

CREDIT-U

WINTER 2020



**PAY DAY
YOUR WAY**

Helping your
employees save

PLAN YOUR BIG DAY!

Top tips on how to plan your
wedding during Covid-19

**GET READY FOR
CHRISTMAS**

with your
local credit union

CREDIT U

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CREDIT U

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A close-up photograph of a calendar grid. The date "22" is circled in red with a thick red marker. The word "PayDay!" is written in red marker across the top of the circle. A red and white marker lies diagonally across the calendar.

PAY DAY YOUR WAY!

A new campaign has been launched to improve the financial health and resilience of employees across the Black Country and encourage workforce savings through credit unions.

The campaign, called **#PaydayYourWay**, aims to encourage staff to save regularly, help them manage their money and keep them out of the clutches of loan sharks.

The partnership involves **Credit-U, England Illegal Money Lending Team (IMLT), Black Country Chamber of Commerce**, and **Just Finance Black Country**, along with four local credit unions (**Wolverhampton City Credit Union, Walsave, Castle & Crystal and 6 Towns**), working together to promote savings through payroll deduction.

Credit Unions offer access to safe and legitimate financial services, helping to reduce the risk of people going to illegal money lenders who often target the financially vulnerable.

Black Country Chamber of Commerce are encouraging employers and businesses to sign up to a payroll deduction savings and loans scheme through a credit union.

Chamber Chief Executive Corin Crane said: *“We are pleased to support the launch of the Payroll Savings campaign and offer this free service to businesses, which can improve the financial wellbeing and productivity of their staff in the workplace.*

“It’s important that we help people to save and build up their financial resilience, protecting them against future unexpected events and falling into the trap of unscrupulous loan sharks.”

The payroll deduction scheme allows employees to save regularly or pay off an affordable low-interest loan directly from their wage packet. The scheme provides employees with greater financial stability as they can build up their savings and access low-cost loans should they need to borrow.

All money saved in a credit union is protected by the **Financial Services Compensation Scheme** up to the value of **£85,000 per person**.

26% of UK adults have little or no savings. This means that when an unexpected bill arrives or a family crisis occurs some households may be vulnerable to high-cost lending, including loan sharks.

Tony Quigley, Head of the England Illegal Money Lending Team, said: “The Covid-19 pandemic has highlighted the importance of financial resilience to deal with unexpected life events. “We welcome the launch of this campaign and encourage businesses to set up a payroll deduction scheme for their employees that provides them with easy access to savings and affordable credit. Continued economic uncertainty during the coronavirus pandemic means loan sharks may look to take advantage of people in a vulnerable position who feel they have nowhere to turn for help.”

Mr Quigley added: “We are urging victims of illegal money lending to recognise that they are not alone, and to come forward to seek support by calling our 24-hour helpline.”

Just Finance Foundation is a financial inclusion charity helping to improve practical skills for people to manage their money well, such as saving more money and getting out of debt.

Rev Cassius Francis, from **Just Finance Black Country** said: “We are really pleased to support the payroll savings campaign with our credit unions across Dudley, Sandwell, Walsall and Wolverhampton because our aim is to support people and communities to thrive and flourish. At Just Finance Black Country we want to promote a culture of regular saving - it doesn't have to be a lot, but we know regular saving can make a difference. If we can promote a culture of regular saving from our earned income it will help us to be better prepared for financial shocks in the future.”

For information on how to become a member of your local credit union, speak to your employer or visit www.creditu.co.uk

To report a loan shark, call the 24 hour helpline on **0300 555 2222** or complete an online reporting form at www.stoploansharks.co.uk.



JOIN YOUR LOCAL CREDIT UNION

Credit unions are not for profit organisations, owned and controlled by their members rather than shareholders. They are committed to helping their members and local community through offering limitless financial services that improve their quality of life. Credit unions and banks serve members differently. Credit unions can offer some of the best rates on the market and dividends for people saving whilst delivering a highly personalised service.

Credit unions are a fantastic source for people, who are looking to save because:

- Credit unions are **member owned** organisations where members pool their savings and lend to one another.
- The members of a credit union have something in common, also known as a “**common bond**”. Members usually have something in common such as working place, living area and/or belonging to a certain church, organisation or trade union.
- Credit unions offer **several ways that members can save** including via local collection points, by direct debit or by monthly salary deductions.
- Some credit unions offer **fixed interest rates on savings**, but many offer a yearly pay out called a “**dividend**”.

- All credit unions offer **basic saving accounts**. Many of them also offer additional saving options such as **ISAs**.
- Credit unions are owned and run by their members. Therefore, instead of paying out earnings to external stakeholders, they **invest the money in their local community**, improving services and rewarding their members.
- **Credit unions vary greatly in size**, some of them are based on small community groups, whereas others have thousands of members.
- Credit unions **allow you to withdraw your money at any time**.
- **Their savings accounts are protected by the FSCS up to £85,000**.

To find YOUR local credit union visit www.creditu.co.uk



PLAN YOUR BIG DAY

Top Tips for how to plan a 2021 Wedding in the middle of Covid-19

We appreciate that this will inevitably be a stressful period for any wedding whether your wedding has been rearranged or not. However, as always, we are here with some tips to try and help you in this situation. We've even found some possible silver linings to come out of all this.!

