

Information sheet

No.001

High-cost short-term loans

Failing to repay on time

Think carefully - rolling over or extending your loan may not be the best option and may make things worse

Don't ignore the problem.

- **Work out how much money you owe.** To do this, you will need to make a list of all the organisations you owe money to. A debt adviser can help you.
- **Contact the organisations you owe money to.** Let them know you are having problems. They may be able to discuss options for paying back what you owe.
- **Get free help and advice.** Your rights and options depend on the type of agreement, and the law can be complex. You can get free independent help and advice from a number of organisations – see over for details.
- **Put priority debts first.** Some debts are more urgent than others because the consequences of not paying them can be more serious than for other debts, for example, mortgage, rent, council tax/ rates, or gas or electricity arrears. A debt adviser can help you to budget to keep your finances under control.
- **Think carefully before borrowing more.** Borrowing more money is likely to worsen your situation.

Discuss options with your lender.

If you are having trouble paying back on time talk to your lender who can suggest ways to repay and make sure it is affordable for you.

If you don't, you may quickly face increased costs from interest or charges. Missed payments could affect your credit rating and make it more difficult to get credit in future.

Get free help and advice

People that access advice resolve their issues more quickly than those that don't and hundreds of thousands get free debt advice every year. Contact one of these organisations for free debt advice. (Please see the list on the next page)

See over for details of where to get help and advice.

Help and advice

You can contact the following not-for-profit organisations for free, confidential and impartial debt advice, or for details of where to get such advice in your area.

Money Advice Service

For free, unbiased and easy-to-access money tools, information and advice, visit www.moneyadviceservice.org.uk or phone **0300 500 5000** to speak to a Money Adviser

Money Advice Scotland

If you live in Scotland, phone **0141 572 0237** or visit www.moneyadvicescotland.org.uk to find contact details for debt advice in your local area

Advice NI – Debt Action NI service

If you live in Northern Ireland, phone **0800 917 4607**, email debt@adviceni.net or visit www.debtaction-ni.net for debt advice

AdviceUK

Member centres offer debt advice including specialist advice for minority communities and people with disabilities – www.adviceuk.org.uk or phone **0300 777 0107**

Christians Against Poverty (CAP)

For free debt advice in your home, check post code coverage at www.capuk.org then call **0800 328 0006**

Citizens Advice

For advice and information on debt and other topics, visit your local Citizens Advice Bureau (address in the phone book) or go to www.adviceguide.org.uk

National Debtline

If you live in England, Wales or Scotland phone **0808 808 4000** or visit www.nationaldebtline.org for debt advice and information

StepChange Debt Charity

For debt advice throughout the UK phone **0800 138 1111** or visit www.stepchange.org

Other useful organisations

Civil Legal Advice

You may get legal aid if your home is at risk. Check at www.gov.uk/legal-aid or phone **0845 345 4345**

Financial Ombudsman Service

If you have a complaint that you can't resolve with your lender, the Financial Ombudsman Service may be able to help – phone **0300 123 9123** or **0800 023 4567** or visit www.financial-ombudsman.org.uk