

Say Goodbye to Gambling Debt



Debt Guides

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There are many ways to build up a sizable amount of debt in the UK, but few are more destructive than compulsive gambling. While many people enjoy the occasional game of poker or trip to the casino, others have difficulty controlling the impulse to gamble and find they spend more and more time at the tables.

The introduction of online gambling exacerbated the gambling problem in the UK tenfold; now individuals can enter a casino from the comfort of home, gamble any time of the day or night, and run up large credit balances on their personal credit cards.

The Prevalence of Gambling Debt in the UK

According to a report published by the University of Salford last year, it may not be uncommon for problem gamblers to accumulate debt of £60,000 or more.

This study also showed that awareness of problems linked to gambling addictions was relatively low within the National Health Service, and that many doctors fail to recognize the signs of a gambling addiction in their patients. Because gambling is not always seen as a legitimate addiction, such as drug or alcohol dependency might be, the problem may not be addressed by professionals until the person is near financial ruin.

Other statistics suggest that as many as six million Brits may participate in online gambling each month, and that the average gambling debt today may be around £25,000.

If you find yourself gambling frequently, and you have significant amount of debt accrued as a result of your gambling habit, there is help available. The first step is to recognize the issue and take action against the addiction. Once you begin to get the gambling under control, you can start working on paying down the debt as well.

We have information you need to address both the gambling addiction and the debt that can result.

Is Gambling a Problem for You?

Responsible vs. Compulsive Gambling

Not everyone who indulges in the occasional game of poker can be classified as a problem gambler. However, as you begin to gamble more frequently, the line between an enjoyable activity and a potentially dangerous addiction becomes blurred.

According to GamCare, characteristics of a responsible gambler include:

- Using gambling money for a night of fun, rather than an investment
- Setting limits on the time and money you will spend on gambling
- Walking away from the tables while you are ahead

- Keeping gambling money separate from money for living expenses
- Gambling for fun – not to escape stress or boredom
- Continuing with daily activities without letting gambling interfere

Many people don't recognize they are headed down a slippery slope until it is too late to climb back up again. To help you determine if you are facing a compulsive problem, Gamblers Anonymous UK lists 20 questions to answer. Some of the factors these questions cover include:

- Gambling activity that gets in the way of your personal or professional life
- Feelings of guilt or remorse after gambling
- Using gambling as a means to obtain money for other debt or financial obligations
- A need to return to the gaming tables as soon as possible, whether you win or lose
- Gambling until there is no money left
- Borrowing money to continue gambling after your personal cash is gone
- Gambling to escape the negative realities of life
- Consideration of illegal acts or self-destructive behavior as a result of your gambling

People who recognize many of these factors in their own gambling habits may need to consider the fact that their gambling has become a problem.

The good news is that there are many places to go to for help for both the gambling addiction and the overwhelming debt that has resulted.

The Three Phases of Gambling

Most individuals who get into trouble with gambling do so in three phases:

- **The Winning Phase** – The feeling of winning a jackpot cannot be beat, both from a psychological and physiological standpoint, and the individual finds himself craving that feeling more and more. The gambler may fantasize about winning and place larger bets in hopes of winning larger jackpots.
- **The Losing Phase** – Losing money has a direct impact on the physiological functions of the body as well, including increased heartbeat and blood pressure, as well as a rise in adrenalin levels. The physiological response, combined with a deep-seeded need to win again, drives the gambler to continue betting in hopes of turning his luck around.
- **The Desperation Phase** – Desperation sets in when a gambler realizes his gambling habits have resulted in financial hardship. In an attempt to dig himself out of the hole, he will continue to gamble in hopes that the next big jackpot will set everything right once again. In this phase, the gambler often shirks work and family responsibilities to spend more time at the gaming tables. Continued losses may even send him into deep depression and thoughts of suicide.

Gambling Help

There are agencies committed to helping you overcome a gambling addiction, from addressing the gambling habit to dealing with the seemingly insurmountable debt that has resulted.

Two well known organizations for gambling assistance in the UK are Gamblers Anonymous UK and GamCare. Gamblers Anonymous UK is an organization of men and women dealing with gambling addiction. Those who have overcome their gambling problems work with individuals in the thick of their addictions to help them regain control over their lives.

GamCare is a registered charity and the national authority on all aspects of gambling and how it affects its participants. The organization offers assistance in the form of online and phone help lines, in addition to fact-to-face counseling services. GamCare is committed to educating the general public about the social implications of gambling, in addition to promoting a responsible approach to the activity.

The first step to dealing with a gambling addiction is to admit there is a problem. Unfortunately, many gamblers are not ready to make this admission until the gambling issue has spiraled out of control and they are facing potential financial ruin.

If you are dealing with a compulsive gambling habit, and you are unsure how you will pay back the obligations you accrued as a result of that habit, read on for debt management strategies that will move you back toward a state of financial health once again.

