Buy now pay later

On some websites, when you get to the 'proceed to checkout' or payment page, you may be offered the option to Buy now pay later (BNPL.)

The exact charges you have to pay will be different depending on the BNPL provider and repayment option available:

- **Pay in instalments** - This option will allow you to split your total purchase amount into a few instalments, usually 3 or 4. You will usually receive reminders when your payments are due. Check for additional costs such as interest, late payment fees etc.
- **Pay later** - This option is intended so you can receive your items, try them on, return anything you don't like and still have typically 14 or 30 days to then pay for what you've kept. It is important to check what time scale the company offers.
- **Pay on finance** - This traditional option allows you to buy the items now and pay for them later in instalments where there's interest (APR) added to your repayments.

Sometimes these might be interest-free for a short period of time, meaning it won't cost you anything extra to buy your items this way. However, you must find out about this before you make the purchase.

Many of the BNPL companies have their own apps too that you can download and then search for stores you want to use.

Whilst this can be a convenient way to spread the cost, it is really important to find out what is involved in agreeing to the service before using it. Take time to find out:

- **What costs are involved?** Additional costs include interest rates, fees for late payments, and return postage costs. Before using the payment method service, make sure you understand the agreement. Ask the company to explain it to you, especially if there are things you don't understand.
- **Will you need a credit check?** If the company wants to run a credit check on you before offering you the payment option, this will show up as an inquiry on your credit report.

- **Are payments automatic?** Will they be linked to your card, and what date will these payments go out? Make sure you have enough money in the account to cover this (or credit on your credit card.) If you're not sure, take some time to ask the company to explain it to you or get consumer advice from Citizens Advice www.citizensadvice.org.uk/consumer/get-more-help/if-you-need-more-help-about-a-consumer-issue/
- **How and when do you have to return items?** Whilst this will be stated by the company you are buying the item from, it is really important to return the item on time and get proof that you have posted it. If the item goes missing, you will still be liable for the payments to the BNPL company.
- **Problems repaying -** if you think you will not be able to make a payment get advice as soon as possible from Citizens Advice. www.citizensadvice.org.uk/debt-and-money

For more information and or advice, contact Citizens Advice consumer helpline 0808 223 1133, Welsh-speaking adviser 0808 223 1144.

Relay UK - if you can't hear or speak on the phone, you can type what you want to say: 18001 then 0808 223 1133.

For more information about returning goods if you've changed your mind and your consumer rights, visit this page www.citizensadvice.org.uk/consumer/changed-your-mind/changing-your-mind-about-something-youve-bought/