

London Capital Credit Union personal loan Fairbanking Mark Research

The Fairbanking Foundation awards marks to products which can demonstrate that they act in customers' best interests, and improve customers' financial wellbeing.

In order to qualify for this award, London Capital Credit Union must be able to demonstrate that customers have experienced a tangible positive impact on their financial wellbeing from using their personal loan features. To demonstrate this, a survey was conducted to gauge feedback from customers holding the product.

A broad sample of customers were sent a link to an online questionnaire or interviewed over the phone and were asked to complete a set of pre-defined questions.

The personal loan key features that were tested were:

- The application process
- The interest rate
- Budgeting tools / considering other obligations
- Making payments
- Experiencing a change in circumstances
- Connecting loans with savings

This document summarises the outputs from the research.

Technical note

- 207 completed interviews – 157 online and 50 telephone (between 11th May and 21st May 2015).
- Both the online and telephone surveys were approximately 20 minutes in length
- All respondents were holders of the a personal loan

SCREENER AND INTRODUCTION

S1. Please can you tell us, do you have, or have you ever had, a personal loan with London Capital Credit Union?

Single response question asked to everyone.

Yes	207	100%
No	-	-
Don't know	-	-
Prefer not to say	-	-
Total	N=207	100%

S1a. And which of the following best describes the personal loan you had with London Capital Credit Union?

Single response question asked to everyone.

I am currently paying back a loan	162	78%
I don't have a loan with them at present, but I had a loan in the past which is now paid off	45	22%
Don't know	-	-
Prefer not to say	-	-
Total	N=207	100%

S2. Please can you tell us, approximately when will you finish paying off the loan? If you're unsure, please give your best guess.

Single response question asked to those who are currently paying back a loan.

In the next month	5	3%
In 1 to 3 months' time	1	12%
4 to 6 months' time	23	14%
7 to 12 months' time	39	24%
More than 12 months' time	73	45%
I have already paid off my loan	1	1%
Don't know	1	1%
Prefer not to say	1	1%
Total	N=162	100%

ABOUT THE LOAN AND THE APPLICATION PROCESS

Q1. Please can you tell us, what was the purpose for taking the loan? If you have had more than one loan with London Capital Credit Union, please think about your most recent loan.
Multiple response question asked to everyone.

To pay for a special occasion (e.g. Wedding / Christmas / Birthdays, etc.)	15	7%
To make home improvements	46	22%
To pay for household repairs	14	7%
To pay for a holiday	40	19%
To cover unexpected outgoings	31	15%
Purchasing household electrics (e.g. TV, Fridge, Freezer, etc.)	12	6%
To pay for everyday living expenses (make up for a shortfall in my income)	12	6%
Purchase a car / bike	13	6%
For my children's education	8	4%
For my own education / further education	9	4%
To fund a career break	1	-
To consolidate my debts – so they are all in one place	35	17%
To help my adult children	5	2%
For emergencies or backup in case I need more money	4	2%
To help tide me over whilst I was ill	2	1%
To help pay for a funeral	8	4%
Something else	34	16%
Don't know	4	2%
Prefer not to say	1	-
Total		N=207

Q1a. Which of the following applies to your personal loan with London Capital Credit Union?

Multiple response question asked to everyone.

This is my first personal loan with them	53	26%
I had a loan before which has been completely paid off	77	37%
I have had a top-up to my existing loan	79	38%
None of the above	1	-
Don't know	-	-
Prefer not to say	2	1%
Total		N= 207

Q2. And do you have any other products with London Capital Credit Union?

Multiple response question asked to everyone.

I have a savings account	155	75%
Other loan	2	1%
I have a current account	1	-
I have a mortgage	1	-
I have insurance	1	-
Other (please specify)	4	2%
No, I don't have other products with London Capital Credit Union	48	23%
Don't know	2	1%
Prefer not to say	-	-
Total		N= 207

Q4. And please can you tell us which of the following applies to how you made the loan application?

Multiple response question asked to everyone.

