



With debts of £4,000 and being unable to afford food, Citizens Advice Oxford helped this family with Breathing Space and a Debt Relief Order

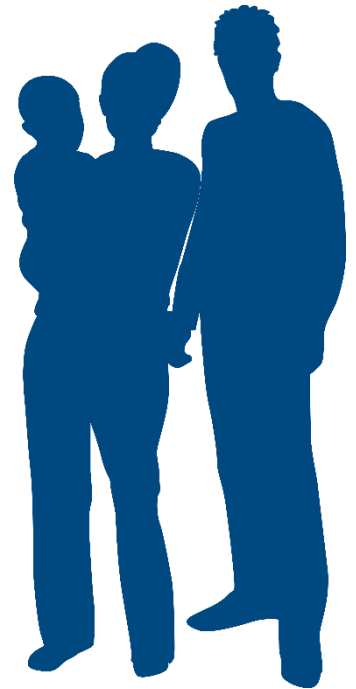
Situation

Our client is a 20 year-old single mother taking care of her 2 year-old daughter. She is a council tenant. She enquired about accessing a hardship voucher to support her with food and fuel bills.

She had a full-time job but had to reduce her hours to take care of her young son, as coronavirus restrictions meant her son is unable to access a nursery place. Her earnings have dropped by just under 50%. She is only able to work 3-4 hours per day when her ex-partner is able to look after their son.

She is claiming Universal Credit (UC) and had several debts including rent arrears, water arrears, council tax arrears and a couple of non-priority credit debts plus some debts to friends and family. Total debts amount to £4,000.

Debt repayments were making it impossible for her to pay for groceries and other necessities. When she claimed UC she had no bank account and had arranged for her UC to be paid into her ex-partner's account who paid it on to her.



How Citizens Advice Oxford helped

We felt having no bank account wasn't a satisfactory arrangement as it didn't give her adequate control of her finances and also would present a problem with her chosen option (a Debt Relief Order – a kind of 'mini-bankruptcy') so she arranged for her UC to be paid into her new bank account.

We put her into a new government scheme called 'Breathing Space' which provides people with up to two months to take stock and work out options without the pressure of debt repayments. Over a number of weeks, whilst in Breathing Space, we worked with her on the budget in order to get her finances back on track.

We then referred her to the Citizens Advice Debt Relief Order (DRO) Unit who processed the DRO and this was successful. She is now without the burden of debt which, whilst comparatively low compared with other people we help, would have nonetheless taken her many years to repay and sapped her resources, both financially and emotionally.

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