

Quick guide to personal loans

Audio transcript

A personal loan is when you're given money from a lender that you promise to pay back by a certain time.

You can use the money for almost anything; home improvements, a car or even consolidating your debt into one manageable amount.

Personal loans are quick to arrange and are a good option when borrowing small amounts of money for a short time.

Monthly payments are fixed, with the interest included, so you won't face any unexpected charges. This means you can make affordable payments each month — and overpayments can also be made, meaning the debt will be paid off quicker.