4. Newsletter - What if I cannot pay my Bills 



**What if I cannot PAY MY BILLS and who can HELP**

The golden rule is: if you think you can’t cover your costs each month **ask for help AS SOON as you can**

Don’t leave it till you’re problem becomes an unmanageable DEBT

There’s no shame in it particularly at the moment when most people are in the same boat!

**What CAN I do if I cannot pay any incoming costs or bills ?**

Check this guide out from [**Citizens Advice**](https://www.citizensadvice.org.uk/debt-and-money/if-you-cant-pay-your-bills-because-of-coronavirus/) lots of really useful advice

**What are my banks and credit card companies DOING to help ?**

The first £500 of authorised overdrafts can be interest-free for 3months (for overdrafts under £500, the entire balance will be interest-free).

Those with accounts that have an overdraft facility, who are struggling due to coronavirus, should be able to request one of these 0% overdrafts, subject to a credit score.

To be fair, many banks were offering some easing anyway, but this deletes the ‘lottery’ element. After all, no one chose a bank based on how well they’d behave in this never-imagined crisis

Please check what your bank is doing. Many have sent texts to inform us of their policies during this time.

**What are your credit cards, store cards, personal loans and catalogues doing ?**

They all must offer a payment holiday

The FCA also proposes that all lenders will be expected to move towards offering payment holidays of up to 3mths on personal loans, credit cards and catalogue debts – so if you can’t pay, you won’t need to. **Don’t just stop payment though – you need to agree with them**

Once done, these payments aren’t allowed to hurt your creditworthiness, nor can there

be any penalties or charges if you do, you can’t lose a 0% deal either.

***-Is it worth taking a payment holiday?***

Yes if you have an emergency cash flow need, no if not. That’s especially true if the interest rate is high, as it’ll still rack up during the payment holiday, and as you’re not making repayments it can be hefty. So only do this if you need it.

***- Does this apply to car finance, payday loans & other short-term credit too?***

No, although I hear at least with car finance, the regulator is likely to make an announcement soon, though lenders are already required to show forbearance to customers, so watch out for more information on our twitter and facebook pages

**Where should I go if I cannot manage my DEBT**

IF you are in debt and are struggling to repay and are worried about paying it back- PLEASE **SEEK HELP** and **NEVER** pay for debt advice you can always get free,confidential, impartial help.

Our favourite **Better Off Sandwell** [**https://sandwell.betteroff.org.uk/#/advice/debt**](https://sandwell.betteroff.org.uk/#/advice/debt)

For Sandwell residents you can speak to one of our experienced advisers or use our web chat [**Citizens Advice Sandwell**](https://citizensadvicesandwell.org.uk/)

**Citizens Advice**- you can check on **our** [**website**](https://www.citizensadvice.org.uk/debt-and-money/help-with-debt/) on how to start dealing with your debts and advise on dealing with the URGENT ones.

Martin Lewis [**Money Saving Expert**](https://www.moneysavingexpert.com/loans/debt-help-plan/) guide on dealing with debt and a useful site if you feel you want to start the process yourself.

The **Money Advice Service** has a [**Debt Advice Locator**](https://www.moneyadviceservice.org.uk/en/tools/debt-advice-locator) tool to find local advice centres.

[**Stepchange**](https://www.stepchange.org/) 0800 138 1111 or online

[**National DebtLine**](https://tools.nationaldebtline.org/dat-reg) 0808 808 4000 or online

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Janet Mylchreest - APRIL 2020