

# Financial assistance – Coronavirus outbreak

## LATEST NEWS:

Updated 22<sup>nd</sup> June

Please take note that some of the help being offered by banks and building societies will end as of 14<sup>th</sup> July. If you are in doubt as to how long the incentives offered by your institution will last, please contact them now.

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The Government and Financial Institutions are aiding those affected by Coronavirus, to help reduce monthly outgoings.

Detailed below are links to relevant websites, together with telephone numbers, which may be useful at this time.

- 1) Government Assistance**
- 2) Financial Institutions**
  - a. Mortgages**
  - b. Credit Cards & Loans**
  - c. Overdrafts**
  - d. Help for those renting your home**
- 3) Masonic Charitable Foundation**
- 4) Other ways to get help**

## 1) Government Assistance

The Government has produced guidance on Employment and Financial Support for those affected by COVID-19. Further information can be found at:-

<https://www.gov.uk/coronavirus>, and

<https://www.gov.uk/government/publications/support-for-those-affected-by-covid-19/support-for-those-affected-by-covid-19>

You can also request regular updates by signing up for these here:

<https://www.gov.uk/email-signup?link=/government/topical-events/coronavirus-covid-19-uk-government-response>

## 2) Financial Institutions

### a. Mortgages

The overwhelming majority of lenders (residential or buy-to-let) are offering a payment holiday of up to three months for those who have been financially affected by the virus. Most offer a 'self-certification' facility where you can declare that you are suffering financial distress and require a "payment holiday" – below are links to the Corona Virus help pages of the major lenders.

The "payment holiday" is not a gift from the lender – in most cases, the interest will either be added to the mortgage or the mortgage term extended by three months.

### b. Loans and Credit Cards

Lenders must offer three-month payment holidays to those in financial hardship.

The Financial Conduct Authority (FCA), which regulates the lending industry, confirmed that it was no longer offering assistance to loan and credit card customers, stating that Card Issuers and Lenders should offer payment holidays to those customers unable to pay.

Banks and other High-Street Lenders must offer:

- **A three-month payment holiday to card and loan customers whose finances are affected by coronavirus** - if you're unable to make repayments, or may not in the future, your Lender must assist if asked to do so.
- **You have until 14 July to request a payment holiday** - if it's granted, no repayments will be required on loan or credit card for up three months from the date it is granted.
- **Proof of financial hardship may not be required** – most lenders are not asking for proof of financial hardship due to Coronavirus. However, a payment holiday isn't always a good thing, as ...
- **Interest will accrue the payment holiday** – meaning that the total amount repaid will be higher. It is therefore best to make repayments if possible.
- **Lenders need only grant a payment holiday where necessary** – if you already have debt problems, or there's a possibility that your income won't recover

once the Coronavirus crisis is over, the Lender can deny a payment holiday. However, it should work with you to agree a suitable solution, such as advising on debt help, setting up longer-term repayment plans or waiving interest and charges.

The FCA **has not** included **peer-to-peer Loan Providers** such as Zopa and RateSetter in these measures, leaving the individual companies to provide their own assistance. Zopa offers either reduced payments or payment holidays to borrowers in distress. RateSetter is to advise its measures in due course.

Whilst the FCA advises Banks to offer payment holidays, some are also waiving fees for missed payments, offering reduced monthly payments or emergency credit limit increases.

### **c. Overdrafts**

- **Banks must grant the initial £500 overdraft interest-free for three months to those struggling due to coronavirus** – if you fall into that category, or may do so in the future, you can ask your bank to make the first £500 of your overdraft interest-free for at least three months. If your overdraft limit is less than £500, your bank must give you your whole overdraft interest-free. Some Banks are offering this facility to all overdrawn customers, not just those who ask.
- **Banks must ensure that NOBODY pays more for their overdraft than before** – Banks must ensure that nobody pays more for their overdraft than they would have done under the old system, for the next three months.

Banks put these measures in place on Tuesday 14 April, and some have exceeded the FCA's minimum standards.

### **d. Help for those renting your home**

There is no automatic right to a rent payment holiday, although some landlords are offering this, or a temporary rent reduction.

The Government has stated that Landlords in England must give three months' notice before issuing eviction proceedings (unless these have already commenced). Beyond this three-month period, you must establish

an affordable repayment plan with your Landlord, which takes your circumstances into account.

The Government has also stated that existing rules which apply to rent arrears or social landlords will also apply to private landlords. This is to "support engagement" between landlords and tenants and assist with dispute resolution. Landlords must be compassionate and enable tenants to remain in their homes wherever possible. Those representing Local Government and Housing Associations have already confirmed that no social renter should be evicted due to Coronavirus.

Private landlords are also eligible for a three-month buy-to-let mortgage payment holiday if their tenants are experiencing financial difficulties.

### **3) Masonic Charitable Foundation**

If you are in financial distress you may be eligible for eligible Help from the Masonic Charitable Foundation (MCF). To find out more you can call them direct on **0800 035 6090** or email them at [help@mcf.org.uk](mailto:help@mcf.org.uk)

You can get guidance on the support that the MCF can offer by visiting <https://mcf.org.uk/support/> & <https://mcf.org.uk/eligibility/>

Always remember that you can also find out more about the help provided by the MCF by contacting either your Lodge Almoner or one of the Group Almoners who can guide you through the process of making an application.

### **4) Other ways to get help**

In addition to the resources available from the MCF, West Kent also have a highly trained team of 'Visiting Volunteers' (VV's) who have a vast amount of experience in guiding applicants through the process of applying for help from the MCF, and if needed you or your Lodge or Group Almoner can request a VV to contact you by phone, Skype, Zoom, email or WhatsApp to give you guidance. Naturally during lockdown, they are unable to visit you to

help, but you will find that a chat with them could be very beneficial. Alternatively, you could contact our VV co-ordinator who will also be able to ask one of the VV's to contact you.

**Provincial Grand Almoner** – Neil Moakes

[ProvGAlm@westkentmasons.org.uk](mailto:ProvGAlm@westkentmasons.org.uk) 07739 249 398

Group 1 – Julian Rowley (**Dartford, Wilmington & Greenhithe**)

[jrowleyuk@yahoo.co.uk](mailto:jrowleyuk@yahoo.co.uk) 07771 598 967

Group 2 – Kevin Killick (**Welling & Wrotham**)

[lodgehouselodge@aol.com](mailto:lodgehouselodge@aol.com) 07903 682 348

Group 3 – Mike Bowyer Jones (**Sidcup, Sevenoaks, Tunbridge Wells & Edenbridge**) [mike@winterfieldffarm.co.uk](mailto:mike@winterfieldffarm.co.uk) 07881 825 600

Group 4 – Graham Tarran (**Bromley**)

[g.tarran@ntlworld.com](mailto:g.tarran@ntlworld.com) 07790 492 665

Almoners Team Coordinator – Andy Butler

[wkalmoneradmin@btinternet.com](mailto:wkalmoneradmin@btinternet.com) 07719 779 461

Visiting Volunteer co-ordinator – Steve Archbold

[westkentvv@gmail.com](mailto:westkentvv@gmail.com) 07453 306413

Some Brethren may also be able to take advantage of help from other organisations, such as the Mark Benevolent Fund, or through a past work association, for example SSAFA or the Royal British Legion, many civic employers also have benevolent associations that may be able to offer help in times of need. For more details please speak to your Group Almoner or the Provincial Grand Almoner who will be able to help you further

We also now have available the West Kent Emergency Fund, please refer to the Members Welfare page of the Website for further details.