Dealing with Gambling Debt: 5 Steps to Financial Health

When you begin adding up the outstanding balances on credit cards and other loans you took out to support your gambling habit, the numbers may seem too overwhelming to contemplate. However, consider them you must, if you are to begin the task of paying off your obligations and moving toward sound financial help once again.

We have five steps to begin the road to healing from your gambling addiction and regaining control of your personal finances once again.

Step 1: Get Rid of Credit Cards

First and foremost, you will have to get rid of the credit cards that got you into trouble in the first place. While you are working to pay off your debts, you do not want to be accumulating additional balances that will simply prolong the time it takes you to get out of financial trouble. You may want to cut them or even freeze the cards in large blocks of ice to keep the nearby, but unusable without significant effort.

If you decide to seek professional help for your debt issues, the agency you work with may confiscate the cards as well.

Step 2: Make a List

The next step is to make a list of everything you owe. Include credit cards, personal loans and credit extended by casinos.

If you have drained savings accounts, including retirement and college savings, make a list of those balances also. Once your debt obligations are settled, you can work to replace lost funds in these accounts as well.

Categorize the list with the most expensive debts (those charging the highest interest rates) at the top, moving down to the least expensive at the bottom.

Step 3: Make a Plan

Once you know how much you owe, you can set up a payment plan for your debt. Begin by paying additional amounts monthly on the high-interest cards so they are paid off first.

Once you pay off the more expensive debt, you can begin working on the loans with the lower interest rates until every last bit of financial obligation is gone.

Step 4: Make a Budget

To ensure you have the money for your loan payments each month, begin living on a structured budget.

Make a list of all the expenses you incur each month, including rent, utilities, food and other costs. Categorize your spending into these basic categories, and determine where you can reduce spending. Add a category for savings, even if you are only able to set aside £5 a month at the beginning.

Set your budget based on how much you spend and the income you bring in each month. Update your financial records once or twice a week with the money you have spent or earned to ensure you are living within your budgetary guidelines.

Step 5: Get Help

If you find your debt obligations are simply more than you can handle, professional help is available. An Individual Voluntary Arrangement, also known as an IVA, can help many individuals get out of debt through affordable monthly payments.

IVAs are set up through a licensed insolvency practitioner and involve an agreement between you and all of your creditors to pay down your obligations in a single, affordable monthly payment.

In return for receipt of timely payments each month, your creditors may agree to cut interest charges and late payment fees, and even reduce the total amount of your account balance.

IVAs are set up for a period of 60 months, at which time all obligations in the arrangement are considered paid in full.

The primary drawback to an IVA is that it remains on your credit history for six years, which includes one year after the IVA is paid off. However, many companies view an IVA more favorably than a bankruptcy or other type of debt management plan, so an IVA may not hinder you from certain types of loans or employment.

It is important to consider options like an IVA before heading straight to bankruptcy court. While bankruptcy may seem like an easy out for those who have more debt than they can handle, bankruptcy can take much longer to recover from overall.

Seek professional financial advice when you are considering bankruptcy to see if options like an IVA or other type of debt management program would be a better choice for you.

Taking Action Today

Gambling addiction is a serious problem for many Brits today. If you are feeling overwhelmed with your financial situation as a result of your gambling habits, there are solutions.

The first step is to address your gambling problem and seek help in gaining control of your habit. Next, you can begin working toward an improved state of financial health by organizing your outstanding debts and working out a payment plan to pay them off. If you find the obligations are more than you can handle, professional financial help is available.

With time and effort, you can overcome your compulsive gambling habit and return to a state of positive financial health once and for all.

Further help and information

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British Association for Counselling and Psychotherapy (BACP)

Tel: 0870 443 5252 (Mon-Fri 8.45am-5pm)

E-mail: bacp@bacp.co.uk

Website: www.bacp.co.uk

Connexions Direct

Helpline: 0808 0013 219 (open 8am-2am every day)

Text: 07766 413 219 (open 8am-2am every day)

Website: www.connexions-direct.com

Gamblers Anonymous

020 7384 3040 (Open 24 hours every day)

08700 50 88 80 (Open 24 hours every day)

08700 50 88 81 (Open 24 hours every day – Scotland)

Website: www.gamblersanonymous.org.uk

Gambling Commission

Website: www.gamblingcommission.gov.uk

Gambling Therapy

Website: www.gamblingtherapy.org

Gamcare

Helpline: 0845 6000 133 (open 24/7 – calls charged at local rate)

E-mail: info@gamcare.org.uk

Website: www.gamcare.org.uk

Webpage: www.gamcare.org.uk/site.builder/young.html (for younger people)

GamAid

www.gamaid.com

Remember: You can always contact us for advice about any problems you are experiencing in dealing with your debts.

Free phone 0800 043 3329

Website www.iva.net

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