I applied in a branch	124	60%
I applied online	66	32%
I applied on the telephone	17	8%
Other (please specify)	16	8%
Can't remember	2	1%
Prefer not to say	-	-
Total		N= 207

Q5. Thinking about the interest rate which applies to your personal loan, please can you tell us how does the rate you were offered compare to the rate you expected to be given when you decided to apply for the loan?

Single response question asked to everyone.

It was much higher than I thought it would be	9	4%
It was slightly higher than I thought it would be	26	13%
It was the same as I thought it would be	73	35%
It was slightly lower than I thought it would be	33	16%
It was much lower than I thought it would be	34	16%
Don't know	30	14%
Prefer not to say	2	1%
Total	N=207	100%

Q8. During the application process, did you undertake a budget plan detailing your income and expenses to help you decide how much you could afford to borrow?

Single response question asked to everyone.

Yes	136	66%
No	50	24%
Can't remember	17	8%
Prefer not to say	4	2%
Total	N=207	100%

Q9. Did you keep a copy of that budget plan to refer to later?

Single response question asked to everyone who undertook a budget plan (yes at Q8).

Yes	52	38%
No	58	43%
Can't remember	26	19%
Prefer not to say	-	-
Total	N=136	100%

Q10. Please could you tell us in which ways, if any, did using the budget planner (that shows your income and expenses) help you decide on what you could afford to borrow?

Open ended question asked to everyone who undertook a budget plan (yes at Q8).

"Knowing what I could afford to spend in repayments after paying my expenses helped me to know how much I could afford to borrow."

"Knowing how much spare money I had available each month helped me judge what was a 'safe' amount to borrow."

"It helped me to decide the amount to borrow that would be comfortable to payback."

"It helped me plan my monthly outgoings to decide if I could afford repayments comfortably."

Q11. Was the amount you could afford to borrow more or less than you thought you could afford?

Single response question asked to everyone who undertook budget plan (yes at Q8).

It was much higher than I thought it would be	4	3%
It was slightly higher than I thought it would be	9	7%
It was the same as I thought it would be	89	65%
It was slightly lower than I thought it would be	16	12%
It was much lower than I thought it would be	11	8%
Don't know	3	2%
Prefer not to say	4	3%
Total	N=136	100%

Q13. Which, if any, of the following did you do to work out how much your repayments would be, depending on how much you borrow and over what length of time?

Multi response question asked to everyone.

I had a discussion with a member of staff where I was shown examples of different repayments lengths and amounts	103	50%
I used / was shown an online tool or calculator	82	40%
Other (please specify)	22	11%
Don't know	18	9%
Prefer not to say	5	2%
Total		N= 207

Q15. How helpful, if at all, has it been to calculate possible monthly repayments and repayment periods?

Single response question asked to all coding 1-3 at Q13.

Very helpful	141	77%
Fairly helpful	29	16%
Not very helpful	4	2%
Not at all helpful	-	-
Don't know	7	4%
Prefer not to say	3	2%
Total	N=184	100%

93% Helpful

Q15a. You said that it was [answer from Q15] to calculate possible monthly repayments and repayment periods. Please can you tell us why you say that?

Open ended question asked to all coding 1-4 at Q15.

Very helpful

"I could alter repayment periods or repayment amounts to help me see what my best options were."

"Because I could see how my budget fared with the loan calculator so I could either reduce my borrowing or increase it."

"It helps out with the loan duration and one's ability to pay without stress."

"It helped me to work out which amount best suited my repayments. I was able to play around with the figures."

"I don't really like to speak to people on the phone, because of this I prefer to use the online facilities. The online calculator is easy to use and I can use it at my leisure and fully understand the repayment terms. I use it to help me plan how long I will be paying off the repayments and the cost of borrowing the loan. I will always check the calculator before applying for a loan."

Fairly helpful

"Because you can choose how much you want to pay back and for how long."

"I discovered that I was paying less then I should of been, so the calculator helped."

"It gave me figures of what I would pay each month such a length of time that helped me calculate what would be my household income."

Q16. During the application process, to what extent, if at all, did you consider all debts, loans, credit cards and other borrowing that you had to pay off?

Single response question asked to everyone.

