

Coronavirus (COVID-19)

Frequently asked questions

Here to support you

We understand you may be worried about the impact coronavirus (COVID-19) may be having on your finance. However, please be assured we're here to support you and will help in any way we can.

We take the health and safety of our customers and our team very seriously. The following information will let you know what steps we're taking, and how we'll continue to make sure that you remain supported if you've been impacted by coronavirus.

We're constantly monitoring the situation in line with government guidelines and will continue to help customers if we can. This document will be updated as and when we receive new information. Please check back here for any updates.

1. Can I take a mortgage payment deferral?

We understand that you may have concerns about how your finances will be affected at this time. We're committed to trying to support our customers if we can.

We have a number of options available to you, which may include short-term assistance by way of a payment deferral which may help provide you with some flexibility. If you can afford to repay your mortgage, it's in your best interests to do so. Any assistance we provide will be recorded as an arrangement and will be reported to Credit Reference Agencies and lenders may take this information into account when making lending decisions, and therefore it could affect your ability to borrow money in the future.

To enable us to consider what support we can give you, we'll need a full understanding of your current household income and outgoings. We are working alongside Paylink Solutions to enable our customers across the Group to complete an online income and expenditure form.

Please [click here](#) to access the system and the form.

You'll be directed to an external website where you'll see reference to all brands within our Group. Charter Court Financial Services announced its combination with [OneSavings Bank](#) in 2019, a retail savings and specialist lending group with a family of distinct brands.

Completing this form and submitting it through the portal will allow us to assess the information before we call you to discuss the matter further.

Unfortunately, we're unable to make any changes to your expected payments in time for payments due in the next 7 days. If your payment is due in the next 7 days and you're unable to make your normal monthly payment, please call our Collections Team on 0333 240 6095. You can also email collectionsenquiries@prestigefinance.co.uk to discuss your situation.

2. What forbearance can you offer during a period of payment difficulty?

We can offer tailored support for a short period of time, to reflect the uncertainties and challenges expected as the government payment holiday period comes to an end. This could include:

- **A further payment deferral** – this may be possible but will be subject to a full review of your circumstances and long-term view of your ability to resume contractual payments
- **Concession** – reduced payments for a short period of time
- **Interest-only** – where your account is temporarily amended so you only pay the interest
- **Extension of term** – for mortgages nearing the end of the term and if you've had a payment deferral we may be able to consider this option to support you repaying the amount in full.

3. How long will it take to process an application for a payment deferral or other forbearance?

Our teams are doing their very best to support customers during these unprecedented times and we're dealing with requests for support as quickly as possible. We aim to respond within 5 working days; however, if there is a delay, please bear with us and we'll get to you as soon as we can.

Unfortunately, we're unable to make any changes to your expected payments in time for payments due in the next 7 days. If your payment is due in the next 7 days and you're unable to make your normal monthly payment, please call our Collections Team on 0333 240 6095. You can also email collectionsenquiries@prestigefinance.co.uk to discuss your situation.

4. What is a payment deferral?

A payment deferral enables mortgage customers to stop paying their monthly mortgage payments for a set period of time, normally no longer than up to three months. However, it's important to remember that the money is still owed and the interest on the mortgage still accrues during a payment deferral period.

Unless you tell us otherwise, the interest that accrues during any mortgage payment deferral period will be capitalised. We'll write to you in advance of any payment deferral ending to confirm the amount of your new increased payment and the date due. We'll recalculate your monthly payments to ensure that the capitalised amount is repaid within the remaining term of your mortgage. **To be clear, this will increase the payment that you make, and there will be additional interest charged over the remaining term of the mortgage as a result.**

5. What do capitalised and capitalisation mean?

If you take a mortgage payment deferral it's important to understand that interest will continue to accrue while you're not making your normal monthly payments. At the end of the payment deferral period, the deferred amount of accrued interest that has built up will be added to your outstanding mortgage balance. For these purposes we call this capitalisation.

By 'capitalising' the accrued interest, your outstanding mortgage balance will increase. You'll then need to repay the accrued interest over the remaining term of your mortgage. Interest will be charged on the deferred amount, at your normal mortgage interest rate.

We'll have to recalculate your monthly mortgage payment so that this deferred interest is repaid, as interest, in full, by the end of your mortgage term. As a result, you'll pay more interest over the remaining term of your mortgage, which we'll collect as part of your recalculated monthly payments.

If a payment deferral is granted and you'd rather make alternative arrangements to repay the capitalised amount, for example by lump sum or increased monthly payment, you should discuss this with a member of our Collections Team on 0333 240 6095.

6. How much will my mortgage balance increase if I capitalise the accrued interest?

If you have a standard capital and interest repayment mortgage, your mortgage balance will increase by the amount of interest charged during the payment deferral period.

