

Getting a Debt Relief Order

 [gov.uk/government/publications/getting-a-debt-relief-order/getting-a-debt-relief-order](https://www.gov.uk/government/publications/getting-a-debt-relief-order/getting-a-debt-relief-order)

1. Overview

A Debt Relief Order (DRO) is a way of dealing with your debts if you can't afford to pay them. It means you don't have to pay certain kinds of debt for a specified period (usually 12 months).

At the end of the DRO period, the debts included in it will be written off ('discharged') and you won't have to pay them.

If you obtained any of your debts through fraud, you will have to restart paying them when the DRO has ended.

If your circumstances change so that you are able to pay some or all of your debts, your DRO may be revoked so you can arrange to pay your creditors (the people or companies you owe money to).

2. Applying for a DRO

You can only apply for a DRO through an 'approved intermediary'. This is an authorised debt adviser, who will make the application on your behalf. [Find a debt adviser](#).

The application is sent to an official receiver. This is an officer of the bankruptcy court, who will decide if a DRO should be granted.

2.1 Get help and information

Read the following:

- [the Citizens Advice guide to Debt Relief Orders](#)
- [the Money Advice Service's guide on options for writing off your debt](#)

You can also contact the [National Debtline](#) for advice on dealing with debts.

2.2 Eligibility

To be eligible for a DRO, you must meet these criteria:

- you owe £20,000 or less
- you have less than £50 to spend each month, after paying tax, national insurance and normal household expenses
- you've lived or worked in England or Wales in the last 3 years
- your assets aren't worth more than £1000 in total
- you've not had a DRO in the last 6 years

You won't be eligible if you are involved in bankruptcy proceedings or any other formal insolvency procedure. However, if one of your creditors has asked a court to make you bankrupt, you may ask the creditor for permission to apply for a DRO instead.

2.3 Applying

You can't apply for a DRO yourself; you have to ask an authorised debt adviser to do it for you. [Find a Debt Adviser](#).

Your debt adviser will help you complete the application and explain what information you must include. They will then send it to the official receiver.

You will have to tell the official receiver if, in the last 2 years, you have:

- paid some creditors but not others
- given away any of your assets or sold them for less than they were worth

These might lead to your application being refused.

2.4 Costs

The official receiver's fee is £90. This must be paid at the time of the application and won't be refunded once a decision has been made, even if you aren't granted a DRO.

The fee must be paid in cash. Some people are able to get a charity to pay their fee – your debt adviser can tell you more about this.

3. What happens next

Your debt adviser will send your application to the official receiver. This is the person who will decide whether to grant a DRO for you.

The official receiver must look into your financial affairs:

- before granting a DRO
- if your circumstances change during your DRO

You must give them any further information they ask for about your finances.

3.1 If your DRO is granted

The DRO will usually last for 12 months. The official receiver will:

- tell you the DRO has been made and explain the restrictions and duties that it imposes on you.
- tell all the creditors listed in the DRO that it has been made, and that they can't ask you to repay your debt to them

You must not make payments to any of the creditors listed in your DRO. If a creditor asks for payment, you must tell them about the DRO.

During your DRO period you must tell the official receiver about any money or assets you receive, or any increase in your regular income. If you are able to start paying off your debts the DRO may be revoked.

Your DRO is added to the [Individual Insolvency Register](#) – it's removed 3 months after the DRO ends.

4. Debts you will still have to pay

Some types of debt won't be covered by a DRO and you will still have to pay them.

These are:

- child maintenance, or anything you owe under family proceedings
- student loans
- budgeting and crisis loans from the Social Fund

- debts secured against an asset you own
- fines for drug offences
- damages or fines a court has ordered you to pay
- unpaid TV licence fees
- any debts you incur after the DRO is granted

If you run up new debts after the DRO is granted, you could face:

- a bankruptcy order
- prosecution, if you incurred a debt without telling the creditor about your DRO

You must also continue to pay any regular commitments like rent and bills.

5. Restrictions placed on you

While your DRO is in place you will have to follow some 'restrictions'. This means you can't:

- borrow more than £500 without telling the lender about your DRO – whether you're borrowing on your own or with someone else
- act as a director of a company
- create, manage or promote a company without the court's permission
- manage a business with a different name without telling anyone you do business with about your DRO
- apply for an overdraft without telling your bank or building society about your DRO
- write cheques that are likely to bounce

It's a criminal offence to break the restrictions - you may be prosecuted if you do so.

If you apply for a new account with a bank or building society, they may require you to tell them about the DRO. They then have the right to refuse your application or impose conditions and restrictions on the account.