I took all of my debts and borrowing into account when I applied	151	73%
I thought I had considered all of my debts and borrowing when I applied but realised during or after the process that there were debt(s) that I'd forgotten to consider	13	6%
I didn't really consider my debts and borrowing when I applied	28	14%
Don't know	9	4%
Prefer not to say	6	3%
Total	N=207	100%

Q17. How helpful was it to consider all debts and day-to-day bills and outgoings when making the application?

Single response question asked to everyone who considered debts (code 1 or 2 at Q16).

Very helpful	125	76%
Fairly helpful	32	20%
Not very helpful	5	3%
Not at all helpful	-	-
Don't know	2	1%
Prefer not to say	-	-
Total	N=164	100%

96% Helpful

Q18. Which of the following, if any, applied to you when you considered all of your borrowing as part of the application?

Multi response question asked to all who considered debts (code 1 or 2 at Q16).

I felt reassured that I could afford repayments on the debts I already had	78	48%
I felt reassured that I could afford the repayments on the loan I was applying for	97	51%
I re-considered whether I could take out the loan at all	7	4%
I decided to try to decrease my borrowing in the future	22	13%
I decided I needed more advice on how to reduce my debts	6	4%
Other	2	1%
It made no difference; I already had a full picture of my debts	17	10%
Don't know	2	1%
Prefer not to say	-	-
Total		N= 164

Q18a. In which ways, if at all, did you decide how much you could afford to borrow?

Open ended question asked to all who did not consider their debts (code 3 at Q16).

"When I worked out through the budget planner on how much there was left, that's how much I could afford."

"Decided by how much they have coming in money wise, so they know how much they afford to pay"

"I asked before how much could borrow considering what I have saved"

"According to what I am bringing in from elsewhere because I am on benefits"

MAKING PAYMENTS

Q19. Which of the following methods of payment do you use to make your monthly personal loan repayments? If you use different methods, please tell us about the one you use most.

Single response question asked to everyone.

Via child benefit/or similar	12	6%
Via payroll deduction	78	38%
Via online banking transfer	9	4%
Via direct debit	45	22%
Via standing order	56	27%
Online on a mobile phone	-	-
Online with a debit card	2	1%

In a branch	2	1%
On the telephone	1	-
Other	1	-
Don't know	-	-
Prefer not to say	1	-
Total	N=207	100%

Q20. And how convenient do you find it to make your repayments [code chosen at Q19]?

Single response question asked to all who allocated a method of payment (code 1-10 at Q19)

Very convenient	190	92%
Fairly convenient	12	6%
Not very convenient	2	1%
Not at all convenient	-	-
Don't know	1	-
Prefer not to say	1	-
Total	N=206	100%

98% Convenient

Q20a. Please can you tell us why you choose to make your repayments [channel from Q19]?

Open ended question asked to all who allocated a method of payment (code 1-9 at Q19).

Via child benefit/or similar

"Because I know that I am not going to miss a repayment this way."

Via payroll deduction

"It is brilliant as I don't have to worry about paying it."

"No hassle, also very difficult to miss payments etc. and I am having deductions for savings anyway."

"It is easier because it is paid automatically so I don't have to think about it."

"It's just easier, quicker and simple, you do not have to set up a standing order or direct debit they do it for you."

"It's easier to ensure repayments are made on time."

"I found it very convenience that way."

"The payments are taken direct so at least I am assured the monthly payment is paid."

Via online banking transfer

"I use the banking app on my phone takes seconds."

"I can pay the amount due and extra when able to. It credits to the account very quickly (in 24 hours)."

Via direct debit

"Because the payment was set up on payday so it was paid immediately with all my other bills, leaving me my monthly spend."

"It's very convenient. It just goes out of my bank account and it's paid and if I want to get my savings out it's very helpful."

"Because it's comfortable for me as I am busy and I don't want to forget to pay it."

"This way I don't have to worry about if I've paid it or not.."

"Because payments go straight into loan repayments."

"It was just easy to do. If you had to pay in cash I would usually forget."

Via standing order

"Easy to pay gives me flexibility to amend better than a direct debit."

"I prefer to make the repayments via standing order as it put me in control. It means I won't forget and just have to make certain there is enough money in my account when it's due. It is always for a fixed amount which will only change if I choose to change it as distinct from a direct debit where a loan company or bank is in control."

