

Changes to credit card and personal loan agreements

The FCA has rolled out new measures to help those affected by COVID-19. In order to access this help, you will need to speak to your creditor.

[From FCA website]

Personal loans and credit cards

If you have a personal loan, credit card, store card or catalogue credit, you can ask for a freeze on repayments for three months. Personal loans also include guarantor loans, logbook loans and home collected credit.

What this means for you

You may be able to make no (or small token) payments for three months.

This won't affect your credit file for the period of the payment freeze. However, interest will continue to build during this period, meaning you will pay higher costs in the longer term.

If you can afford to keep up repayments, either in full or a smaller sum, then you should do so.

Your lender may offer you alternative temporary relief - for example, where a high rate of interest would build during the payment freeze period leading to longer-term financial difficulty.

When this applies

You will be able to request help under these measures for a period of three months. You will then be able to benefit from them in each case, for three months from when you agree with your lender.

[More info here](#)