

Privacy notice for participants in the no interest loan scheme pilot project

Background

We are providing you with this privacy notice because you have been invited by NEFirst Credit Union Ltd to take part in the no interest loan scheme pilot project (the **Pilot**). The Pilot is a test to see if a no interest loan (NIL) can help you or people like you improve their financial position. By sharing your information with us, you will help us understand if the no interest loan Pilot is working and how we could make it better, and help us to help more people like you in the future.

The Pilot is being coordinated by a not-for-profit organisation called Fair4All Finance Limited. Fair4All Finance helps lenders like yours to offer more affordable credit.

To run the Pilot, we will need to collect and process certain information about you. This privacy notice explains how we (NEFirst Credit Union Ltd and Fair4All Finance Limited) will **jointly** use your personal data (information about you) in connection with the Pilot.

Who are we?

NEFirst Credit Union Ltd and Fair4All Finance Limited are working together to deliver the Pilot and are both in charge of the way your personal data is used as part of the Pilot. For the purposes of data protection law therefore, NEFirst Credit Union Ltd and Fair4All Finance Limited are known as “joint controllers”.

Fair4All Finance Limited
PO Box 2nd Floor,
28 Commercial Street,
London, E1 6LS

NEFirst Credit Union Ltd
Unit 12 Jackson House,
20 Jackson Street,
Gateshead, NE8 1ED

If you would like to contact us about any aspect of this privacy notice or would like to exercise your rights or obtain further information about the way that we process your personal data, then please contact: data@fair4allfinance.org.uk

What personal data are we collecting and why?

As part of the Pilot, we will collect and use different types of personal data about you at different stages. Below we set out further information about the types of personal data we will collect and use, as well as our reasons for this:

Why we are collecting your personal data	What personal data we are collecting	Lawful basis (as explained below)
When you are invited to apply for a no interest loan, we will process information about you to see if you are eligible. This will help us understand who is eligible for no interest loans and who isn't, and to make changes to try and help as many people as possible. We may also use this data for case studies to demonstrate the wider value of the pilot.	This will include: <ul style="list-style-type: none">➤ Information allowing us to identify you (such as your name, address and customer reference number)➤ Information about your personal and financial circumstances (such as your income, expenditure, employment status, credit score, whether you are receiving benefits, information about previous loans you may have applied for, the reason you want to take out a loan);➤ Other information we may receive from third parties if you are referred to us – which	Legitimate interests (see explanation below)

	may also include the information above	
We will collect demographic data to help us understand how the Pilot is working overall, who it is reaching and if we are not reaching groups of people who may benefit from it	This will include: <ul style="list-style-type: none"> ➤ Information about your age, background (including your ethnic origins and religion), gender, sexual orientation, disabilities, single parent status, refugee status, housing type and caring responsibilities. 	Legitimate interests (see explanation below) To the extent that the information you provide is a special category data (which includes data relating to ethnicity, religion, sexual orientation, health (including disabilities)), we collect and use this on the basis of your explicit consent or because it is necessary to ensure equal opportunity / treatment.
We will collect certain information about you if you are selected for financial coaching so that we can assist you with achieving your financial goals and to provide you with information and advice that may be helpful to you in relation to debts, budgeting and other financial matters.	This will include: <ul style="list-style-type: none"> ➤ Information about your personal and household income and expenditure ➤ Information about financial products you hold or have held in the past e.g. a bank account, credit products, savings products etc. ➤ Information about your levels of debt (including payment or non-payment of bills), savings and/or credit use ➤ Information about your credit score ➤ Information about your personal financial goals associated with the NILS loan e.g. employment, training, transport, housing etc. ➤ Other information about your financial and personal circumstances impacted by the NILS loan 	Legitimate interests (see explanation below) To the extent that the information you provide is a special category data (which includes data relating to ethnicity, religion, sexual orientation, health (including disabilities)), we collect and use this on the basis of your explicit consent
We will collect certain information about you in the course of tracking, monitoring and analysing how you are repaying the loan. This will allow us to understand the potential benefits of no interest loans for people in different situations, to identify common obstacles and to develop products that may be helpful to you and other customers.	This will include: <ul style="list-style-type: none"> ➤ Information about your loan repayments; ➤ Information about your financial and personal circumstances; ➤ Changes to your credit score and how this has been impacted by a no-interest loan. 	Legitimate interests (see explanation below)

