

# ADMINISTRATION ORDER

Find out more about how an Administration Order works and which debts you can use it for. You should then talk to a free debt specialist about whether it's the best way to pay off or clear your debts.

## Speak to a free debt adviser

A debt adviser will:

- treat everything you say in confidence
- never judge you or make you feel bad about your situation
- suggest ways of dealing with debts that you might not know about
- check you've applied for all the benefits and entitlements available to you.

Three quarters of people who get debt advice feel more in control of their finances afterwards.

## How an Administration Order works

An Administration Order is a formal, legally binding agreement between you and your creditors to repay your debts over a period of time.

You can apply to the County Court for an Administration Order if:

- you have at least one County Court Judgment or Higher Court Judgment against you
- you want to stop the people you owe money to (your creditors) from taking further action against you.

A judge will decide whether to grant an Administration Order. Depending on the situation, the judge might ask you to go to a court hearing. If the Administration Order is agreed, all your debts are dealt with together.

You make regular monthly payments to the court for the full amount you owe to all your creditors. The court then distributes the money between them.

Your creditors aren't allowed to get in touch with you without the court's permission. The court will include fees for each repayment, but this cannot be more than 10% of the total amount you owe.

## Can I apply for an Administration Order?

You might be able to apply to County Court for an Administration Order if you:

- have at least two debts
- owe under £5,000 in total
- have at least one debt that is a County Court Judgment or Higher Court Judgment against you
- can afford to make regular payments towards your debts – this can be as little as £1 per debt.

## What is a Composition Order?

If it's unlikely you'll be able to pay the debt in full within a reasonable time, the court might agree to grant a Composition Order.

This Order allows you to pay back part of what you owe and the rest of your debt is written off.

## Free Debt Advice

Visit the Gov.UK website [here](#) to find free debt advice. It is important you seek independent advice from a debt adviser before considering any debt management solution, including an administration/composition order.

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