



How is my loan rate decided?

A quick guide to how we review your loan at GWCU and decide the rate that's right for you.





How we review applications



Fair and personalised lending, designed around real life

At Great Western Credit Union, we know no two members are the same and we don't believe borrowing should be one-size-fits-all either.

That's why the interest rate you're offered is personalised to you based on your individual circumstances. As a responsible lender, we look at a range of factors to make sure any borrowing is affordable, manageable and right for you.

Our aim is to offer fair and affordable support while helping you borrow with confidence.

We usually look at three main areas:



Your credit score and history

This helps us understand how you've managed borrowing and repayments in the past.



The information you provide

This includes things like your income, employment status, loan amount and regular spending.



Affordability checks

We look at whether repayments are likely to feel manageable alongside your everyday living costs and existing commitments.

We'll walk you through each of these on the next pages so you know exactly what to expect.





Understanding your credit score



What is a credit score?

Your credit score is a number used by lenders to help understand how you've managed credit and repayments in the past.

It can give us an idea of how likely you are to keep up with future repayments and is one of the factors we look at when deciding your personalised loan rate.

What can affect your credit score?

- Missing or making late payments
- Using a large amount of your available credit
- Applying for lots of credit in a short period of time
- County Court Judgements (CCJs)
- Not being registered on the electoral roll
- Existing debts and repayment history

Although your credit score is important, we know a credit score doesn't tell the whole story.

That's why we take the time to understand your wider circumstances and look at borrowing in a more human and supportive way.

Want to improve your credit score?

Check out our blog for simple tips and guidance on improving your credit score and building healthy financial habits.

[Find out more](#)



Your affordability and finances



Making sure borrowing feels manageable

As a responsible lender, we also look at whether repayments are likely to feel affordable alongside your everyday living costs.

Our aim is always to help make sure borrowing feels manageable and realistic, not overwhelming, and this is another factor we look at when deciding your rate.

This means reviewing things like:

- Your income
- Existing credit commitments
- Everyday spending
- Household bills
- Disposable income
- Regular outgoings

Using Open Banking

To help us understand whether a loan would be affordable for you, both now and as you repay it, we use Open Banking as part of our application process.

What is Open Banking?

Open Banking is a secure way for you to share a snapshot of your recent bank transactions with us.

It gives us a more accurate picture of your finances, so we can make fair, responsible lending decisions based on your real situation.

Open Banking helps us:

- Understand your finances more accurately
- Assess affordability fairly
- Make quicker decisions
- Look beyond just your credit score



The information you provide



Why the details you share matter

The information you provide in your application plays an important role in helping us understand your situation.

This isn't just about ticking boxes, it's about making sure we can support you in the right way.

We'll ask about things like:

- Your regular outgoings and financial commitments
- The amount you'd like to borrow
- Whether you have any existing debts
- Your household income, including any benefits
- Your employment situation
- Your housing situation, homeowner or renting

Why we ask for this

The information you provide helps us to:

- Build a clear picture of your financial situation
- Understand what you can realistically afford
- Offer a loan amount and rate that suits your circumstances
- Make sure repayments feel manageable over time

Being accurate in your application helps us make the fairest and fastest possible decision, if anything is unclear or missing, we may reach out for more information, but we're always here to support if you have any questions.

GREAT
WESTERN
CREDIT
UNION  N