



Priority and Non Priority Debts

When you are in debt, some debts should always be paid first. It's important to understand what happens if you don't pay.

Priority debts	Non-priority debts
<p>Some debts are called priority debts because the consequences of not paying are serious. Priority debts should be dealt with before your non-priority debts.</p>	<p>Failing to pay non-priority debts is usually less serious than not paying a priority debt. However, your creditors (the people that you owe money to) may sue you for any money that you owe them. This could result in a county court judgement against you.</p>
<p>Priority debts include:</p>	<p>Non-priority debts include:</p>
<ul style="list-style-type: none"> • mortgage repayments and loans secured on your home • rent • gas and electricity debts • council tax • certain payments ordered by the courts • Child support and maintenance payments are also considered priority debts, as are payments for your TV licence. 	<ul style="list-style-type: none"> • credit card debts • hire purchase agreements (HP) • unsecured bank and payday loans (loans that are not secured against your property) • water bills • loans from friends and family • When a creditor gets a county court judgement against you, you must keep to the terms of the court order. If you don't, for example you fail to pay a certain amount each month, your creditor can go back to court and apply to enforce the debt
<p>There are consequences if you don't pay a priority debt. For example you could:</p>	<p>There are consequences if you don't pay non priority debt. For example:</p>
<ul style="list-style-type: none"> • lose your home through mortgage or rent arrears • have your gas or electricity supply cut off, or have to accept an expensive pre- 	<p>Depending on the amount of the debt and your circumstances, your creditors could ask the court to send bailiffs to</p>



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<p>payment meter instead</p> <ul style="list-style-type: none">• lose belongings on hire purchase such as a car, furniture or other goods• You could go to prison if you don't pay your council tax, TV licence, taxes or magistrates court fines.	<p>seize your non-essential goods, or make you bankrupt. If you are a homeowner, this could result in you losing your home.</p>
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Read [more about where to get help with debts](#).