

Other help

InformationNOW

InformationNow has an article about affordable credit, including locally available affordable credit, and its alternatives:

Website: www.informationnow.org.uk/article/affordable-credit/

Newcastle City Council

For information on debt and money advice, visit the Newcastle City Council Website:

Website: www.newcastle.gov.uk/debthelp

Budgeting tools

When you take out a loan it's important to know you have enough money coming in to pay it back over time. Five Lamps and Moneywise will carry out a budget check with all clients as part of their loan application process. A number of organisations also offer free budget planning tools. For more information about budget planning, visit:

Citizens Advice

Website: www.citizensadvice.org.uk/debt-and-money/budgeting/budgeting/work-out-your-budget/

MoneyHelper

Website: www.moneyhelper.org.uk
(search for 'budget planner')

National Debtline

Website: www.nationaldebtline.org
(click on 'My Money Steps')

This information was accurate at the time of publishing (March 2025)



Borrow wisely

We want to help you make good decisions about the best way to borrow money. We also want to make sure no one feels they have to use a loan shark to borrow money.

The council has partnered with several organisations that can give you reliable information about borrowing money, and offer loans at affordable repayment rates. This leaflet aims to tell you more about these organisations, as well as where to get confidential help and advice on loan sharks.

let's talk
money

Loan sharks – don't get bitten!

Illegal money lenders are unlicensed and operate outside the law. They are commonly referred to as loan sharks. These loan sharks take advantage of people who need to borrow money and may resort to bullying and threatening tactics.

If you think you can't borrow money because of a poor credit history, because you are struggling with your finances or because your income is too low – you may have thought about using illegal money-lenders. Don't!

There are other choices available and this leaflet tells you about some of them. Alternatively, for confidential help and advice on loan sharks, or to report a loan shark:

Website: www.gov.uk/report-loan-shark

Phone: 0300 555 2222 (24 hour helpline)

Text: LOAN SHARK and the lender's details to **07860 022 116**

Email: reportaloanshark@stoploansharks.gov.uk

Who can help

The council has joined forces with several organisations that can give you reliable information about borrowing money, and offer loans at affordable repayment rates.

Moneywise Credit Union and Five Lamps provide loans to people at affordable repayment rates, which range from 12% to 89.9% APR. Some online money lenders – who you may have seen on television – can charge rates in the region of 3,752% APR.

They may also be able to help you if you've been refused credit by other lenders. And even if you can't get credit they will be able to tell you what you need to do to put this right.

They don't just offer loans – they can also provide finance for competitively priced household goods.

Five Lamps

Five Lamps offer affordable personal loans with repayments that suit your individual finances. Five Lamps can also help you with initial debt advice.

Website: www.fivelamps.org.uk/our-services/conduit/personal-loans/

Phone: 0300 111 0556

Moneywise Credit Union

Moneywise Credit Union offers a range of loan options depending on how long you have been saving. Credit unions such as Moneywise rely on members' deposits to provide loans so part of the commitment when joining a credit union will be to save regularly. This not only helps other members but also starts a regular saving habit.

Website: www.moneywise.org.uk

Phone: 0330 165 5337

Email: admin@moneywise.org.uk

A recent comparison* of the cost of borrowing to buy a £500 TV shows just how much people can save if they buy wisely...

If the TV was bought through Moneywise, it would have been paid off in 60 weeks at a weekly rate of £10.22 – a total cost of just over £612. If it had been bought at a high-interest high-street store, it would take three years and cost £1,524.12 repaying the same amount. That means that it was almost three times the cost! Think what you could do with that extra money...

* Comparison done in 2014

Case Study

