

Karen & Pete - a sorry tale...

Karen and Pete have been together for nearly 20 years. They have always just about managed with money but never had much to spare, never been able to save, & over their lives have often had loans to pay back.

Karen's the one who handles the household budget, but isn't very confident talking to anyone about money, even Pete- she gets embarrassed discussing it.

They need to replace their car but don't have any spare cash, and can't really afford another big loan. Pete suggests they sit down to look at their money together to see if they can make savings.

to

lady
each



While doing this Karen reveals that she's been paying £50 a month back lady on their estate who she borrowed some money off a few years back. She had initially borrowed £500 when the boiler had broken as an emergency, but this was still coming round for the money month. Karen didn't know how much she had to pay back, and has been too embarrassed to talk to her about it.

Pete has worked out that she's now paid over £5,000 back- and is furious that this has been happening without him knowing.

What should they do?

Photo: Images of Money flickr/CC