

LOANS

Staffordshire County Council is advising residents to act with caution before paying for a credit check when applying for a loan.

The advice comes after Staffordshire residents have reported receiving flyers from a company, advertising loans for up to £5,000 with low APR.

The loan company specialises in loans for non homeowners, private tenants or persons on benefits. The loans are tailored for people that may have been refused credit by other companies due to a bad credit history.

A local resident applied for the loan and was informed they would be eligible. The resident was told that to qualify for the loan they would have to pay for a credit check.

The resident paid the firm to conduct a credit check but when they were offered the loan, the terms and conditions were different to those originally stated and the APR rate was higher. The consumer couldn't afford the loan and therefore wasted their money on the credit check. When the resident approached the company the company stated that they would not reimburse the resident for the credit check.

Staffordshire Residents are reminded to always read the terms and conditions of any contract before they enter into it. If you are buying any product or service (like a loan) always shop around to make sure that you get the best deal.

All our alerts are available in a range of formats and languages, including large print. Please contact Cath Wohlers if this would be helpful to you, or to someone you know.

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