With a capital and interest mortgage, part of your monthly payment amount is used to repay some of your outstanding mortgage (the capital) and some is used to pay the interest charged (the interest).

For example, say you have a capital and interest mortgage with a monthly payment of £500. £300 of this will be used to repay capital and the remaining £200 is used to pay the interest charged. If you take a three-month payment deferral, you would underpay £1,500 (£500 x 3); however, as £900 of this would have been used to repay capital, your mortgage balance would only increase by £600.

Payment deferral examples

Below are examples illustrating how taking a payment holiday can affect your monthly payments and the total amount payable over your remaining mortgage term. These examples are for illustrative purposes only and assume a three-month payment deferral has been taken.

You can view additional examples of how mortgage payment deferrals can affect future monthly payments [here](#).

Capital and interest repayment mortgages

Current outstanding mortgage balance	£50,000	£100,000
Interest rate	2.75%	2.75%
Remaining mortgage term	7 years	20 years
Current monthly payment	£655	£542
New monthly payment after the payment deferral	£682	£551
Monthly payment increase	£27	£9
Total amount repayable without a payment deferral	£55,024	£130,120
Total amount repayable with a three month payment deferral	£55,219	£130,605

Interest only mortgages

Current outstanding mortgage balance	£50,000	£100,000
Interest rate	2.75%	2.75%
Remaining mortgage term	7 years	20 years
Current monthly payment	£114	£229
New monthly payment after the payment deferral	£115	£231
Monthly payment increase	£1	£2
Total amount repayable without a payment deferral	£59,625	£155,000
Total amount repayable with a three month payment deferral	£59,691	£155,380

7. What's the difference in costs between capitalising a payment deferral and making an arrangement to pay back the deferred payments?

If you capitalise the deferred payments, your monthly payments will increase until your mortgage term ends, and that will include the additional interest added over the remaining mortgage term.

If you choose to make an arrangement over a shorter period of time (where you pay more each month), then your payments for that period will be higher, but additional interest will only accrue for that period, which will cost you less over the term of your mortgage.

If you make a lump sum payment to clear the amount, you will only incur additional interest until the lump sum payment is received.

Please call us on 0333 240 6095 to discuss these alternative options if you don't want to capitalise the outstanding payment deferral amount.

8. What do I need to pay to return to the position I would have been in if I hadn't taken a payment deferral?

If you have a capital and interest repayment mortgage, you'll need to pay the monthly payments you've missed during the payment deferral period. If you have an interest-only mortgage, you'll need to repay the interest that's accrued whilst you've not been making payments. You can contact us on 0800 298 5714 to find out exactly how much you'd need to pay.

9. What options do I have if I'm already in arrears?

We'll make every effort to support customers who are already in financial difficulty, so please contact us on 0333 240 6095 to discuss the best options available.

10. What will happen to my credit file if I require ongoing tailored support?

From 1 April 2021, if you're newly affected by COVID-19 (or if it starts affecting you again), we can consider options tailored to your circumstances. This may include a payment deferral if that is appropriate. However, this may be reported on your credit file in accordance with normal reporting processes.

11. Can I cancel a mortgage payment deferral after it's been arranged?

If you've arranged a payment deferral but no longer need it, that's no problem. Please send us an email at collectionenquiries@prestigefinance.co.uk to confirm that you no longer require the payment deferral. We'll then confirm that we've received your request and explain how much your next monthly payment will be and when it's due.

12. I have already had a payment deferral under the government guidelines, can this be extended?

If you're concerned about your ability to make future mortgage payments, we may be able to consider further forbearance, which may include an extension to payment deferral periods.

If you believe you're going to experience ongoing financial difficulties, please contact us the month before your final deferred payment is due. This will help us to prioritise dealing with customers who have imminent need of further assistance and ensure that you have a full understanding of your circumstances as your current payment deferral period comes to an end.

A payment deferral may not always be the most appropriate option for you. To allow us to support you, and to help us and you get a full understanding of your current household income and outgoing, we've worked alongside Paylink Solutions to enable our customers across the Group to complete an online income and expenditure form.

Please [click here](#) to access the system and the form.

You'll be directed to an external website where you'll see reference to all brands within our Group. Charter Court Financial Services announced its combination with [OneSavings Bank](#) in 2019, a retail savings and specialist lending group with a family of distinct brands.

Should you have any questions before completing the form, please contact us directly.

Once we have confirmation that you've completed the process, we'll review the information provided and call you to discuss if we are able to assist you further, which may include the following options:

- Allowing you to pay interest-only payments for a short period of time.
- Extending the payment deferral for a further short period of time.
- Reducing your payments for up to a further three months.

