

## We've turned you down because we don't think you can afford it

We have sent you this leaflet because based on the information we have, means we don't think you can afford the loan repayments

## Why affordability matters

We want to make sure that whoever we lend money to can afford to repay the loan.

It is important and responsible to make sure that we don't lend money to someone if it means that they will struggle financially.

Missing loan payments has a negative effect on your credit score and will lead to debt problems. It also means that your chances of borrowing money from us again will be greatly reduced.

If you have taken some steps to improve your money situation, you may be eligible to re-apply for a loan at some point.

## Check up on your finances

There are lots of things you can do to save money and reduce your outgoings. This leaflet offers some tips and ideas to help you manage your money better.

We can also give you a budgeting tool to help you check what you have coming in and what you are paying out. You need to know this so you can work out what you have left over to cover loan repayments.

If you want more help with budgeting or money saving, there are details of where you could go to get help.

Finally, talk to us about saving. Just saving as much as you can afford will reap benefits when those unexpected expenses happen. Having a history of regular saving with us might also help you get a loan in the future.

## Get help

If you have tried to bring your household finances under control but are struggling to make it all add up; don't ignore it. There are places you can go and people you can speak to to help you manage your money.

Do you have so many debts you don't know who to pay and when?

[www.stepchange.org.uk](http://www.stepchange.org.uk)

[www.nationaldebtline.org](http://www.nationaldebtline.org)

Do you need support and want someone to help you to manage your money?

[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

Do you want to know where you can go to help you save money?

[www.moneysavingexpert.com](http://www.moneysavingexpert.com)

Do you feel that you can't seem to cope with it all and are feeling stressed and ill because of it all?

Make an appointment with your **GP** or go online to [www.nhs.co.uk](http://www.nhs.co.uk) and type 'money worries' into the search box for advice.



More Than Just money

**London Plus Credit Union**  
274 North End Road, London, SW6 1NJ  
020 7471 2620  
[www.londonpluscu.co.uk](http://www.londonpluscu.co.uk)

*The information contained in this leaflet is for information purposes only and does not constitute advice, financial or otherwise. London Plus Credit Union accepts no responsibility for the result of any actions taken as a result of the information contained herewith.*

# We've declined your application because we don't think you can afford it



More Than Just money

# Take Control

## Check you are claiming all the benefits you are entitled to

Are you entitled to tax credits, housing or childcare benefits? You can find out what is available and try a benefits calculator:

[www.gov.uk/browse/benefits/entitlement](http://www.gov.uk/browse/benefits/entitlement)

[www.turn2us.org.uk](http://www.turn2us.org.uk)

[www.entitledto.co.uk](http://www.entitledto.co.uk)

[www.citizensadvice.org.uk/benefits](http://www.citizensadvice.org.uk/benefits)

## Study your bank statements

You may be surprised at how many services or subscriptions go out of your account by direct debit every month that you don't use — or need.

Gym memberships, subscriptions, phone charges; most people have at least one Direct Debit or continuous authority payment on their statement that they don't need anymore.

Get yourself registered onto online banking and cancel any Direct Debits you no longer need. Don't forget though to check that you are not breaking any contract by cancelling. If you are obliged to finish a contract, e.g. a year's subscription, contact the company and see if they will allow you to get out of the contract early. Tell them you are struggling and need to reduce your outgoings.

Continuous Authorities are subscriptions you may have set up online using your debit or credit card. If you find it difficult to cancel these by contacting the supplier, contact your card issuer and ask them to cancel the Continuous Authority charge.

## Consider your needs and wants

We all want little luxuries in life but sometimes we have to prioritise those expenses that we need to get through our daily life.

Housing, food, clothing, childcare may be some of the things you need.

Are there ways of saving on the needs? Are you able to make savings by food shopping in discount stores? Can you get a cheaper mobile contract, have you checked your energy bills?

Wants are things that would be nice to have but we can live without. Socialising, designer goods, takeaways are just some of these.

But do you need designer clothes? Are there places where you can get discounts on the things you want like outlets and online auction sites?

## Keep a spending diary

Divide a piece of paper into two columns, Needs and Wants and put all of your expenditure for a month in the correct column. This should include all your bills plus anything you spend in cash during the month.

Remember to put down everything. The can of pop, the ice cream for the kids, the daily newspaper.

Are there some of the wants that you can reduce the cost of or cut out altogether?

Everyone ignores the little things we spend money on when we are looking at our budget. Having a true picture of how much you spend will help you to make changes.



## Save energy costs

It's never a bad thing to make sure you're getting the best deal on your energy bills.

The Energy Saving Trust has a free home energy check tool on its website that can save some households £250 with its personalised advice.

[www.hec.est.org.uk](http://www.hec.est.org.uk)

Educate your family into not wasting energy; switch off the lights when leaving the room, turn your heating down by two degrees, check you are using the timer properly, use your washing machine less, fit draught excluders.

Lots of ideas and possible support from the Energy Saving Trust.

[www.energysavingtrust.org.uk](http://www.energysavingtrust.org.uk)

## Look for money saving ideas

There are lots of websites offering money saving tips and discounts. These range from ways to reduce your food and energy bills to ideas on how to boost your income.

[www.moneysavingexpert.com](http://www.moneysavingexpert.com)

[www.moneyaware.co.uk](http://www.moneyaware.co.uk)

[www.thisismoney.co.uk](http://www.thisismoney.co.uk)

[www.netmums.com](http://www.netmums.com)

## Save for the big events

When you are looking at how much you spend, are you taking into account birthdays, family events, Christmas?

The average spend on Christmas is £868 and many parents admit that they spend £350 on a child's birthday. Are you putting anything by?

Visit [www.londopluscu.co.uk](http://www.londopluscu.co.uk) and open a savings account. If you can save £10 per week by making some of the savings mentioned in this leaflet, you will have £520. This will go some way to helping you afford Christmas and birthdays.