Use your time to create your own decorations

You might find that self-isolating or being on lockdown gives you more time on your hands. Why not try using Pinterest to help create a mood board or to teach yourself how to make your own decorations, wedding favours or invitations – use the time to your advantage.

Book your Suppliers

Due to so many weddings being postponed until 2021, suppliers are now being booked up quicker than ever. If your wedding has been rearranged, try to contact your original suppliers as quickly as you can to ensure they are still available for your new date. Alternatively, if your wedding was already originally booked for 2021 and you had your eye on your dream supplier, make sure you contact them quickly as well before their diary becomes fully booked with rearranged weddings.





Virtual Tours/video calls

Physical meetings might not be possible due to the current situation. However virtual meetings and calls are still possible. If you want to visit your venue again to gather decoration ideas, ask them if they can give you a virtual tour instead. Alternatively, some suppliers might be able to send you samples of their products to try at home before making the decision to book them i.e. cake samples, fabric samples, or they could send photos/videos of their work to you. You can test out your entire wedding from the comfort of your own sofa.

Create your own wedding website

You will probably want to keep in contact with all of your friends and family to update them with any changes to your wedding. Creating a wedding website is an easy way to update them all in one place. You could even include a feature to video chat with your friends and family and also potentially your suppliers – we have a great contact for Web Design www.10digital.co.uk if you want a hand with setting your website up.

Follow Hair/Make-Up Tutorials

Make up or hair trials might not be possible if you are in isolation. Try following different make-up artist's or hair dresser's social media pages or their websites to see if they do tutorial videos to help you figure out what hair or make up style you would like on your day.

Potential change of wedding season

If you have had to rearrange your wedding date, your new date might take place in a new season of the year than what you had originally planned. This could mean that you might want to reconsider your colour scheme or food choices. Also with covid-19 restrictions that are changing all the time you might have to look at a change of activities from planning that large outdoor celebration to something more intimate and keeping within the covid-19 government guidelines of course.

More time to save

The average price of a UK wedding costs between £20,000 and £30,000 (according to Money Supermarket research) and that big day can have quite a financial impact on the married couple as they start their new lives together. Thankfully there are many credit unions that are offering low interest loans and savings accounts that can help towards affording that “big day” and with their responsible and ethical lending policy you can be assured that you won’t be paying extortionate interest rates

Many credit unions are offering wedding loans that can be taken out individually or as a joint loan. Every wedding loan is a personalised package based on your requirements and circumstances where you can borrow between £500 and £30,000 for over 6 to 60 months with interest rates from 3.9% APR (14.9% APR representative), no admin charges, no set up fees and no early repayment penalties. Furthermore, you can save as you pay back your loan, leaving a small nest egg following loan completion.

If you aren’t looking for a loan, credit unions are offering a number of fully insured saving accounts which are perfect if you are looking to save for your big day. With wedding saving accounts you can save by direct debit (weekly or monthly), make extra deposits paid by cheque or debit card and you can transfer your savings into your bank. Furthermore, if you are member of a credit union’s employer’s scheme, you can save direct from your salary.

Reprinting Invitations

You may need to consider if you had already had your save the dates or invitations made with your original date on, they might need to be reprinted with your new date on.

Updated Guest List

If your rearranged date isn't for another year, you may need to consider that your guest list and therefore your table plan may need to be updated. Due to government restrictions its worth keeping an eye out to establish what are the legal number of attendees that you can have for your wedding. By doing so you'll manage expectations and ensure that you're catering for the correct number of guests.

Dress/Suit Fittings

If you have already found your dress/bridesmaids dresses or suits, then you might need another fitting closer to your new wedding date to make room for any necessary alterations.



Credit Unions

What are Credit Unions?



Credit unions are not-for-profit cooperatives, owned and controlled by their members rather than shareholders.

They are committed to helping their communities and members and offer different financial services that improve their quality of life.

Who can join?



To become a member of a credit union, you need to have a common bond with the other members.

For example, living in the same area, working for the same employer, or belonging to the same church or trade union.

Benefits



- Low fees
- Lower loan rates
- Higher interest rates on savings accounts
- FSCS protected
- Helping members to improve their credit score
- Workshops for improving members financial management Junior saving accounts
- Member owned
- Community involvement is priority
- There is a credit union for everyone

What Credit Unions do?



Loans



Saving Accounts



Junior Savings



ISA



Pre-paid Debit Cards



Employee Benefit Scheme



Christmas Savings



Current Accounts



Joint Accounts



Online Access



Members' Discounts



Mortgages

BLACK FRIDAY

Black Friday, originally imported from the USA, is now one of the biggest shopping days in the UK. This year Black Friday falls on the **27th November** and big brands are already ramping up their marketing encouraging their audiences to be part of the biggest shopping experience of the year. However, Black Friday may seem like a great way of doing your Christmas shopping, but it's not without its pitfalls. Here are five reasons why you should avoid Black Friday:

You are not always getting a good deal

Big discounts on products can be tempting; however, that “**70% off**” ticket might be misleading. It seems that some retailers offering “massive discounts” have been raising their prices before Black Friday to make the discounts bigger than they really are. Whilst not everyone is trying to trick you, it is worth bearing in mind that not every deal is as good as it looks.

