Information sheet No.004

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 could make things worse.

Don’t ignore the problem

- **Think carefully before borrowing more.** Borrowing more money is likely to worsen your situation.
- **Work out how much you owe.** To do this, you will need to make a list of all those you owe money to. A debt adviser can help you.
- **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.

Discuss options with your peer to peer lending platform (P2P platform)

- If you are having trouble paying back on time talk to your P2P platform 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 also affect your credit rating and make it more difficult to get credit in the 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.

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 **0345 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**