



# Debt

## AND HUNTINGTON'S DISEASE



Keeping on top of your **financial wellbeing** is important to your overall quality of life. Sometimes, there are **unexpected events** that need to be paid for that you might not have spare money to cover. This sometimes means that you will **borrow** money. This is often known as **debt** (or credit). Debt has to be **repaid** to the person or organisation that loaned the money to you originally, normally in monthly payments.

It's hard to live life completely debt free, but it's important to be clear about what you can manage to **repay** and be certain that you can manage the **monthly repayments**. Agreeing to **contracts** that you can't afford to pay can have a negative and long-lasting impact. You may have **extra fees** to pay, your items may be **repossessed** or it could impact your **credit score**.

## Good Debt vs Bad Debt

Some types of debt can be viewed as being **better to have** because they can help increase your wealth or income over time.

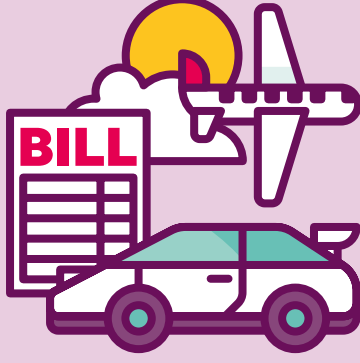
### Good Debt



Debt such as a **mortgage**, business or student **loan** might be beneficial in the long term as they can increase in value, or increase your earning potential (for example, the value of your house might increase).

Bad debt is when you borrow money that is **not affordable** to repay and offer no real investment for the future. For instance borrowing money to pay for luxury car or holiday and paying a high level of **interest** or struggling to meet the repayments.

### Bad Debt



If you are borrowing money to cover bills or to pay for existing debts then you should **seek advice**.

## Paying Back Debt

It's important to **figure out** which debts to **pay back first**.

Priority debts are things like rent, mortgage or gas & electric arrears as you could lose your home or an essential service. Paying for **bills** including council tax, phone & internet or income tax are also classed as a priority as the problems any arrears can cause are more serious.



When taking out debt over a **long period of time**, consideration should be given to whether the repayments can be made if the person with HD becomes more **unwell**, or has to give up work. It is also important to think about if these repayments can be made if someone else in the household has to give up their work to become a **carer**.



The Financial Wellbeing advisors can look at a range of different options to help resolve problem debt, including speaking on your behalf, to arrange a manageable repayment plan or in some circumstances ask for the debt to be written off.

The team can also provide guidance around affordable credit and planning for the future.