You may not apply for another DRO for 6 years from the date your DRO was approved.

5.1 When the restrictions can be extended

If the official receiver finds that you have been dishonest about something related to your DRO; or you are to blame for your financial position, the restrictions listed above may be extended for 2 to 15 years. This extension is called a Debt Relief Restrictions Order. The receiver must apply to the court for one to be granted.

You can volunteer to continue with the restrictions without going to court. This is called a Debt Relief Restrictions Undertaking.

6. When the Debt Relief Order has finished

At the end of your DRO, the scheduled qualifying debts listed in it will be discharged and you won't have to pay them.

If you obtained any of your debts through fraud, you will have to restart paying them when the DRO has ended.

You can check the date your DRO ended online using the [Individual Insolvency Register](#).

6.1 Your credit record

Your DRO will usually stay on your credit reference file for 6 years from the date it was granted.

You may need to send the credit reference agencies a copy of an official document stating that your DRO has ended, if they don't update your file automatically after 6 years.

7. Find a debt adviser

The Money Advice Service has information about [where to get free debt advice](#). The following organisations can find an approved debt adviser to help you apply for a DRO.

[Find out about call charges](#)

The National Association of Citizens' Advice Bureaux (CAB)

Citizens Advice
3rd Floor North
200 Aldersgate Street
London
EC1A 4HD

Telephone: 0300 023 1231. Email: DRO@citizensadvice.org.uk. Website: <http://www.citizensadvice.org.uk>.

StepChange Debt Charity

Wade House
Merrion Centre
Leeds LS2 8NG

Telephone: 0800 138 1111. Contact: James Longford. Opening times: Monday to Friday: 8am to 8pm. Saturday: 9am to 3pm. Email: dro@stepchange.org. Website: <http://www.stepchange.org>.

Baines & Ernst Ltd

Lloyds House
18 -22 Lloyd Street
Manchester
M2 5BE

Telephone: 0845 307 5888. Contact: Jenny Butterworth (Insolvency Support Manager). Email: dro@bainesandernst.com. Website: <http://www.bainesandernst.co.uk>.

The Institute of Money Advisers (IMA)

4 Park Court
Park Cross Street
Leeds
LS1 2QH

Telephone: 0113 242 0048. Email: office@i-m-a.org.uk. Website: <http://www.i-m-a.org.uk>. (Please note: The IMA is a membership organisation and can't give advice directly to non-members from this office)

National Debtline

Tricorn House
51-53 Hagley Road

Edgbaston
Birmingham
B16 8TP

Telephone: 0808 808 4000 (Monday to Friday: 9am to 9pm. Saturday: 9.30am to 1pm). Contact: Adam Burgess.
Email: <https://www.nationaldebtline.org/EW/Pages/Email-us-for-Advice.aspx>. Website:
<https://www.nationaldebtline.org/EW/Pages/default.aspx>.

Payplan

Payplan Ltd.
Kempton House
Dysart Road
Grantham
Lincolnshire
NG31 7LE

Telephone: 0800 716 239 (Monday to Friday: 8am to 9pm. Saturday: 9am to 3pm). Contact: Juliana Mclean.
Email: dro.info@payplan.com. Website: <http://www.payplan.com>.

Insolvency Practitioners Association

Valiant House
4-10 Heneage Lane
London EC3A 5DQ

Telephone: 020 7623 5108. Contact: Andrew Kerr. Email: andrewk@ipa.uk.com. Website: <http://www.insolvency-practitioners.org.uk>.

AdviceUK

101E Universal House
88-94 Wentworth Street
London
E1 7SA

Telephone: 0300 777 0107. Contact: David Hawkes. Website: <http://www.adviceuk.org.uk>.

Shelter

5th Floor Furnival House
48 Furnival Gate
Sheffield
S1 4PQ

Telephone: 0344 515 1282. Website: <http://www.shelter.org.uk>.

Christians Against Poverty

Jubilee Mill,
North Street,
Bradford
BD1 4EW

Telephone: 0800 3280006 Contact: New client enquiries. Email: Info@capuk.org Website: <http://www.capuk.org>

All About Money

Think Park
Mosley Road
Trafford Park
Manchester
M17 1FQ

Telephone: 0800 027 5930. Contact: Melanie Taylor. Email: DRO@thinkmoney.com.

Debt Release Direct Ltd

Release House
Heap Brow
Bury
Lancashire
BL9 7JR

Telephone: 0161 762 7949. Contact: David Ascott-Jones. Email: david.ascottjones@debtreleasedirect.co.uk.
Website: <http://www.debtreleasedirect.co.uk>.