However, the above options are not guaranteed and will be subject to a full review of your circumstances and an understanding of what is going to change to ensure you're able to maintain payments in the future.

Before you apply for further assistance, we strongly recommend that you look at the following information or get independent financial advice if you're unsure that this is the right option for you.

[Money Advice Service coronavirus support page.](#)

[Dealing with financial difficulties during the coronavirus pandemic.](#)

Please also read the information above regarding what a payment deferral is and the impact on your account and what it may mean for you in the future.

There will not be any fees added to your account while you have an arrangement agreed; however, please remember that such an arrangement will be recorded on your credit file.

13. What if I can't afford the new payment after the deferral period has ended?

If you're concerned that your ability to make future mortgage payments will be affected, please get in touch with us as soon as possible. We'll need a full understanding of your current household income and outgoing. We've worked alongside Paylink Solutions to enable our customers across the Group to complete an online income and expenditure form.

Please [click here](#) to access the system and the form.

You'll be directed to an external website where you'll see reference to all brands within our Group. Charter Court Financial Services announced its combination with [OneSavings Bank](#) in 2019, a retail savings and specialist lending group with a family of distinct brands.

Should you have any questions before completing the form, please contact us directly.

Once we have confirmation that you've completed the process, we'll review the information provided.

Before you apply for further assistance, we strongly recommend that you look at the following information or get independent financial advice if you're unsure that this is the right option for you.

[Money Advice Service coronavirus support page.](#)

[Dealing with financial difficulties during the coronavirus pandemic.](#)

14. What can I do if I'm unable to access the system to complete the online income and expenditure form?

If you're unable to access the online income and expenditure form, you can complete a manual [income and expenditure form](#).

Once completed you can email the form to us at collectionsenquiries@prestigefinance.co.uk. Please include 'Mortgage Payment Assistance' in the subject line of your email.

Please be aware that this is an unencrypted mailbox and any personal information sent to it will not be secure.

Alternatively, you can return the completed form to us by post at the address below. We're aware that there may be delays to the postal service across the country, and whilst we're not currently experiencing these delays, we'll be sure to keep you updated should this change.

Prestige Finance
PO Box 6813
Wolverhampton
WV1 9WR

A member of our team will call you within 5 working days to discuss your request further.

15. What can I do if you're unable to provide assistance?

Whenever a customer is in financial difficulty, we look at all appropriate options available to them during the time they're having problems paying their mortgage, taking time to understand their individual circumstances and income and expenditure position.

There are occasions when we can agree for customers to pay less than the contractual monthly payment, and this type of concession may be granted in appropriate circumstances. However, any changes will only be agreed for a short period of time and where there is evidence to suggest that the situation will improve. Any agreement is regularly reviewed to look at the scope for a more permanent arrangement for repayment.

This type of arrangement is not available where it is clearly not in the longer-term interests of the customer. An agreement that may merely mask a wider affordability problem, which is not likely to be repaired over the medium-term, may not be in the customer's best interests. Indeed, the customer's position can be made worse by such arrangements where it is given without regard to their individual circumstances.

Our agents will discuss all options available with you and will also direct you to appropriate external agencies who are able to offer advice with all finances.

Before you apply for further assistance, we strongly recommend that you look at the following information or get independent financial advice if you're unsure that this is the right option for you.

[Money Advice Service coronavirus support page.](#)

[Dealing with financial difficulties during the coronavirus pandemic.](#)

Digital tools and self-help and budgeting guidance is also available. The Money Advice Service's debt advice locator tool can also be used.

16. I'm concerned that I can't complete the forms required or that I may need additional support offline, what assistance can you provide?

We can discuss this with you over the telephone by calling our Collections Team on 0333 240 6095.

17. I'm concerned about fraudsters, what can you do to reassure me?

Unfortunately, criminals will use every opportunity to trick you into revealing personal or financial information; and regrettably, the COVID-19 situation is no different. Remember that we'll never ask you to give out your PIN or ask you to transfer money to a 'safe' account.

Always take a moment to think before passing on information that you should keep safe.

Latest updates

We're constantly updating our website to ensure you have the most up to date information. Please continue to check back here for the most recent updates.

We can provide literature in large print, Braille and audio tape. Please ask us for this leaflet in an alternative format if you need it.



For customer service and training purposes, calls with Prestige Finance may be monitored and/or recorded.

Prestige Finance Limited is authorised and regulated by the Financial Conduct Authority - Firm Reference Number 724522. VAT Number 823 8508 22. Registered in England and Wales (Company Number 1080632). Registered office: Reliance House, Sun Pier, Chatham, Kent, ME4 4ET. Prestige Finance is part of the OneSavings Bank plc group (Company Number 7312896).

04-PF-10 (5)