

COST OF LIVING FINANCE SURVIVAL KIT



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The UK is in the middle of a cost of living crisis. Prices are rising at rates we have not seen since the 1970s – energy, broadband, water, food, fuel and much more. As people struggle to cope with rising prices, there may be pressure to decide what to spend money on – eating or heating – or some will look at borrowing money and this could spiral into more and more debt. There will also be illegal moneylenders who will take this opportunity to target vulnerable people and offer loans that are often presented as a quick and easy fix, but the reality is that this is a type of control that can destroy lives and cause more debt. There are lots of other alternative legitimate organisations who can help. Your current financial services should be able to assist you.

WHAT YOUR EXISTING FINANCIAL SERVICES CAN DO

BANKING AND BORROWING

Managing a bank account is one of the things many people overlook when it comes to their money.

Making sure you have the right one can save you money and help you keep track of things so you are more in control.

There are different types of accounts and costs – and it pays to get to grips

with the accounts that are best for you.

You can also find out how to make the most of banking services, including managing your money online and deal with any problems. Money Helper - moneyhelper.org.uk/en/everyday-money/banking – can help with everyday banking.

BANKING OPTIONS FOR PEOPLE IN DEBT

When you are in debt, it is important to know what banking options are available to make sure your money is safe and you can prioritise your household bills over your unsecured debts.

If you have got debts with the same bank that your current account is with, you can speak with your bank to find out what your options are.

They may be able to:

- separate any overdrafts from your existing account
- set up a new 'clean' basic bank account for you
- help you to reduce your overdraft at an affordable rate and in line with your other debts

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CREDIT UNIONS. WHAT ARE THEY AND HOW DO THEY WORK?

Credit Unions are becoming more and more popular as an alternative to the high street banks and expensive payday loans.

The main difference between a high street bank and a Credit Union is that a Credit Union is a co-operative financial institution. This means that the people who use the Credit Union have a say in how it operates rather than this being left to shareholders to decide.

There are lots of reasons why people are choosing Credit Unions over banks but here are a few of the main ones:

- Having a poor credit rating or having difficulties opening an account with a high street bank
- Supporting a local cooperative that doesn't make a profit for shareholders
- Having the flexibility to save what they can, when they want to

Credit Unions may be more willing to help people on a low income or who do not have a previous record of borrowing and they provide an alternative to payday loans.

Credit Unions have three main aims:

- To provide loans at low interest rates
- To encourage all members to save regularly
- To help members in need of financial advice and help

You will need to be a member of a Credit Union before you can get a loan from

them, and some will require you to build up some savings first.

To find out whether your local Credit Union might be able to help you, find a one near you, and get in touch with them.

Please see details below or visit - creditunion.ie/credit-union-locator/ or ufcu.co.uk/credit-unions.html

CREDIT UNIONS

Armagh Credit Union Limited

3 Russell Street, Armagh BT61 9AA

Contact Details

Email: info@armaghcu.com

Web: armaghcu.com

Tel: 028 3752 3681

Keady Credit Union Limited

20 Main Street, Keady, Armagh, BT603SU

Contact Details

Email: info@keadycu.com

Web: keadycu.com

Phone: 028 3753 1752

Orchard Credit Union Ltd

1 Victoria St, Armagh BT61 9DS

Contact Details

Tel: 028 3752 4506

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Banbridge Credit Union Limited

16 Townsend Street, Banbridge,
Co.Down, BT32 3LF

Contact Details

Email:

manager@banbridgecreditunion.co.uk

Web: banbridgecreditunion.co.uk

Tel: 028 4062 8360

Rathfriland Credit Union Ltd

Rathfriland Orange Hall, 53 Newry St,
Rathfriland, BT34 5PZ

Contact Details

Email:

