

Social lending



Social lending

Social lending is meant for inhabitants of Espoo on a low income, with few assets and who have no other possibility of obtaining loans with reasonable conditions, e.g. due to lack of security or credit rating.

SOCIAL LENDING MAY BE GRANTED FOR

- domestic purchases
- other justified expenses, e.g. health care
- repayment of previous debts

The maximum credit is EUR 10,000 and the maximum loan period is five years. The smallest loan granted is usually EUR 500. A 12-month Euribor rate is payable on the loan without any customer-specific margin. No other expenses are charged on social loans.

Social lending is part of the social care system and does not affect eligibility for income support. Its aim is to prevent economic exclusion and over-indebtedness and to help people cope independently.

More information about income support:

www.espo.fi/incomesupport

Application

Applicants must visit a financial and debt counselling advisor in person, and an overall assessment of their circumstances is carried out. The assessment covers previous debts, assets, income and necessary living costs.

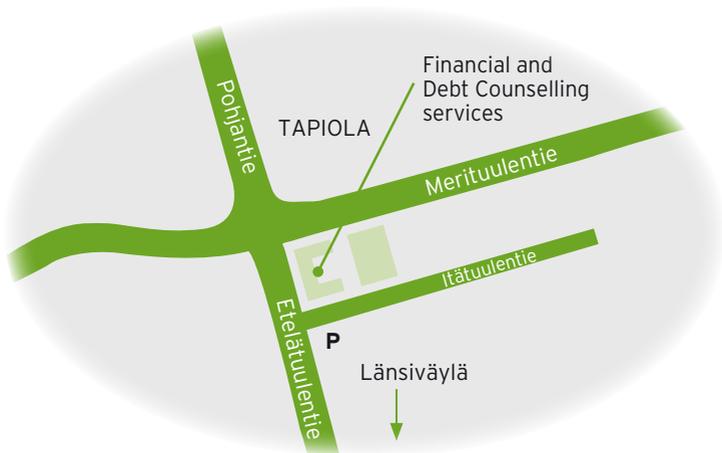
A calculation is made for the applicant, taking into account expenses arising from housing, commuting, day care, maintenance payments and health care. A further sum equalling the sum calculated for loan arrangement is reserved for other necessary living costs. The necessary monthly living costs of a single person living alone, for instance, are EUR 540, which includes food, telephone and internet connection charges and other personal expenses.

Appendices to applications must include a specification of income, expenses, assets and all liabilities, including debts undergoing a distraint process, a certificate of taxation, a credit information register extract and bank statements for three months. Further instructions concerning appendices required will be given when you make an appointment.

The loan is granted on the condition that the applicant is able to pay it back and the overall situation can be clarified. You may be required to have some savings before starting the process. If the credit is granted for debt restructuring, a credit disorder entry will be made in the Suomen Asiakastieto credit information register. The entry will be valid for the loan period.

Repayment of a social loan takes place through a direct debiting agreement. Failure to make a repayment or other violation of the agreement may lead to termination of the loan and initiation of debt recovery measures.





THE CITY OF ESPOO

FINANCIAL AND DEBT COUNSELLING SERVICES

Telephone counselling and appointments Mon-Thu 10.00-12.00,
Tel 0800 9 3488, Fax 09 8162 3499

Street address Itätuulentie 2 B, ground floor

Postal address P.O. BOX 212, 02070 Espoon kaupunki

www.espoo.fi/sociallending

PLEASE VISIT THE MYFINANCE -ONLINE SERVICE

You can use the service to send questions to financial and debt counsellors, for example.

espoo.fi/myfinance