"Because I also pay into my savings account at the same time and I sometimes wish to vary the amount I save. It also means that when the debt is paid off, if I do nothing, then the amount I paid for the loan goes automatically into my savings account."

"Means I don't have to remember to make repayments and invest in further shares."

"So that I do not miss my repayment plus it saves me more."

"It's easy to set up and I think I was advised to use standing orders for my repayments by the credit union in the 1st instance and i have paid by this method ever since."

"I can control - if there is a timing tweak needed to ensure sufficient funds on the day for transfer."

"It was the simplest option; I didn't need to worry about making repayments as they would be made automatically."

Q20b. Do you make your repayments on the day, or very soon after, you receive income?

Single response question asked to everyone.

Yes	173	84%
No	19	9%
Don't know	10	5%
Prefer not to say	5	2%
Total	N=207	100%

Q20c. And how helpful was it to be making your repayments soon after you receive income?

Single response question asked to all who made repayments soon after receiving income (yes at Q20b).

Very helpful	153	88%
Fairly helpful	13	8%
Not very helpful	1	1%
Not at all helpful	-	-
Don't know	4	2%
Prefer not to say	2	1%
Total	N=173	100%

96% Helpful

Q20d. You said that making your payments soon after you receive income was [answer from Q20c]. Please can you tell us more about why you say that?

Open ended question asked to all who coded 1-4 at Q20c.

Very helpful

"I prefer to get all my payments out of the way when I get paid so I can see how much I have left to spend / save that month."

"As soon as my wages get paid the money leaves my account, avoiding temptation to dip into it."

"It's when most of my bills are deducted so I can manage my money better."

"Makes it easier to budget the rest of the month when all debts/rent/utilities etc. are paid straight after payday."

"All my Standing Orders go out on the first of the month, a day after I receive most of my various incomes."

"All my payments come out at the beginning of each month. It makes it easier to budget, with no surprises."

Fairly helpful

"I have to pay in anyway regardless; it is more convenient to pay it back just when i get the money."

"Just in case there are any other unexpected payments then I will know the direct debit has been paid."

Q20e. Did your lender at any point suggest making repayments soon after receiving income?

Single response question asked to everyone.

Yes	49	24%
No	118	57%
Don't know	36	17%
Prefer not to say	4	2%
Total	207	100%

Q21. Were you aware that you can make additional payments on your personal loan without charge, over and above your normal repayments?

Single response question asked to everyone.

Yes	153	74%
No	46	22%
Don't know	7	3%
Prefer not to say	1	-
Total	N=207	100%

Q22. Over and above your normal repayments, have you ever made an additional payment on your personal loan?

Single response question asked to all who were aware they could make additional payments (yes at Q21)

Yes	47	31%
No	102	67%
Don't know	3	2%
Prefer not to say	1	1%
Total	N=153	100%

Q23. Which of the following methods did you use to make the additional payment? If you have made more than one additional payment, please tell us about the most recent one that you made.

Single response question asked to all who made additional payments (code 1 at Q22).

Via payroll deduction	5	11%
Via online banking transfer	16	34%
Via direct debit	1	21%
Via standing order	9	19%
Online on a mobile phone	-	-
Online with a debit card	-	-
In a branch	-	-
On the telephone	5	11%
Other	10	21%
Don't know	-	-
Prefer not to say	1	2%
Total	N=47	100%

Q23a. In which ways, if any, did you decide how much you could afford to overpay your loan by?

Open ended question asked to all who made additional payments (code 1 at Q22).

"I decided I wanted to finish my loan quicker so I took into account all bills and essentials and worked out how much I could afford each week"

"I had extra money so just decided to pay it in to clear it a bit earlier"

"When I had money left at the end of the month and before i was due to be paid again"

"I looked at additional income and decided whether it was better to save it or reduce my debts - with interest rates being very low for savings, reducing my debts and their interest made more sense"

Q24. Do you recall your provider reminding you to consider repaying your loan early or overpaying if you could? This could have been in person in branch, on the telephone, a letter, an email, as part of your statement, or via some other method.