RathfrilandCreditUnion@hotmail.com

Stramore Community Credit Union Ltd

45 Stramore Road, Gilford, Co Down,
BT63 6HA

Contact Details

Email: Stramorecu@outlook.com

Tel: 07738 174656

T.P.M. Credit Union Limited

7 - 11 Gilford Street, Tandragee,
Co. Armagh, BT62 2DA

Contact Details

Email: info@tpmcreditunion.co.uk

Web: tpmcreditunion.co.uk

Tel: 028 3884 9994

Britannia Credit Union Ltd

Gardiner Motors Complex, 26 Acre Road,
Magheralin, Co Armagh, BT67 0RL

Contact Details

Open every Saturday 10am-12pm

Brownlow Credit Union

48 Union St, Lurgan, Craigavon BT66 8EB

Contact Details

Tel: 028 3834 9716

Lurgan Credit Union Limited

40 Church Place, Lurgan, Co.Armagh,
BT66 6EU

Contact Details

Email: loans@lurgancu.com

Web: lurgancu.com

Tel: 028 38 32 5016

Portadown Credit Union Limited

26 Market Street, Portadown,
Co. Armagh, BT62 3LD

Contact Details

Email: info@portadowncu.com

Web: portadowncu.com

Tel: 028 3833 5104

Tullylish Office

45 Dunbarton St, Gilford, BT63 6HJ

Contact Details

Tel: 028 3883 2900

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POST OFFICE

Your local post office can also help with banking and personal finance, visit [postoffice.co.uk/banking-and-bills](https://www.postoffice.co.uk/banking-and-bills)

I AM STRUGGLING TO MAKE ENDS MEET

If your financial situation is a constant worry, there is help available with budgeting, benefits, housing, debt and other advice to help you manage your money better.

Many of us struggle to make ends meet from time-to-time but, if you are constantly struggling with your finances, it is important to be proactive and seek advice and guidance early – before debt becomes an issue.

THE CONSUMER COUNCIL

The Consumer Council has a free online budgeting tool - [budgettool.consumercouncil.org.uk/](https://www.budgettool.consumercouncil.org.uk/), which can assist with reviewing your current spending and identifying areas where you might be able to save money.

There is also a free downloadable budgeting planner - [consumercouncil.org.uk/home-budget-planner](https://www.consumercouncil.org.uk/home-budget-planner) if you prefer to review your spending on paper or you can call on 0800 121 6022 to request a printed copy.

ADVICE NI

The Advice NI Welfare Reform Support Project provides free help and advice on welfare reform issues including Disability Living Allowance, Personal Independence Payment, Employment and Support Allowance, Housing Benefit and Universal Credit. You can call the Freephone 0800 915 4604 or email advice@adviceni.net

Advice NI provides a free, confidential tax and benefit service, which offers advice and support on issues relating to HMRC products and services, including, Tax Credits, Child Benefit, Self-Assessment, PAYE, Taxes (direct/indirect), National Insurance Contributions and National Minimum Wage. You can contact the Freephone 0800 915 4604 or email advice@adviceni.net

Advice NI's Money Talks [adviceni.net/money-talks](https://www.adviceni.net/money-talks) is a money and debt online resource hub specifically tailored for people living in Northern Ireland. The site provides tools such as benefits calculators and detailed guides on money and debt including debt management and bankruptcy.

Advice NI also offer a money and debt service which operates via a regional helpline 0800 915 4604 and across all local council areas face to face.

There are 3 local Advice NI centres in the Borough which offer residents free, independent, confidential, and impartial advice, advocacy, and information:

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Community Advice Armagh

9 McCrum's Court, Armagh, Co. Armagh,
BT61 7RS

Contact Details

Tel: 028 3752 4041

Email: Donna.Morris@communityadvicearmagh.com

Open Monday – Friday, 9.30am-3.30pm

Community Advice Craigavon

Lurgan Office, Mount Zion House,
Edward Street, Lurgan, Co. Armagh,
BT66 6BD

Contact Details

Tel: 028 3836 1181

Email: enquiry@advicecraigavon.com

Open Monday-Thursday, 9am-5pm and
Friday, 9am-4pm

Portadown Office

Portadown Health Centre, Tavanagh
Avenue, Portadown, Co. Armagh,
BT62 3BU

Contact Details

Tel: 028 3836 1181

Email: enquiry@advicecraigavon.com

Open Monday-Thursday, 9am-5pm and
Friday, 9am-4pm

NI DIRECT'S MAKE THE CALL

It is also worth checking that you are availing of all of the benefits to which you might be entitled and there is a free

government helpline, Make the Call on 0800 232 1271 which can advise in this area or visit nidirect.gov.uk/makethecall

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I AM STRUGGLING WITH EXISTING DEBT

If you already have debt that you are worried about, there are debt advice agencies who can advise and provide you with options to help deal with your debt.

