

## Abstract

### *Access to Credit on a Low Income: A Study into How people on Low Incomes in Liverpool Access and Use Consumer Credit*

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This research study explores the ways in which people on low incomes access and make use of credit facilities. It concerns the choices people make about credit and tries to reveal the reasons and factors that lie behind those choices. It may, and quite rightly, be argued that people on low incomes have little choice when it comes to accessing credit. It may also be argued that exploring the factors that influence their modicum of choice is itself a limited exercise. But, despite constraints, people do in fact make choices. Based on personal judgement and experience, they choose the services of one particular lender rather than another. These choices are rational, often considered and respond to people's perceived needs and interests. However, it has to be recognised that there is also a significant number of people whose ability to choose is even more severely limited, if it exists at all. For various reasons, they find themselves excluded by the alternative credit market itself. They may live in an area where home credit collectors will not operate or in one that has been red-lined by catalogue companies. They have little choice but to exist without credit, depend on family and friends or, in the last resort, turn to unlicensed money lenders.