



Frequently Asked Questions

Where is the Money Information Centre (MIC) – can I call into the office?

There isn't a specific MIC office, instead lots of centres and organisations across the city are branded as MICs, such as the credit union branches, debt advice agencies, Council One Stop Centres and libraries. Links are available on the 'Need Money or Debt Advice' page of the MIC website. Staff at these offices are trained to signpost and refer you to the relevant place for help.

What does APR mean?

The term APR stands for Annual Percentage Rate. The APR is the interest rate figure that indicates the total cost of borrowing, including any charges. When you borrow money, every lender is required by law to quote this rate. The APR is the best way of comparing like with like. It was introduced as part of the Consumer Credit Act of 1974 and is mostly used for credit cards, personal loans and mortgages.

What is a payday loan?

A payday loan is a short-term, high interest loan designed to be taken out over a short period of time. They are arranged over days, rather than years, and typical interest rates can be in the range of 500% APR to almost 6,000% APR (although these rates will be capped from 2 January 2015 at no more than 1,270% APR). Although they offer a quick source of cash they can cause greater long term financial problems. There is an alternative – local Credit Unions can offer access to affordable loans, savings accounts, current accounts and payment cards, Christmas club and budgeting advice. Further details are available on the 'Need a Loan?' page of this site.

I can't afford to pay my Council Tax – what can I do?

If you have problems paying your Council Tax or any other debt you owe to the Council the best and quickest way for them to help is over the phone. Contact details can be found on the 'Making saving and reducing bills' page of this site.

I'm in trouble with a loan shark – who can I turn to?

Loan Sharks are illegal money lenders who often charge very high interest rates. If you've borrowed money from one or you want to check if a company is authorised to lend money you can report them anonymously by contacting the Illegal Money Lending team. Seek help as soon as possible. Details about how to report a loan shark are on the home page of this site.

My debts are out of control. What can I do?

Getting advice as soon as possible can help you deal with your debts and your creditors. You do not have to pay for debt advice. There are lots of people and organisations providing free, confidential and impartial advice in your local area either by telephone or face-to-face. These are listed on the 'Need Money or Debt Advice' page of this site

How can I manage my money better?

The best place to start is with your budget. By working on your budget plan you'll have a good understanding of the money that's coming in and going out. There are many on-line tools available but in Leeds we also have Money Buddies available to help and guide you. More information is available from Ebor Gardens Advice Centre – details are available on the 'Need Money or Debt Advice' page of this site.

What is bankruptcy?

Bankruptcy is a form of insolvency. That means your unsecured debts must be more than your assets (property, vehicles, etc) for bankruptcy to be considered. If you have assets, like a house, car, savings, antiques or electrical goods, which you could sell to clear all your debts, but choose not to, your bankruptcy could be refused. After you have been declared bankrupt, your creditors will write off your unsecured debts, this allows you to make a fresh start.

How do I apply for bankruptcy?

You apply for bankruptcy through your local county court. Courts vary in how they process applications, some allow you to turn up, and others operate an appointment system - so it's best to phone the court before you hand your application in. If the court agrees to your bankruptcy then most will grant it on the same day. This means that you are declared bankrupt straight away. Bankruptcy is a huge step to take and you need expert advice before embarking on the process. You can speak to the Citizens Advice Bureau or StepChange about this and discuss options.

I am being threatened with eviction, what can I do?

If you have fallen behind with your rent or mortgage payments, or payments for a loan which is 'secured' against your home, your landlord or your lender can take action against you. There are expert organisations that can help you prevent the situation from getting to this stage. You can either approach your Local Housing Options office (if appropriate) or seek advice from the Citizens Advice Bureau. Details can be found on the 'Need Money or Debt Advice' page of this site.

I have just lost my job. What benefits can I get?

Any benefits you are entitled to are dependent on your individual circumstances; whether you are working, have children, are caring for someone or are retired. You can find out more about what you may be eligible for by contacting the Welfare Rights Team at Leeds City Council – contact details can be found on the 'Need Money or Debt Advice' page of this site.