<p>After you have paid off the loan, we will collect further information about your financial circumstances (e.g. any commercial loans that you will take out with the same lender) to assess how effective the Pilot is in the long run.</p>	<p>This will include:</p> <ul style="list-style-type: none"> ➤ Contact details (telephone number, email address, address); ➤ Information about your financial circumstances, including any further loans you apply for, and if the Pilot has impacted your financial circumstances. ➤ Changes to your credit score and how this has been impacted by a no-interest loan 	<p>Legitimate interests (see explanation below)</p>
<p>In order to understand the full impact of the no interest loan scheme and demonstrate the wider value as well as gather vital customer feedback we will be asking customers to complete surveys at different stages of the loan processes.</p> <p>Survey data will be pseudonymised (coded to prevent you being easily identified) and will have no impact on loan eligibility. Survey completions will be optional and any question within can be declined.</p>	<p>This will include:</p> <ul style="list-style-type: none"> ➤ Scaled questions on how you feel about your financial confidence and wellbeing ➤ Agree and disagree selections to statements about borrowers situation, opinions and experience. ➤ Free text feedback and questions about the scheme ➤ Category selection and tick boxes about personal finances and behaviour ➤ Other additional questions that may arise from as the pilot progresses such as changes 	<p>Consent</p> <p>To the extent that the information you provide is special category data (for example information about your health as part of the questions on wellbeing), we collect and use this on the basis of your explicit consent.</p> <p><i>Please note, it is not mandatory to complete the survey(s) in order to take part in the pilot, you can choose whether you would like to be contacted by us in future to share your experiences.</i></p>

Some of the personal data we need to collect in connection with the Pilot is more sensitive. We call this “special category personal data”. Special category personal data is defined in law as meeting any personal data that relates to health, racial or ethnic origin, political opinions, sexual orientation, sexual life, religious and philosophical beliefs, as well as genetic and biometric data (where used for identification purposes).

We are processing special category data to understand the types of people are applying for, using and benefiting from the no interest loan scheme. We only process the following types of special category personal data:

- **Information about your race / ethnic origin and sexual orientation.** This helps us to make sure that the Pilot is inclusive and reaches all who can benefit;
- Information about your **health** (including details of any disabilities) (for example, if you tell the lender that you need a loan because of an accident or illness); and
- Information about your **religious or philosophical beliefs** (for example, if you are Muslim and your loan must be managed in a way that complies with Sharia law).

For all of the above, we will also overlay additional demographic, product and lifestyle data from CACI (www.caci.co.uk) to help us understand how you, or other people like you, interact with financial services, your financial circumstances and your marketing preferences.

We will then apply this to segmentations – this is often described as “profiling” and we create “profiles” using combinations of the information you provide, and data from other places, including publicly

available data (such as the electoral register and the UK Census) or derived from surveys and questionnaires.

This will help us design the right products and services, and deliver appropriate marketing, to customers who can most benefit from different products. While the segmentation will involve profiling, no organisations will make decisions on an individual from this data, instead it will be used to inform marketing, operational and product strategies and could help us develop products that are better for you.

Please note, in order for NEFirst Credit Union Ltd to process your loan application, they will also need other information (such as your bank details). This will never be shared with anyone else, including Fair4All Finance. For more information, please see NEFirst Credit Union Ltd's privacy notice.

Our lawful basis for processing your personal data

Data protection law requires us to have a valid legal reason (also known as a "lawful basis") to process and use your personal data. In connection with the Pilot, we rely on the following lawful bases:

- **Legitimate interests:** We need to process your personal data because it is necessary for our legitimate interests (or occasionally the interests of a third party), but provided those interests are not outweighed by the impact to your own rights.

The purpose of processing your personal data is in order that NEFirst Credit Union Ltd can fulfil your loan agreement and to help us help other people like you in the future, including other people who may benefit from a no interest loan. We also need to process your personal data to understand the way no interest loans may benefit society.

Here, the relevant legitimate interests we have identified relate to the outcomes of the Pilot (i.e. aiming to provide access to fair, affordable and appropriate financial products and services to people in financially vulnerable circumstances). Specifically:

- to establish whether it is possible to sustainably deliver a permanent no interest loan product in the UK;
 - to obtain evidence about customer experiences and the wider benefits of no interest loans, including who is eligible and who isn't, and how we improve access to the widest range of people who can benefit;
 - understand how we can further develop the NIL or other products offering
 - understand which customer groups would still be excluded from a no interest loan offering.
- **Consent:** In some cases, we may also rely on your consent for your personal data to be used in connection with the Pilot. For example, where we you provide us with information in evaluation surveys.

When processing special category personal data, we also need to identify an appropriate condition for processing this information (in addition to a lawful basis). These are:

- **Reasons of substantial public interest:** We process special category personal data where it is necessary to do so for reasons of substantial public interest. For example, where it is necessary to ensure equal opportunity or treatment of people from different racial/ethnic origins, religious or philosophical beliefs, health or sexual orientations.
- **Explicit consent:** Where you have given us your explicit consent to use your special category personal data. For example, if you complete an evaluation survey and would like to provide information about your health (if this is relevant to how the Pilot has helped your wellbeing) then this will be on the basis of explicit consent. Whenever we rely on your consent, you can withdraw it at any time by contacting us using the information at in the "**Who are we?**" section above.