Single response question asked to everyone.

Yes	54	26%
No	112	54%
Don't know	38	18%
Prefer not to say	3	1%
Total	N=207	100%

Q24aa. Please can you tell us what, if anything, did you do as a result of receiving that reminder from your provider about being able to repay early (and save interest)?

Open ended question asked to all who received encouragement to repay early (code 1 at Q24).

"I applied for a card so I can add extra savings apart from what I am saving with credit union. I can do this in local shops when I have spare cash."

"I knew that there was no penalty for overpaying and I would save interest and reduce the term of the loan."

"I was aware I could pay off sooner as it's mentioned on the website. Last month I contact the credit union by email and asked them if it was possible to pay off the loan by taking all the repayment money and not splitting it up so a portion of it would go into my savings account. The person who replied to my email stated it wasn't possible to do that, but I had the option to reduce the savings account payments to the minimum amount which would free up a larger sum of money to be used to pay off the loan. I agreed to this and the request was promptly actioned. This will help me pay of the loan a little bit more quickly. I am also considering making extra payments where possible each month."

"I have done nothing so far but I am now thinking about an overpayment but I haven't told them."

"I considered my finances again and decided at the time I could not afford it."

Q24a. Please can you tell us, which of the following best applies to how often you have been able to make additional payments on your personal loan?

Single response question asked to all who made additional payments (code 1 at Q22).

I once made an additional payment	14	30%
I have occasionally made an additional payment	19	40%
I regularly make additional payments	5	11%
I always make additional payments	2	4%
Don't know	5	11%
Prefer not to say	2	4%
Total	N=47	100%

Q25. For what reasons were you motivated to make an additional payment on your personal loan?

Open ended question asked to all who made additional payments (code 1 at Q22).

"It was a priority to have it paid off so I would not be paying interest and I could start saving again."

"I was hoping to do this regularly and finish paying the loan earlier. I paid additional once because I could afford to do so."

"I had spare money on me and figured I would pay it off a little earlier."

"To clear the loan and start saving the loan payment amount instead."

"I was hoping to do this regularly and finish paying the loan earlier. I paid additional once because I could afford to do so."

Q26a. Please can you tell us how helpful it is to be able to make additional/early payments on your personal loan?

Single response question asked to all who made additional payments (code 1 at Q22).

Very helpful	37	79%
Fairly helpful	5	11%
Not very helpful	-	-
Not at all helpful	-	-
Don't know	4	9%
Prefer not to say	1	2%
Total	N=47	100%

90% Helpful

Q26b. You said that being able to make additional payments is [answer from Q26a]. Please can you tell us what makes you say that?

Open ended question asked to all who made additional payments (code 1 at Q22).

Very helpful

"It is useful because as well as making additional payments you are also paying into savings."

"Helps you reduce your debt sooner (as I stated previously, I wouldn't like to keep a debt for longer than I needed to), or helps you add more to your savings and increases your money pot."

"I like the flexibility to do this and it allows me the opportunity to clear this up quickly."

"You don't have to pay a penalty or extra charge for making additional payment, which is what happen with a bank loan. Loan is also pay in less time"

CHANGE IN CIRCUMSTANCES

Q27. Were you aware that London Capital Credit Union offers the ability to discuss your personal financial circumstances, including ways to help you manage your finances and meet your repayment obligations?

Single response question asked to everyone.

Yes	140	68%
No	56	27%
Don't know	10	5%
Prefer not to say	1	-
Total	N=207	100%

Q27a. Please tell us which of the following best applies to what you think about the assistance London Capital Credit Union offers to customers who wish to manage their finances better.

Single response question asked to everyone.

I feel better knowing that the help is available should I require it	178	86%
It doesn't matter at all to me whether it's there or not	14	7%
I think the assistance offered has a negative impact on customers	2	1%
Other (specify)	1	-
None of these	3	1%
Don't know	8	4%
Prefer not to say	1	-
Total	N=207	100%

Q27b. How likely would you be to get in touch with London Capital Credit Union if you thought you might miss a payment due to a financial problem?

Single response question asked to everyone.

