

A consumer's Christmas: surviving the festive period without increasing the debt

For many people, Christmas is the time of year for eating, drinking, relaxing and spending money. The pressure to conform to the traditional consumer's Christmas can be too much for some, leading countless people into debt. Indeed, for people who are already in the red, Christmas can be the straw that breaks the camel's back and send many families on the road to ruin.

To combat debt, it's essential that sensible, practical decisions are made. And this includes at Christmas time. Rather than going all-out to buy expensive presents for the whole family, set a limit on the amount of money to spend on each other. And for the sake of one Christmas, it could even be agreed that nothing will be spent on each other, if the long-term goal is to get completely out of debt.

Of course, prudence isn't just for the festive period. To get firmly out of the red, a disciplined approach must be adhered to at all times, and there are many debt solutions available for those who are seeking help.

Bringing in an external debt management company to negotiate with all the various creditors, for example, can often be a good idea. They will usually agree a reduced, affordable amount on behalf of the debtor and will collect the one payment and distribute it among the creditors. Although some sort of fee will normally be involved here, it is a small price to pay if the desire is to ease the financial obligations in the long-term.

Then there are organisations such as Citizens Advice Bureau and the Consumer Credit Counselling Service (CCCS). The CCCS are a registered charity and subsequently don't charge for any of their services, be it immediate debt advice or broader budgeting guidance.

Another debt solution is an Individual Voluntary Agreement (IVA). This effectively involves coming to a formal arrangement with the creditors to make reduced payments towards the total debt amount, essentially meaning bankruptcy is avoided and is therefore more beneficial to all parties involved. Once a pre-determined percentage of the debt is paid-off, the debt is generally considered settled.

So, for most people Christmas is an expensive time of year at the best of times, without the added burden of an existing debt thrown into the equation. So it's imperative that a sensible attitude is taken towards spending to avoid compounding matters during the festive period. And there is numerous [debt solutions](#) available to assist in reducing debt and help debtors get back on their feet again.

About the Author

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