest that you consider using the Debt and Mental Health Evidence Form. This is a short form that can be completed by health and social care professionals to confirm the effects of the debt on your mental health. It can help lenders understand your situation and assess what support they can offer.

## Before approaching a lender

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### Gather information about credit agreements in your name

The abuser may have taken out credit in your name without your knowledge, or may have withheld information about credit agreements in your name from you.

Information about your credit record is held by credit reference agencies, and you can request a copy of your credit report from them. The agencies may each hold different information, so you may wish to get a copy of your report from each of the three main credit reference agencies in the UK – [Experian](#), [Equifax](#) and [TransUnion](#).

As part of the UK Finance [Financial Abuse Code of Practice](#), all lenders are also advised to support people with information on accounts held with them.

### Speak to a qualified debt adviser

Before writing to a lender to ask for a debt write-off, speak to a qualified debt adviser and explain your circumstances to them. It is important to let them know the details of your situation along with as much information as you can about debts in your name, so that they can best advise you on all the options available. Details of organisations that can support you to find a qualified debt adviser are listed at the end of this resource.

## Writing to the lender

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Asking a lender for a write-off is not a guaranteed solution to debt. There is no formula for what to say to lead to a successful outcome, and the response you receive will vary from lender to lender. However, a qualified debt adviser can support you to draft a letter that shares the details of your circumstances so that the lender is aware of the situation and can make a decision.

In your letter, you may wish to include:

- **Details of your situation:** Your debt adviser can work with you on wording that explains the abuse you have experienced and how this has affected your economic position.
- **How the debt arose:** You may wish to include information about how the debt arose – whether the abuser forced you to take out a credit agreement or if this was done without your knowledge.
- **Evidence of your situation:** Some people include evidence of their situation, which may include: a letter from a GP or other health or social care professional; letters from any domestic abuse service supporting you; and crime report numbers or copies of injunctions. Discuss this further with your debt adviser.

**“My daughter thought that she may be entitled to have the debts written off. When she contacted the companies to explain the situation, though, they advised that because the debts are in her name it’s her responsibility to pay them off in full.”**

## The lender's reply

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If you receive a response from the lender, it is important to discuss this with your debt adviser and to speak to them about your next steps. There are a number of ways in which a lender may respond to a request for a debt write-off.

### Refusing to write off the debt

With your debt adviser, you may wish to reply to the lender to ask them to explain why they have refused to write off the debt, if they have not given reasons in their reply.

### Offering to fully write off the debt

In some cases, the lender may decide that, on the basis of the information you have provided, they are able to write off the debt that is owing on credit agreements in your name. It is important to keep any letters confirming that the lender has agreed to write off the debt. Check your letters with a debt adviser to be sure that this is what the lender is offering.

### Agreeing not to pursue the debt

The lender may agree not pursue you for the money owing, but this does not mean the debt is written off. Money is still owed and the debt may still appear on your credit file. If you receive a letter that states you will not be pursued for the amount owing, show the letter to your debt adviser and they can discuss this further with you.

## Not replying

If the lender does not reply to your request, this does not mean that the debt is written off. They could get back in touch with you to pursue the rest of the money owing at any time.

### Other things to consider in relation to the lender's reply

- Keep a copy of any letters you send to lenders and replies that you receive.
- If the lender follows up with a phonecall, ask them to respond in writing.
- If you are not happy with the lender's behaviour, make a note of the details as this may be helpful if you later decide to complain.

Remember that getting a debt written off can have a long-term effect on your credit rating. Lenders may record the write-off on your credit report using the terms 'settled' or 'partially settled'. This may affect your ability to get credit in the future. Before writing to a lender to ask for a debt to be written off, you should speak to a qualified debt adviser.

**“I had been putting off speaking to anyone as I didn't know how to approach these companies. But with the help of my debt advisor, I was successful in removing a contract in my name and the debt was written off in full.”**

## Other ways of tackling coerced debt

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Asking a creditor to write off your debts is successful in some cases and not in others. It is not right for everyone and it is important to speak to a qualified debt adviser about your circumstances and all your options.

Other debt solutions may be available, including challenging the liability of the credit agreement, a debt management plan or insolvency. [We have resources](#) on these topics. The right option for you will depend entirely on your circumstances, so advice from a qualified debt adviser is essential. Some organisations you may wish to contact for support are listed below.

Through the Economic Justice Project, SEA has been working to challenge debt that has been coerced. This includes working with domestic abuse and money/debt advice services, creditors and other financial services as well as influencing policy. [More details about this project](#) can be found on our website.

## Organisations that can help

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### Debt Advice Foundation

**W** [www.debtadvicefoundation.org](http://www.debtadvicefoundation.org)

**T** **0800 043 4050** (Mon–Fri, 8am–8pm; Sat, 9am–3pm)

Offers free, confidential advice and information on loans, credit and debt. Runs a debt advice helpline with qualified debt advisers.

### Money Advice Plus

**W** [www.moneyadviceplus.org.uk](http://www.moneyadviceplus.org.uk)

**T** **01273 664 000** (Mon–Fri, 9am–1pm & 2pm–5pm)

Offers specialist debt and benefit advice to people in financial difficulty. Works with SEA on the [Domestic and Economic Abuse Project](#).

### Money Advice Trust

**W** [www.moneyadvice Trust.org](http://www.moneyadvice Trust.org)

**T** **National Debtline 0808 808 4000**

(Mon–Fri, 9am–8pm; Sat, 9.30am–1pm)

**T** **Business Debtline 0800 197 6026**

(Mon–Fri, 9am–8pm)

Helps people tackle debts and manage money. Qualified debt advisers are available by phone, with fact sheets online.

### StepChange

**W** [www.stepchange.org](http://www.stepchange.org)

**T** **0800 138 1111** (Mon–Fri, 8am–8pm;

Sat, 8am–4pm)

Get expert debt advice, online or by phone, based on your situation. Recommends debt solutions and provides debt information online or by phone.

### Turn2us

**W** [www.turn2us.org](http://www.turn2us.org)

**T** **0808 802 2000** (Mon–Fri, 9am–5.30pm)

Helps people in financial hardship access benefits and grants. Website has a benefits calculator, grants search and a 'find an adviser' search. Also has its own grants scheme and a freephone helpline.

## Further support

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If you are experiencing economic abuse, you are not alone. We have more information that can support you to take steps towards safety and begin to regain control of your finances.

Visit [www.survivingeconomicabuse.org/resources](http://www.survivingeconomicabuse.org/resources) for information including:

- What is coerced debt?
- Separating your finances from the abuser
- Economic abuse and your credit report
- Challenging coerced debt

