

COVID-19 (Coronavirus) Support and Information

Last updated on 06/12/20

These are difficult times and you, or someone you know, may already be affected by the Coronavirus emergency.

If you are concerned about your ability to make your mortgage payments, please get in contact with us. Our team is available to discuss your circumstances and to help you resolve your financial difficulties.

Telephone is the best way to contact us: please call us on 01277 359678.

Please quote your Swift agreement number in any message.

As you'll appreciate, our office has been impacted by the Coronavirus emergency. Our teams are also experiencing higher volumes of contact than usual. Please bear with us. Here are some answers to some of the questions that you might have.

I might not be able to make my mortgage payments as I am unable to work – can you help me?

We will take a flexible approach to work out how best to help you. When you contact us, please let us know how your income has been impacted by the Coronavirus: you may not be working at all or you may be on reduced hours. We can help regardless of whether you are employed or self-employed.

We can assist you in a range of ways to support customers who have been financially affected by the Coronavirus and we will work with you to understand which is most suitable. All options will be considered, and a Payment Holiday will be offered, if your financial difficulties are linked to the Coronavirus pandemic.

Can I have a payment holiday and how do I apply for it?

Coronavirus has resulted in us all finding ourselves in unprecedented times. We understand that many of our customers are suffering a reduction in household income. A payment holiday might or might not be the most suitable solution for you so we will help you determine what is the best approach for you from a range of options that we can offer. If you think you need to take a payment holiday for a period of time, please get in touch with us as soon as possible to discuss if this.

You can request a payment holiday of up to 6 months in total, but we will typically only agree a payment holiday of up to 3 months at a time. We can then agree to renew your payment holiday after the first 3 months, as long as this doesn't take you over the 6-month limit.

You need to apply by 31 March 2021 and all payment holidays must end by 31 July 2021.

These timelines mean that if you are newly affected by coronavirus, and you want to benefit from the full 6 months available, you should apply in good time before your February 2021 payment is due. Your payment holiday will then run between February and July.

If you've already taken payment holidays of less than 6 months, you have until 31 March 2021 to apply for another payment holiday. After 31 March 2021, you can extend an existing payment holiday up until the 31 July 2021, as long as:

- it doesn't go over the 6-month payment holiday limit; and
- there are no breaks in the support

You won't be eligible to apply if you've already had payment holidays of 6 months overall. Instead, if you have difficulties in making payments, whilst a Payment Holiday will not be available, we will consider other available options to assist you based on your individual circumstances.

What is a payment holiday and how does it work?

A payment holiday is when you take a break from paying part or all of your monthly payment.

You will still owe the amounts that you don't pay as a result of the payment holiday. Interest will also continue to accrue, meaning that the overall amount you owe will increase. This means that at some stage in the future you will need to pay more to cover this additional interest.

Should I pay something rather than nothing?

If we agree a payment holiday with you and you can then afford to make a part payment, you should consider doing this as it will reduce the amount of interest that accrues and the overall amount outstanding at the end of the agreed period of payment deferment.

How will I be asked to make up the deferred monthly instalments after my payment holiday?

We will review your circumstances when your payment holiday is due to end and work with you to find an affordable and sustainable arrangement to make up the payments. For example, we may consider agreeing a payment arrangement that is higher than your usual monthly instalment to clear the deferred instalment over a period of time. If this is not affordable, we may be able to extend the original term of your mortgage.

Will taking a mortgage holiday impact my credit rating?

You will not incur arrears on your mortgage during the period of a payment holiday. However, while a worsening status will not be reported to your credit file in respect of any payment holiday, you should be aware that lenders may take into account other information when making future lending decisions, including, for example, information provided by applicants or bank account information.

If you are not in an agreed payment holiday and fail to make the necessary contractual repayments, then the missed payment would be reported to the credit reference agencies in accordance with existing practice.

I'm already in arrears – can I have a payment holiday?

If you are in arrears and are concerned about your ability to continue to make payments, please contact us. We will help you based on your particular circumstances. One of the options we will consider with you is the suitability of a payment holiday if your income has reduced.

I am in arrears and am concerned that you will repossess my home

Your home should not be repossessed before 31 January 2021 without your consent, unless there are other exceptional circumstances. We will therefore not be seeking a Warrant for repossession before 31 January 2021.

If you are not in a payment holiday and are not adhering to a payment arrangement with us, we may take legal action before this date in order to seek a Possession Order, albeit as a last resort. We would not seek to enforce any Possession Order we either obtain or otherwise hold prior to 31 January 2021.

We would encourage you to contact us if you are concerned about your ability to maintain any agreed arrangement with us.

We are closely following guidance issued by the government and our regulatory body. Please check back here for regular updates.

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