

# Problem of Gambling and Effect on Family Life



The Gambling Commission has released a report that shows that the UK has over 250,000 [problem gamblers](#). The figure currently represents about 0.6 percent of the adult population. What this figure fails to show is the crippling effect a gambling addiction has on family life.

It is also arguable whether the figures are an accurate reflection of the scale of problem gambling. Most Internet gambling is a hidden phenomenon and many don't want to admit that they have a gambling addiction. That is why Gamblers Anonymous always tells the afflicted that admitting there is a problem is the first step towards recovery.

## The Financial Impact of Problem Gambling

The craving to bet results in monetary shortages in other vital areas. Lending a problem gambler money only serves to exacerbate problems. Financial issues become a way of life for the problem gambler. Official government figures indicate the average gambling debt was over £23,000 in 2004.

No debt solution will have any long-term benefit on gambling debt until action is taken to stop it. A secured loan to pay off credit card debt will soon result in multiple credit cards being maxed out and a new loan. It only serves to free up

fresh money to bet with. The only way to overcome the problem is to stop gambling completely.

## **Resolving Gambling Debt Problems**

Using personal bankruptcy to resolve gambling debts is no longer a good solution due to the Enterprise Act 2002. A Bankruptcy Restriction Order (BRO) could result in the bankrupt being held financially accountable for up to 15 years.

Once the gambling addiction has come to terms with, consider an Individual Voluntary Arrangement (IVA) or a Debt Management Plan. The first priority is overcoming the gambling problem as no debt solution will be of assistance until the root cause of the problem has been overcome.

## **The Effect of a Gambling Addiction on Children and the Family**

Many partners of problem gamblers report being married to a Jekyll and Hyde character. The swings in gambling fortunes have a terrible effect on the compulsive gambler's mood. Until the problem is tackled, verbal and physical abuse, as well as monetary shortages, only tends to get worse.

Partners talk to their friends who paint a terrible picture of that person, leading to divorce and family breakdown. Sometimes lasting, long-term mental and psychological damage is done to the partner. Whilst many understand the plight of living with an alcoholic, few genuinely understand what it is like to live with a problem gambler.

The Connecticut Council on Problem Gambling found that 35% of adult problem gamblers have children under the age of 18 living at home. If a parent develops a gambling problem it will have a serious impact on the entire family and anyone who

cares enough to help.

Problem gambling has a terrible effect on family life and it is important to get gambling addiction help from either Gamcare or Gamblers Anonymous. Take a note that not to hit rock bottom before admitting that a problem exists as the sooner it is tackled the easier gambling debt problems are to overcome.

## **The Best Debt Solution for Gambling Debts**

The gambling turnover in the UK has now reached £50 billion, representing an increase of 700% since 2001. The number of people that gamble has also increased meaning that gambling debts have grown dramatically because of increasing gambling losses.

There are several suitable debt solutions that could be utilized to negotiate gambling losses, including debt management plans, personal bankruptcy and Individual Voluntary Arrangements or IVAs. It's important that those with gambling debts seek counseling and assistance from Gamblers Anonymous (GA) before proceeding with a debt solution.

## **Why Personal Bankruptcy is Not the Right Debt Solution for Gambling Debts**

Surprisingly, personal bankruptcy and gambling debts are a recipe for financial disaster. Since the Enterprise Act 2002, gambling losses constitute a bankruptcy offense. Those that have lost money from speculative activity face a Bankruptcy Restriction Order (BRO) meaning they may not be discharged from personal debts for up to 15 years.

## **Dealing with Gambling Debts up to £15,000 with a Debt Management Plan**

A debt management plan is an excellent way of dealing with more modest levels of gambling debt. Debt management plans set by websites like [toponlinecasino.com.ph](http://toponlinecasino.com.ph) are a completely voluntary arrangement between a debtor and his creditors. It involves making a minimum monthly contribution of £100 to an intermediary who disseminates this to creditors on a pro-rata basis.

Unlike with an Individual Voluntary Arrangement, there is no debt write-off. However, a debt management plan can result in further interest and charges being frozen. It also helps prevent creditor harassment. The downside to debt management plans is that management charges amount to 15% of contributions and it can take a long time to fully clear gambling debts.

## **Negotiating Serious Gambling Debts with an Individual Voluntary Arrangement**

Unlike a debt management plan, an Individual Voluntary Arrangement or IVA is a legally binding debt solution. There is a requirement that 75% of creditors, in terms of value, vote in favor of the IVA. An Individual Voluntary Arrangement allows someone with gambling losses to write off up to 75% of gambling debt.

Most people choose an IVA over personal bankruptcy because it doesn't result in the loss of the family home. However, many tenants choose an Individual Voluntary Arrangement over personal bankruptcy because of the limitations imposed by the Bankruptcy Restriction Order (BRO).

Once 60 monthly payments have been made, the remaining gambling debt is written off by default. Whilst an IVA is a debt solution for serious financial difficulties, it won't show on a personal credit report once 6 years have elapsed. This six-year period starts from the initial payment.

Since the average UK gambling debt has now risen to £25,000, an Individual Voluntary Arrangement is generally the preferred option. However, no debt solution will be effective until the gambling addiction is under control. Always seek help from professionals or a reliable website before proceeding with a debt solution.