3.3

Very likely	165	80%
Fairly likely	10	5%
Fairly unlikely	7	3%
Very unlikely	11	5%
Don't know	14	7%
Total	N=207	100%

85% Likely

Q27c. You said that you are [insert answer from Q27b] to get in touch with the London Capital Credit Union about your personal financial circumstances if you ever think you are going to miss a payment. Please can you tell us what makes you say that?

Open ended question asked to everyone.

Very likely

"I feel like I have a good relationship with London Credit Union and that they would understand and support me through a difficult month."

"The staff are extremely helpful and friendly at the branch and I feel confident they would help"

"It is always better to be honest with any lender as it make thing better if you want to continue your account with them also I have a savings account so it's very important."

"Because they are very understanding and flexible. Not likely to be charged a fee, more likely to be praised for seeking help."

"I would never ignore financial difficulties - I also understand that organizations want to help if they can."

"Because I wouldn't want to fall behind, and I wouldn't know what charge I would incur if I were to make a late payment"

"I couldn't miss a payment because it's automatically deducted"

Fairly likely

"Find the staff easy to talk to, and very approachable."

"Because I would not like to receive debt letter."

Intro screen: We would like to understand the service offered by your provider when you experienced a change in circumstances. Please be assured that your answers are completely confidential.

Q28. Please can you tell us, which of the following applies to you?

Single response question asked to everyone.

I have missed a payment on more than one occasion	15	7%
I have missed a payment only once	10	5%
I have always made my payments on time but have come close to missing a payment at least once	9	4%
I have always been able to make my payments on time and have never come close to missing a payment	166	80%
Don't know	5	2%
Prefer not to say	2	1%
Total	N=207	100%

Q28a. Please can you tell us what actions, if any, did you take when you nearly missed the payment(s)?

Open ended question asked to all coming close to missing payments (code 3 at Q28).

"I topped up bank account to ensure payment could be made when direct debit was re-presented."

"Paid the payment in online banking system..."

"I managed it in the end by reducing spending somewhere else."

"Phoned the bank up and phoned my work up, they changed my wages from weekly payment to monthly payment."

Q29a. Please can you tell us which, if any, of the following did you experience with London Capital Credit Union after you missed the payment(s)?

Multi response question asked to all who missed a payment (code 1 or 2 at Q28).

They contacted me by telephone	9	36%
They contacted me by letter	9	36%
They contacted me by text message	4	16%
They contacted me by email	4	16%
A branch put me in touch with someone to talk about my financial situation	2	8%
The credit union call centre put me in touch with someone to talk about my financial situation	-	-
Other (please specify)	1	4%
I contacted them to alert them before the payment was missed	7	28%
I contacted them after the payment was missed but before they contacted me	2	8%
I had no contact with my provider about missing the payment	-	-
Don't know	-	-
Prefer not to say	-	-
Total		N= 25

Q29aa. Please can you tell us which of the following best applies to the contact you had with your loans provider after you missed a payment.

Single response question asked to all who coded 1-7 at Q29a.

My provider contacted me straight away, within a day or two of me missing the payment	7	44%
My provider contacted me fairly soon afterwards, within a week of missing the payment	5	31%
My provider contacted me more than a week after missing the payment	2	12%
My provider never contacted me about missing the payment	-	-
Don't know	2	12%
Prefer not to say	-	-
Total	N=16	100%

Q29b. You said that you had contact with London Capital Credit Union recently about missing a loan repayment. Please can you tell us what happened as a result of that communication?

Open ended question asked to all who coded 1-9 at Q29a.

"I called, told them I was going to miss a payment (I had overpaid the previous month). They thanked me for letting them know and asked if I would be able to make the payment the following month."

"They gave me a time frame where I can start repaying my loan normally."

"The where very understanding due to my job ending due to cuts, and requested that I contacted them when my benefit claim was sorted."

"I just went down and sorted out a standing order and that was that."

Q30. Please can you tell us which of the following applies to what happened as a result of your contact with London Capital Credit Union?

Multi response question asked to all who coded 1-9 at Q29a.