Debt is a burden that causes stress and anxiety for many people and persistent debt can have a long-term negative impact on mental health. Many people find debt to be a difficult topic to address but debt advice experts all

agree that ignoring it really is the worst possible option.

Advice NI also provides advice on existing debt through the money and debt service which operates via a regional helpline 0800 915 4604 or via email advice@adviceni.net and across all local council areas face to face. For further information, visit adviceni.net/money-debt

CHRISTIANS AGAINST POVERTY

Christians Against Poverty (CAP) provides expert debt advice to the public regardless of age, gender, faith or background. CAP has a Freephone hotline on 0800 328 0006. Once an appointment is made, support is provided by a local debt coach.

Most appointments are still happening over the phone, but some centres are now offering face to face appointments again, in accordance with local guidelines. Please speak to your debt coach if you have any questions about your appointment.

MONEY HELPERS

Money Helpers is a UK government-backed independent advice service. They provide a wide range of resources

on their website but also offer free, unbiased money advice via a Freephone helpline on 0800 011 3797.

SAINT VINCENT DE PAUL

Saint Vincent de Paul offers a confidential, person-centred, non-judgemental service to individuals and families. Home visitation is the

cornerstone of their work and visits can be arranged via their website svp.ie/requesthelp or by calling its office on 028 9035 1561.

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I FEEL I HAVE NO OPTION BUT TO BORROW MONEY

If you feel you have no option but to borrow money, there may be more

alternatives than you realise – even if you have a poor credit history.

WHAT TO CONSIDER WHEN TAKING A SHORT-TERM LOAN

If you are facing circumstances where you feel that a short-term loan is the only option available to you, then it is worth considering all of the alternatives. The Money Helpers - [moneyhelper.org.uk/en/money-troubles/dealing-with-debt](https://www.moneyhelper.org.uk/en/money-troubles/dealing-with-debt) - can help by providing information on the different types of borrowing. It is essential that you consider all of your options before making any decisions.

You should only ever consider borrowing from a licensed and authorised lender. Informal or illegal lenders operate in many areas and prey on people who believe they have no alternative but to

borrow from them because of a bad credit history or because they are on low income or benefits.

When you need to borrow smaller amounts for a short period of time, door-step lenders or “pay day loan” companies may often seem like your only other option but there are alternative lenders out there which you might consider.

Remember, all lenders will charge you interest to borrow money, so it is important to find the best option for you and to understand all of the terms and conditions.

CREDIT UNIONS

The Credit Union movement in Northern Ireland is well established and there may well be a Credit Union in your local area.

Further information on Credit Unions can be found in the Credit Union section of this leaflet.

SCOTCASH

Scotcash is a not-for-profit social enterprise offering loans as an alternative to home credit, payday lenders and rent-to-own retailers.

Although they are based in Glasgow, their services are open to anyone living in the United Kingdom - [scotcash.net/](https://www.scotcash.net/)

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WHAT TO AVOID IF YOU ARE STRUGGLING WITH FINANCIAL ISSUES

PAYDAY LOANS

WHAT IS A PAYDAY LOAN?

Payday loans are short-term loans, designed to help people cope with small, unplanned expenses. They typically range from £50 to £1,000. Payday loans can be relatively easy to get, but their interest rates tend to be much higher than other forms of credit – it is not uncommon for them to have an annual

percentage rate (APR) of 1,500%. You will usually pay off a payday loan the next time you get your salary, although some lenders allow more flexibility. The payment is often taken out by direct debit, so it is important to have enough funds in place – charges for missed payments can build up very quickly.

WHO CAN GET A PAYDAY LOAN?

