

SAY NO TO LOAN SHARKS

The UK economy is in a double dip recession.

Gloomy news for families. Britain is being plunged into poverty. Castle ward is suffering more than most. Families face **debt and more debt.**

As households get in to debt, or when there is not enough money at the end of the week to buy the weekend shopping, it is a tempting to turn to loan sharks, pawn brokers or one of the cash for payday cheques outfits in the high street. These short term solutions are very expensive and in the long term create even more headaches.

The high cost of borrowing on your doorstep

Doorstep loans are often for £50 - £500 and have interest rates that can be as high as **1,500% APR.**

Amount borrowed	Borrowing method	Monthly payment	Interest charged	Total amount repaid
£200	Home credit charging 272% APR	£30.30 (or £7 a week)	£164	£364
£200	Credit card charging 38% APR	£20	£37	£237

There is an alternative – Credit Unions!

They've been around since the 1940s but in recent years have become increasingly popular among both savers and borrowers. In Ireland, over 70% of the population belongs to a credit union.

Credit unions are run by and for their members. They operate with three main aims:

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

Credit unions act in the interests of members and ensure members take out loans they can afford. The cap on interest they can charge on loans is 2% a month or 26.8% a year APR.

Borrowing through a credit union

Money the union holds is lent to members at an affordable rate. The Financial Services Authority (FSA) regulates credit unions.

Loans

You need to be a member of a credit union before you can get a loan from them and some require you to build up some savings first.

Most credit unions can lend for up to five years on an unsecured loan and up to ten years on a secured loan (where they will lend against something like your property or car). However, some can lend for up to 25 years on a secured basis.

Useful Numbers

Debt Services

Citizens Advice Bureau	0844 855 2122
Community Law	01604 636112
Debt advice	0800 716 239

Loan Services

Credit Union	01604 250016.
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Help Services

Cllr Danielle Stone	01604 632 016
Cllr Aziz Rahman	07737545236
Cllr Winston Strachan	01604 470 395
Police, fire, ambulance	999
Non- emergency police	101
Electricity	0800 0280247
Gas	0800 111999
Water	084 57 145145
Northampton Hospital	01604 634 700
GP out of hours	03336 664 664
N Borough Council	0300 330 7000
Street Doctor	0845 601 1113



CASTLE Rose

Northampton Labour 'putting the residents and communities first'.