

Spring Newsletter
 2010

**ONLINE APPLICATION, it's on
 it's way!**

WE ARE PLEASED TO ANNOUNCE that the online application that we have been working on will be available for you to use from **April 2010**. This means that you will be able to apply 24 hours a day, 365 days a year in three easy steps.

Whilst we have been busy testing the system to ensure that it is easy to use, we hope that any clients using this application, will provide us with feedback about the process, which will ensure that the system works for you.



When applying, you will be asked details about the purpose of the loan, your income and your expenditure. We will also ask to see relevant documents but these are clearly listed during the application process. Once we have all relevant information, we will provide you with a response within **3** working days.



Pre Paid cards; are they good value?



RECENT WEEKS HAVE HIGHLIGHTED A NUMBER OF ARTICLES which discuss the introduction of pre-paid cards. These cards can be used in a similar way to a pay as you go card, which you have your benefits or salary loaded on to. Cards are then be used like a debit card with which you can purchase goods and withdraw funds from an ATM. Initially, these sound like a great idea for anyone who may struggle to open up a bank account.

Since the introduction of these cards, SCML and others have looked into the cost of using them and found clients can incur high fees for using these cards on a regular basis. When investigating a specific card, we noted there was a charge of £9.95 to obtain the card (valid for 3 years) and the option to 'pay monthly' which will cost you £4.99 per month or 'pay as you go'. Pay as you go then charges you between £0.99 and £1.50 each time you withdraw cash and between £0.50 and £1.50 each time you make a purchase. For someone on an income of £60 per week, who uses the card on a regular basis - this will take a large amount of an already limited income.



Whilst we are not telling clients to avoid these cards, please ensure that the terms and conditions are understood.

Hey Big Spender; spend less, have more!



WORKING WITH Havant Borough Council, we will be running a **FREE** money coaching programme in May. The programme will teach you to take control of your overspending - this course is not about budgeting, but about learning new ways to spend and be a smarter shopper.

Whilst on the course you can keep your money matters private or share your experiences with others taking part. The whole course will be about **you** and **your** spending habits and how to gain better control over **your** finances. The course runs for four sessions, each lasting 2 hours, the sessions are held weekly and they are **FREE**:

- Week One:** 'Red' the spending Pirate.
- Week Two:** Change the way you spend.
- Week Three:** Create a new vision and goal.
- Week Four:** Budgeting and shopping smart.



The course will run from our offices in Commercial Road, Portsmouth. If you are interested in joining us, please call Kim at SCML on **02392 826180** for further information or to book yourself a place. Refreshments will be provided.

Please note that limited spaces are available.

SCML would like to thank all our supporters



South Coast Moneyline lend record amount

CHRISTMAS may now be a distant memory for all of us, but for South Coast Moneyline (SCML) it was a notable month. During December we lent more than **£77,000** to our customers – the highest sum in one calendar month since November 2006. Loans were arranged for a variety of purposes including assisting home owners who needed essential home improvements, repairs and adaptations to their properties. These included the provision of funds to replace windows, doors and new roofs.



Of the £77,000, a proportion was also lent to clients needing small loans for essential Christmas expenditure – an important service to clients on a low income whose only other option may be to turn to illegal money lenders charging high levels of interest. Chief Executive of South Coast Moneyline, Simon Frost paid credit to his team during an incredibly busy month. "We

believe that because the Home Trust Loan is a safe, inexpensive source of finance, SCML is seeing a steady increase in lending. Clients are increasingly recognising the value that we offer; with a service which is tailored to their needs and at rates of around 5% it is of an unbeatable value in the current market."



Home Trust Loan
A Unique Home Improvement Loan Service

SCML continue to deliver ethically based, responsible lending to its clients. So far, SCML has lent almost £300,000 in secured Home Trust Loans since the scheme was launched in 2006. For more information about the loans available, visit; www.hometrustedloan.org.uk

For all our clients paying by Direct Debit:

PLEASE REMEMBER that we will call for a Direct Debit, three working days before it is due to be collected from your bank account. However, if you foresee any problems with any payments even on the day they are due to be collected, please contact us immediately and we will discuss the best course of action for you. If we know about a problem before a payment fails, there may be ways for us to help you avoid getting charges from your bank!



The Real Cost of Borrowing



EARLIER THIS YEAR, research was carried out by a national housing association to review the cost of borrowing over the Christmas period for families on a low income and some of the findings make for alarming reading.

It has been estimated that between 650,000 and 850,000 households in the UK have lost access to finance and illegal money lenders are increasingly trying to fill the gap left by home credit providers. As most of you will be aware, illegal lenders charge extremely high rates of interest and exploit the most vulnerable in our community. Recent research suggested that illegal lenders can charge up to three times as much as legal lenders with evidence that some households can pay back, on average, £285 per £100 received. Some illegal lenders can also use threats of violence to ensure they are repaid.

At SCML we don't think anyone should use illegal money lenders. If you are on a limited income, try to put a small amount of money aside on a regular basis to help out with the costs of Christmas and Birthdays after all, they do come around at the same time each year so you can plan for them. If you do need to borrow, look for the best deal available; if you are in receipt of benefits would you be eligible for a social fund loan? They are repaid via deductions from benefits and you are not charged interest. Alternatively, speak to SCML. If we can help, we will.



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South Coast Moneyline is the trading name of Portsmouth Area Regeneration Trust Group
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