Anyone over 18 can apply for a payday loan. However, whether you are approved depends on your credit history and other financial information, as well as the payday company's own criteria.

The lower your credit score is, the less

likely you are to be approved. There are some companies that specialise in 'bad credit' payday loans, meaning they may accept you even if your score is low. However, you may have to pay even higher interest fees as a result.

WHAT ARE THE RISKS OF PAYDAY LOANS?

One of the biggest risks is getting trapped in a cycle of debt – for example, borrowing money because you're short on funds, then being short on funds again because you're paying back a loan plus a lot of interest.

Payday loans can hit you with fees for not repaying them on time or in full. These fees are capped by the Financial Conduct Authority (FCA) at £15 plus interest on the amount you borrowed. But considering how high rates are on payday loans – often around 1,500% APR – being unable to repay it can get very expensive.

Remember, interest is calculated as a percentage of the amount you borrow,

and it is usually charged daily for payday loans. So the larger your loan, and the longer you have it for, the more interest you will pay.

Getting a payday loan should never be taken lightly. If you are already in debt, or you are not 100% sure you can afford to pay it back, then it is probably a bad idea.

Because of the high rates and risk involved in getting a payday loan, it is generally not worth it for something that can be delayed, or to buy something you do not really need. If this is the case, it may be better to save up, borrow from friends or family, or look for a cheaper form of credit.

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CREDIT CARDS

WHAT CAN I USE A CREDIT CARD FOR?

You can use your credit card to pay for goods and services. With a credit card, you are promising your card provider that you will repay the money you owe at a future date, usually with interest on top.

When used responsibly, credit cards can be used to build your credit score. A strong credit rating will be a gateway to better interest rates and easier approval for loans, such as a mortgage.

WHAT ARE THE DISADVANTAGES OF CREDIT CARDS?

Getting a credit card can come with pitfalls and drawbacks. Some of the risks you should be aware of include:

Getting trapped in debt. If you cannot pay back what you borrow, your debts can pile up quickly. If you have bad credit, you could get hit with high interest rates – and once you're in spiralling debt, it can be difficult to pay it all off

Damaging your credit. Your credit score can go down as well as up. Miss a payment on your card or allow debt to stack up and this can damage your credit rating. This can make it harder to get credit in the future

Extra fees. The interest rate is not the only number you need to look out for

when choosing a credit card – there may be extra charges too. Your provider could impose fees if you miss a payment or go over your credit limit, which is bad news if you are already in the red. Some credit cards might have a monthly or annual fee, and many balance transfer cards charge a fee to switch a balance. Check the APR to get an idea of the overall cost of a card

Limited use. Credit card providers might charge you extra for things that are free with a debit card, such as withdrawing cash from an atm or buying things overseas

ARE CREDIT CARDS SAFE?

If your credit card is used fraudulently, you can usually claim your money back – just make sure you do your best to keep it secure.

Provided you alert your card provider immediately to the fraud it should be able to freeze the account and card – and you won't be liable for any of the spending or interest on the debt.

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I AM WORRIED ABOUT ILLEGAL MONEYLENDERS

If you are a victim of a moneylender or know of any illegal loans within your community, contact the Police Service of Northern Ireland (PSNI) on 101 or psni.police.uk/report or Crimestoppers on 0800 555 111 or [crimestoppers-uk.org/give-information/forms/give-](https://crimestoppers-uk.org/give-information/forms/give-information-anonymously)

[information-anonymously](https://crimestoppers-uk.org/give-information/forms/give-information-anonymously)

DO NOT use moneylenders to help if you are struggling, there are varieties of resources and organisations that can offer assistance to those struggling with finances.

ILLEGAL MONEY LENDERS

Illegal moneylenders exploit, abuse and victimise those in our community who need help the most. This form of criminality is one of the ways paramilitary gangs try to exert control and build their empires. By offering illegal loans, they drag people down into a spiral of debt with extortionate interest rates making repayments more and more difficult. The way paramilitaries inject fear and dread into their victims means that illegal money lending is a hidden and underreported crime in Northern Ireland.