Given a revised repayment plan	10	40%
Given a repayment break	4	16%
Refunded interest	-	-
Given amended repayment dates so the loan term was extended	1	4%
Referred to a third party such as a Debt Advice Charity	1	4%
Provided further information/advice	1	4%
Other	4	16%
No solution provided	5	20%
Don't know	1	4%
Prefer not to say	1	4%
Total		N= 25

Q31. And thinking about the outcome of your contact with London Capital Credit Union, how helpful would you say you found each of the following?

Single response question asked to all who coded 1-7 at Q30.

	Very helpful	Fairly helpful	Fairly unhelpful	Very unhelpful	Don't know
Given a revised repayment plan	9 90%	-	-	1 10%	-
Given a repayment break	4 100%	-	-	-	-
Refunded interest	-	-	-	-	-
Given amended repayment dates so the loan term was extended	1 100%	-	-	-	-
Referred to a third party such as a Debt Advice Charity	1 100%	-	-	-	-
Provided further information/advice	-	1 100%	-	-	-
Other	3 75%	-	-	1 25%	-

Q31a. You said that you were [answer from Q30] and that this was [rating from Q31].

Please can you tell us more about what makes you say that?

Open ended question asked to all who gave a rating at Q31 and repeated for each statement selected at Q30.

Given a revised repayment plan

Very helpful

"It relieves all the financial pressure rest on your shoulders."

"I was unaware that I had missed a payment and the prompt contact enabled me to resolve the issue quickly."

"It met my needs at the time and in the long run. I'm still on the plan."

Given a repayment break

Very helpful

"Did not incur charges, did not feel adversely effect, felt supported through financial difficulties."

"Everything went smoothly - I did not feel as though I had done something wrong. Staff were very helpful."

Q32. Please can you tell us for how long have you been on your revised repayment plan? If you're unsure, please give your best guess.

Single response question asked to all who were given a revised repayment plan (code 1 at Q30).

Less than 3 months	3	30%
Between 3 and 6 months	2	20%
Between 6 and 9 months	4	40%
Between 9 and 12 months	-	-
Between 1 and 2 years	-	-
More than 2 years	1	10%
Total	N=10	100%

Q33. Still thinking about your revised repayment plan, please can you tell us how affordable this was for you at the time it was set up?

Single response question asked to all who were given a revised repayment plan (code 1 at Q30).

Very affordable	6	60%
Fairly affordable	1	10%
More affordable	2	20%
Fairly unaffordable	-	-
Very unaffordable	-	-
Don't know	1	10%
Total	N=10	100%

Q34. Please can you tell us to what extent you have been able to keep up your repayments?

Single response question asked to all who were given a revised repayment plan (code 1 at Q30).

I have always kept up with repayments	5	50%
I have mostly kept up with repayments	4	40%
I have mostly not kept up with repayments	1	10%
I have never kept up with repayments	-	-
Don't know	-	-
Prefer not to say	-	-
Total	N=10	100%

Q35. Please can you tell us, overall, how effective you feel London Capital Credit Union has been in helping you to reduce your debt?

Single response question asked to all who missed or nearly missed a payment (code 1, 2 or 3 at Q28).

Very effective	23	68%
Fairly effective	5	15%
Not very effective	-	-
Not at all effective	3	9%
Don't know	3	9%
Prefer not to say	-	-
Total	N=34	100%

Q35a. You said that London Capital Credit Union was [answer given at Q35]. Please can you tell us why you say that?

Open ended question asked to everyone.

Very effective

"It stops borrowing from lenders and credit cards where the APR is very high."

"With the way the loan has been set up, it has been hassle free. Also I was able to save and borrow at the same time, thus reducing the debt quickly."

"They understand and are non-judgemental unlike high street banks."

"They provide credit at lower rates and monthly affordable."

CONNECTING LOANS AND SAVINGS

Q36. Was a regular payment into a savings account with your credit union set up alongside your loan repayment?

Single response question asked to everyone.

Yes	194	94%
No	11	5%
Don't know	1	-
Prefer not to say	1	-
Total	N=207	100%

Q37. How helpful is/was it to be saving at the same time as paying off your loan?