Please note, NEFirst Credit Union Ltd will also need to process your personal data in order to enter into a loan agreement with you. This falls outside the scope of the Pilot and is dealt with in NEFirst Credit Union Ltd's privacy notice.

We do not carry out any automated decision-making using personal data which produces legal effects or otherwise significantly affects individuals.

How we use your personal data and how we keep it secure

We understand the importance of security of your personal data and take appropriate steps to safeguard it.

NEFirst Credit Union Ltd is responsible for day-to-day contact with you as they will be also administering your loan. When we use your personal data for the Pilot, we will take steps to make sure it is more difficult to identify you from the information we use (for example, by using statistics instead of information on an individual level, using a code instead of your name, or in case studies changing any identifiable information such as name, age, location).

We always ensure that only authorised persons have access to your personal data, which means only those who need to access your data to fulfil their roles. Everyone who has access to personal data is appropriately trained and aware of their obligations to ensure confidentiality and security of your personal data.

Sharing with third parties and transfers outside the UK

We may share your personal data with other third parties involved in the Pilot in order monitor the performance of the loans and to help develop new products to offer to customers in the future. This may include:

- Evaluation partners who will conduct evaluation work to understand if the pilot is working;
- Data analytic specialist organisations we appoint to help us analyse the pilot's performance and, for example to consider what other support you have applied for with other lenders; and
- Credit Reference Agencies, who will examine your files post the loan being paid back in full in order to see if your file has improved over time on a sustained basis after the no interest loan and the extent to which your subsequent debt position has reduced or increased. Please see the Credit Reference Agency Information Notices (CRAIN) here:
 - <https://www.transunion.co.uk/legal/privacy-centre/pc-credit-reference>
 - www.equifax.co.uk/crain
 - [https://www.experian.co.uk/legal/crain/;](https://www.experian.co.uk/legal/crain/)
- Contractors, suppliers, or other third parties that provide services on our behalf;
- A third party as part of a sale, merger or acquisition, or other transfer of all or part of our assets including as part of a bankruptcy proceeding;
- Pursuant to a subpoena, court order, or other legal process or as otherwise required or requested by law, regulation, or government authority programs, or to protect our rights or the rights or safety of third parties;
- Our professional advisors, lawyers, accountants and auditors; or
- With your consent or as otherwise disclosed at the time of data collection or sharing.

We do not plan to transfer your personal data outside the UK at this stage, but we will let you know if this changes.

Source of your personal data

Usually, the personal data we process will come directly from you. In some cases, however, we may also collect your information from third parties, for example, if you have been referred to the Pilot by a third party such as a Housing Association, charity, or other organisation we work with.

How long we store your personal data

We delete or destroy personal data securely when the purpose for collecting it has been met and there are no other legal reasons for keeping it. For instance, we propose to retain most records relating to the Pilot until the evaluation phase has been completed, which is expected to be approximately 6 years.

We continually review the personal data we hold and will securely delete or anonymise personal data which is no longer required. As part of this review, we will consider (i) the respective statutory retention period; (ii) our contractual and/or business relationships with you; (iii) (potential) disputes; and (iv) any guidelines issued by relevant regulators.

If you would like further information about our retention periods for specific types of information, please get in touch.

Your rights

Under data protection law, you have various rights over the personal data we hold about you. In particular, you have the right to:

- be informed about how we collect and use your personal data;
- ask for access to your personal data;
- require us to correct any mistakes in the personal data we hold about you;
- ask for the information we hold about you to be erased in certain circumstances;
- ask for our processing of your personal data to be restricted in certain circumstances;
- in certain circumstances, receive your data in a form allowing you to transit it to another data controller (portability); and
- object to us processing your information in certain circumstances.

Where we rely on your consent to process your personal data, you have the right to withdraw that consent at any time. Please note, if you decide to withdraw your consent, that doesn't mean that our use of your personal data before you withdrew your consent is against the law.

If you wish to exercise any of your rights, please contact us using the information in the "**Who are we?**" section above.

Complaints

We have high standards when it comes to protecting your personal data. If at any time you are not happy about the way we are processing your personal data then please contact us using the details in the "**Who are we?**" section above.

If you are not happy with our answer to your complaint then you can complain to the Information Commissioner's Office, which regulates and enforces data protection law in the UK. Details of how to do this can be found at www.ico.org.uk.

Changes to this privacy notice

This privacy notice was published on 24/10/2022. We will update and change this Privacy Notice from time to time to keep it up to date and accurate. If we make any major changes then NEFirst Credit Union Ltd will let you know.