Illegal moneylenders are often well known in the community and may appear to be a trustworthy source for a 'quick-fix' loan. In reality, these

people are part of crime gangs, usually connected with paramilitary activity. They use loans as a way to start the process of exploiting and controlling the most vulnerable people in our communities.

Illegal moneylenders exploit all types of people, no matter their age, gender or background. Victims are often at their lowest point when they resort to this way of getting funds. Using their paramilitary connections, lenders target these vulnerable people, drawing them into a cycle of unmanageable debt. This type of abuse hurts and harms people and communities. If you are in debt or worried about debt, please seek financial advice.

SCAMS

Scams are when criminals use lies and deceit to fool you into parting with your cash. You usually get nothing in return and lose your money. As scams are getting more sophisticated and difficult to spot, it's important to know what to look for.

Scamming is widespread in Northern Ireland. Scams target people of all ages,

backgrounds and income levels. Older, vulnerable people are particularly susceptible as well as those who are very trusting and easily persuaded to take a risk. A third of scam victims fall for a second scam within 12 months.

Scams can cause significant financial consequences, as well as lost confidence.

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COMMON SCAMS

The nature and complexity of scams is continuously changing and getting more sophisticated with scammers always looking for new ways to get ahead.

The most common methods and types of scam are described below. Some scams overlap, with half of all scams starting with a phone call.

- phone scams and cold calls
- online scams
- scams by post
- doorstep fraud

You can find out more information about common types of scam at nidirect.gov.uk/articles/scams

PROTECTING YOURSELF FROM SCAMS

Prevention, through awareness, is a vital tool in combating scammers. There are some handy tips to help you avoid getting scammed on the phone, online, by mail or on your doorstep.

There are a few general tips to protect yourself from becoming a victim of a scam.

Never give out personal information. This can be used to steal your identity and access accounts.

Always check the credentials of any company or legal professional you are unsure about. You can look them up on Companies House - fca.org.uk/ - to find out their background or search for

reviews online.

Do not make any advanced payments until you are sure the company you are dealing with is legitimate.

If you are unsure about a financial services company, check the FCA register of regulated companies - fca.org.uk/ If they are not on it, do not have anything to do with them.

Avoid being added to mailing lists which scammers sometimes get hold of. To protect yourself from specific types of scams, more advice is available at nidirect.gov.uk/articles/protecting-yourself-scams

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HOW TO REPORT A SCAM

If you or someone else is in immediate danger or risk of harm, phone 999 immediately.

You should report fraud, scams and related cybercrime directly to Action Fraud unless you are requesting a call for service from the PSNI

If you report a scam, it gives important information to the authorities that can be used to warn other people.

Request a call for service from the PSNI

You should ask for a call for service when any of these apply:

- a fraud is being committed or recently occurred (within 24 hours)

- you know the suspect and they live in Northern Ireland
- the victim is perceived to be vulnerable, through age, mental or physical impairment, or in need of care and support
- you believe it's important to report the incident to police so they can secure and preserve evidence or prevent loss (such as CCTV and recovering large amounts of money transferred from bank accounts before the criminal can remove it)

You can request a call for service report to the PSNI by phoning 101 or 999 in an emergency or psni.police.uk/report

ACTION FRAUD

Action Fraud is the UK's national fraud and internet crime reporting unit.

They offer a central point of contact for information about fraud and financially motivated internet crime.

If you have been scammed, ripped off or conned, there is something you can do about it.

Report fraud to Action Fraud and receive a police crime reference number.

Action Fraud is not an emergency service - dial 999 if you are in immediate danger.

- actionfraud.police.uk/reporting-fraud-and-cyber-crime
- Action Fraud 0300 123 2040

If you receive a scam email message or a computer virus, but you haven't lost any money you can report it for information purposes, to Action Fraud.

CONSUMERLINE

After reporting the matter to the PSNI or Action Fraud, you can also report the scam to Consumerline on 0300 123 6262 (9am - 5pm, Monday to Thursday and 9am to 4pm Friday) or online at nidirect.gov.uk/contacts/consumerline

Scams which are reported to Consumerline may be passed on to the NI Trading Standards Service who will gather the details to send on to the National Scams Team.



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