Single response question asked to all who have been saving whilst paying back their loan (code 1 at Q36)

Very helpful	171	88%
Fairly helpful	15	8%
Not very helpful	1	1%
Not at all helpful	4	2%
Don't know	2	1%
Prefer not to say	1	1%
Total	N=194	100%

Q37a. You said that saving alongside making your loan repayments is/was [answer from Q37]. Please can you tell us what makes you say that?

Open ended question asked to all who have been saving whilst paying back their loan (code 1 at Q36).

Very helpful

"I have always saved money and have also used my savings when needed, but savings soon build up again. Fantastic idea."

"I welcome knowing that when my loan is paid off, I will have a savings balance to access too."

"Because it 'forces' savings which cannot be accessed- this makes it very beneficial for me."

"It's unconscious saving, and it's not easy to remove and spend so it enables you to save better."

"The whole ethos of repaying a loan and saving at the same time is brilliant as I have historically never been disciplined enough to save"

Fairly helpful

"Good that you can save and can't touch it unless you pay off your loan."

"Savings continue to grow, enabling the ability to borrow more next time."

Q38. Which of the following statements best applies to your savings habits, before you took out the personal loan?

By saving, we mean putting money into savings products such as a savings account or ISA
Single response question asked to everyone.

I saved regularly throughout the year	68	33%
I saved whenever I could	50	24%
I sometimes saved a one-off lump sum	10	5%
I was never able to save at all	74	36%
Don't know	3	1%
Prefer not to say	2	1%
Total	N=207	100%

Q38a. Which of the following statements best applies to your savings habits, since you finished paying off your loan?

By saving, we mean putting money into savings products such as a savings account with London Capital Credit Union.

Single response question asked to paid off customers only (code 2 at S1a)

I save regularly throughout the year	33	73%
I saved whenever I could	8	18%
I sometimes saved a one-off lump sum	2	4%
I was never able to save at all	1	2%
Don't know	1	2%
Prefer not to say	-	-
Total	N=45	100%

Q39. Please can you tell us which of the following statements best applies to your future savings plans after your loan has been paid off?

Single response question asked to all customers currently paying their loan (code 1 at S1a)

I will save regularly throughout the year	116	72%
I save whenever I can	33	20%
I will sometimes save a one-off lump sum	2	1%
I will not be able to save at all	4	2%
Don't know	6	4%
Prefer not to say	1	1%
Total	N=162	100%

Q40. In what ways, if any, has taking out your personal loan with London Capital Credit Union, helped you with your savings habits?

Open ended question asked to everyone.

"Got me into the discipline of budgeting my spending."

"It's helped me consider a regular savings habit alongside debt repayment."

"Being more spend/thrift-conscious; avoiding credit card spend."

"It has made me make regular monthly contributions to my savings."

"Given me the ability to save where I have never been able to before."

Q41. By building up a savings amount with London Capital Credit Union at the same time as paying off your loan, you will pay more interest back London Capital Credit Union as the loan will take longer to pay off. Do you feel it is worth the extra interest on your loan, to have an amount in savings available when your loan is paid off?

Single response question asked to everyone.

Yes	133	64%
No	24	12%
Unsure	46	22%
Prefer not to say	4	2%
Total	N=207	100%

Q41a. And please can you tell us why you say that?

Open ended question asked to everyone.

Yes

"A way of saving without the temptation of dipping into it."

"I think it's unfair to be charged interest on a loan when it may be less than my savings."

"Because you don't really notice the interest but you'll notice the savings at the end."

"Compared to commercial lenders the interest rate is very low and the cost of the loan was a major factor in choosing to borrow from this source rather than any other."

"It would be cheaper to pay off the loan quicker but I still get to save whilst paying that off."

"The interest on Credit Union loans is much lower than any other financial outlets I use the difference to push up my savings"

"The benefit of saving money for me offsets any extra interest I may pay back in the shorter term."

"As the Union does not penalise for early repayment of the loan, you can always pay off from savings if the interest becomes an issue but the fact that at the end of the debt there is a "nest egg" or whatever is nice."

No

"I think it's unfair to be charged interest on a loan when it may be less than my savings."

"It makes the savings expensive. It cost extra interest to make the saving"

"It will be like saving but not achieving anything"