

Loan Application Decision – Affordability

Why we declined your application

Although we always try to support our members, we're not able to lend to every person who applies.

When we reviewed your income, essential spending and existing financial commitments, our assessment showed that you do not currently have enough money left over to afford the repayments on a new or top-up loan.

We have a duty to lend responsibly and we will not approve a loan if the repayments could make it harder for you to meet your existing commitments or worsen your financial position.

We understand this may be disappointing, but we must consider whether the loan would remain affordable for the whole term.

We still want to support you and we're happy to look at another application in the future.

What you can do next

Before you apply again, you may wish to:

- **Make a budget.** Use a budgeting app, worksheet or recent bank statement to compare your income with your essential spending and debts.
- **Keep up with bills and repayments.** If you cannot afford your existing commitments, ask a debt-advice charity for help as soon as possible.
- **Review your bank statements.** Cancel subscriptions or services you no longer need, but check that you will not break a contract.
- **Track your spending.** Separating "needs" from "wants" can show where you may be able to cut back and help you build a realistic budget.
- **Check your benefit entitlement.** Rules and circumstances change, so it may be worth checking again even if you have checked before.
- **Save regularly if you can.** Even a small amount can help with unexpected costs and may support a future application.

These steps may improve your financial position, but they do not guarantee that a future application will be approved.

Answers to common questions

When can I apply again?

You can apply again after three months. We will reassess your income, outgoings and overall affordability at that time, so approval is not guaranteed. We will usually look for at least three months of improved or stable financial circumstances.

How did you decide I can't afford it?

We compared your regular income with your outgoings to work out your disposable income—the amount left after essential costs and financial commitments.

We include typical household spending based on your number of dependants, plus housing, utilities and repayments on existing debts.

I already have a loan with you and make all my repayments. Why was I declined?

A good repayment history does not always mean that further borrowing is affordable.

You may not have repaid enough of your last loan to borrow more without increasing your repayments or your income or outgoings may have changed.

We base each decision on your current circumstances and regularly review our lending criteria to reflect changes in the cost of living.

We always want to support our members, so you will be able to apply again in 3 months' time.

Why are you saying I can't afford it when you receive my payments directly?

Payments taken directly from your benefits, salary or bank are only a payment method. They do not guarantee that we can lend. We must assess your finances as a whole and consider the effect of more borrowing on your financial wellbeing.

Could you lend me less?

We already consider whether a smaller loan would be affordable before declining an application.

Free help and support

Benefits and budgeting

Use the [Turn2Us benefits calculator](#) to check what you may be entitled to. Citizens Advice may be able to help with benefit claims, appeals, budgeting and energy bills. You can also find money guidance at [Citizens Advice](#) and [MoneyHelper](#).

Debt advice

Do not ignore debts you cannot afford. Free, confidential and non-judgemental help is available from:

- [StepChange](#)
- [National Debtline](#)
- [PayPlan](#)

- [Citizens Advice](#)
- [MoneyHelper](#)

Deal with priority debts first, such as rent or mortgage arrears, council tax, energy bills, fines and tax. A debt adviser can help you identify priorities, contact creditors and explain your options.

Worried about a loan shark?

If you think you may have borrowed money from an unlicensed lender, contact the Illegal Money Lending Team confidentially on 0300 555 2222 or by WhatsApp on 07700 102773. They will provide you with help and support and you don't have to give your name.

Health and urgent support

If money worries are affecting your health, contact your GP or visit [NHS](#).

If you need to talk to someone urgently, call Samaritans free at any time on 116 123.

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