

Your creditors

Some of your creditors may still send you statements to show you how much of your debt is still outstanding. You don't need to worry about these. Some creditors have to send statements to comply with their legal duties under the Consumer Credit Act but you don't need to pay them anything.

The statements may show that interest is being applied to your debt. This is because your creditor doesn't have to stop your interest and charges even when your DRO has been approved.

This won't affect you as all the debts included in your DRO – including any interest added to them – are written off at the end of the 12 months period.

Some creditors may pass your debt to a collection agency during the DRO period. The collection agency that gets your debt may not be aware that you have a DRO.

The official receiver won't write to the new creditor to let them know you have a DRO. You'll need to let this new company know and you can do this by sending them a copy of your approval letter as proof. They could also check the Insolvency Register themselves, or they can ask the original creditor who would have been told about the DRO.

If a creditor doesn't accept your DRO has ended

If a creditor tries to collect a debt that was listed in your DRO after the DRO period has ended, you can challenge them and don't have to pay. Ask your DRO adviser for advice about this.

Exceptions to this are debts which are rent arrears or a debt where you have a controlled goods agreement with a bailiff. If you want to stay in your home or keep the belongings, you may still have to pay.

If a creditor won't accept or believe that your DRO has ended, send them a copy of your entry from the Insolvency Register, if you have one. If you don't have a copy and it is too late to print it off, ask your creditor to contact the Insolvency Service's DRO team. They will be able to confirm to your creditor that your DRO has ended and that they can't take any action against you over it.

[midlandheart.org.uk](https://www.midlandheart.org.uk)

midland
heart 

Debt Relief Orders

Further information

midland
heart 

A Debt Relief Order (DRO) is a way to deal with your debts if you don't own your home, don't have much spare income and your debts are no more than £20,000.

Notification that your DRO application is successful

If your DRO application is successful, the official receiver will:

- send you a notice to say that the DRO has been made and outlining all the duties and restrictions that will be imposed on you while it is in force
- send a notice of the DRO to each of the creditors owed a debt that the DRO covers
- add an entry to the Electronic Individual Insolvency Register (EIRR) showing your details and the fact that a DRO has been made against you

Payments you must keep making during the DRO period

- rent
- council tax
- gas and electricity bills
- water charges

You'll also need to keep paying off any debts that aren't included in the DRO.

Things you can't do during the DRO period

During the DRO period there are certain things you won't be able to do.

These are called restrictions and include:

- getting credit for £500 or more without telling the lender you have a DRO
- carrying on in a business under a different name from the one associated with the DRO, unless you tell everyone you do business with the name in which you got the DRO
- being involved with promoting, managing or setting up a limited company without permission from the court
- acting as a company director without permission from the court.

If you don't follow these restrictions you will be committing an offence. This could lead to you being fined or even sent to prison.

If the official receiver finds out you've broken any of the restrictions or have been dishonest in your application, they can also ask the court to make a debt relief restrictions order against you.

This would mean the restrictions could be extended for up to 15 more years. However, the DRO period will still end after 12 months and you won't usually have to pay off any of the debts included in the order, unless you got the debts through fraud.

If your circumstances change

If your circumstances change during the DRO period, you must tell the official receiver. These changes may include:

- wrong information on your application or if you missed out anything from the information you gave
- an increase in your income
- additional money or valuables that you acquire, such as money left in a will

If you fail to tell the official receiver of a change in circumstances like these, you will be committing an offence. This could lead to the DRO being taken away from you and would mean you would have to deal with your debt in a different way. It could also lead to a debt relief restrictions order made against you and could result in you being fined or even sent to prison.

You cannot add any new debts or debts that you forgot about to the DRO.

Notification of the end of DRO period

You won't receive any official notice or communication to tell you that the DRO period has ended.

If you can't remember when your DRO ends, you can check your entry in the Insolvency Register. This will show the end date of the DRO period.

Check your entry on the Insolvency Service's register at www.bis.gov.uk/insolvency.

If you want proof your DRO has ended

If you want to be able to prove that your DRO has ended, you can print off a copy of your entry in the Insolvency Register, which will show the end date of the DRO period.

You have three months to print off your copy of the entry after the DRO has ended. After this time, your entry will be removed.