



Local Area Partnership

Case study – In conversation with Tracy Lennon, Tenant Participation Manager, North Lanarkshire Council

The Money and Pensions Service is funding a pathfinder project in North Lanarkshire to help at least 2000 people get into the habit of saving regularly and reducing the use of credit for everyday essentials. Credit unions are an alternative to traditional banks and building societies for saving and borrowing. They are community organisations run by and for their members.

Tracy Lennon who works for North Lanarkshire Council talks about how a credit union has helped her.

Q. How long have you been a member of a credit union?

A. Approximately 18 years.

Q. Why did you join?

A. My husband heard about it through his employer at the time (South Lanarkshire Council) he initially set up a pay deduction to start saving, I then followed suit. We used it to save and for larger type loans car, holiday home improvements etc. Then in 2005 we applied to buy our council house via the right to buy scheme, we wanted to borrow extra on top of the mortgage to refurbish the house. This was difficult with other lenders as they only wanted to lend the amount for house so we approached of credit union and was accepted for the value of house plus £10,000 for home improvements. The mortgage plus savings came directly out of my husband's wage which gave us great piece of mind as he was paid every 4 weeks therefore we didn't need to worry about keeping money aside for direct debits, we knew our mortgage was covered.

In 2009 we decided to sell our house and buy a brand new 'forever' home which was almost 4 times what our originally mortgage was. We made an appointment with Scotwest's mortgage advisor to go through everything associated with the application. Our application was accepted and we bought the house in August 2009 and are still there today.

We continue to pay our mortgage and save every month.

Q. How has the credit union helped you save?

A. As we save via pay deduction I have no worries about missing direct debit or the temptation of cancelling, we just count what is left in our wage after deductions as our wage.

Q. Would you recommend that people join a credit union?

A. Absolutely, not just to save but to access support, loans and maybe even a mortgage.