Overspending is highly encouraged

Clever marketing adverts are encouraging audiences to buy expensive things in order to make their loved ones happy. Their message is quite simple; if you love someone you should spend your money on them! However, would the people that love you really want you to suffer any financial stress from overspending? It's the little things that are important and finding a special present really doesn't have to break the bank!





You can easily get scammed

Black Friday is a prime day for scammers to strike, so if you are shopping online be vigilant of fake websites and emails, and any offers that seem too good to be true!

It is easy to panic

Black Friday deals are often with limited stock, which creates a sense of “**panic-buying**” with goods being bought up quickly. Once people start feeling the pressure, they tend to rush into buying something without really thinking it through; therefore they end up with undesirable overspending. However, the truth is that many retailers will continue their sales and many popular Christmas gift prices are actually dropped after Black Friday. If you feel yourself slipping into “panic-buy” mode, take stock and instead of blowing your budget, remember you can wait and often find the item even more affordable at a later date.

There are many nicer opportunities

As Black Friday hype creates a frenzy amongst shoppers there are many alternatives that you can focus on instead. One of the most popular is **#BuyNothingDay**, which encourages people to celebrate by taking control as a consumer and not spending on Black Friday. It also offers alternative hints, tips and ideas regarding ethical spending and making your own gifts.



GET READY FOR CHRISTMAS

We may not want to think of it yet as we've just about to get to half term but Christmas is just around the corner and now is a good time to start planning your festive funds.

We all know the best way to fund Christmas is to plan ahead and save for it, however, sometimes it's not always possible as you may have paid out a lot of money for your summer holiday or faced increasing costs of sending the kids back to school. Credit unions offer affordable Christmas loans and taking out a Christmas loan from a credit union will allow you to enjoy stress free celebrations, ensuring that you can afford your festive spending and that you won't be faced with unexpected bills in January. Even if you have managed to save a little for Christmas, the demands, especially if you have children can often be difficult to meet. It is really difficult to explain to young children that you cannot afford the presents they have set their hearts on, especially when they believe that Father Christmas will be delivering them on demand! When shopping for Christmas presents you might be tempted to purchase a credit agreement from a high street lender, retailer or catalogue however, by doing this by the time you have finished all repayments, you will end up paying much more than the real price of the item. However, if you take out a Christmas loan from a credit union you will be free to look for the best possible deal on the market taking advantage of seasonal offers which many retailers provide for customers who can pay up front.



Even if you don't have children to provide for, Christmas can still stretch the purse strings, not least because, when you have worked hard all year the least you can expect is a little bit of fun and indulgence around the festivities. You might be tempted to borrow from a payday loan company, a doorstep lender or a credit card, however, the ethical alternative is to take out an affordable Christmas loan from a credit union to cover your Christmas expenses. In return you'll receive affordable repayments spread across the year which will help you to manage your finances more effectively. So if it's presents, Christmas food and drink or simply decorating your home to be ready for the festive season, credit unions can provide affordable Christmas loans up to £15,000 with a host of great benefits including:

- Rates between 1% and 3% interest on decreasing balance
- No set-up fees
- No early settlement penalties
- Fast approval decision
- FREE life insurance (subject to rules)
- A personalised tailored and affordable repayments plan

Being Financially Savvy, positive and confident towards credit helps you learn to take responsibility for your finances, giving you the ability to forward plan and make the best savings on essential and luxury purchases, helping you balance your spending without the worry of expensive interest rates weighing down your forward planning and excitement.



CREDIT UNION NEWS



1 **ABCUL ANNUAL CONFERENCE 2021 - GOING VIRTUAL**

ABCUL has announced the ABCUL Annual Conference 2021 will move to online delivery. The move to an online conference presents huge opportunities to bring in a wider range of speakers, attract even more attendees and to deliver even more value to our members

2 **NHS CREDIT UNION AWARDED HEALTHY CULTURE CHAMPION AWARD**

The NHS Credit Union were shortlisted for 2 awards in last month's Consumer Credit Awards; Best Credit Union (North) and Healthy Culture Champion Award. NHS Credit Union was delighted to receive the Healthy Culture Champion Award 2020.

3 **THE CENTRE FOR COMMUNITY FINANCE EUROPE HOLDS ITS FIRST ONLINE CONFERENCE**

Scottish Parliament Committee calls for significant changes to Protected Trust Deeds



HAVE A HAPPY 2021!



Whether you are planning a 2021 lazy week in the sun relaxing by the pool or something more adventurous like skiing down the slopes in the Alps, backpacking off-the-beaten track or just recharging the batteries with a weekend break, why not chat to your local credit union about a flexible holiday loan or ethical holiday savings account? Obviously we don't know what 2021 will bring in terms of travel restrictions yet and whether we'll acquire a vaccine for covid 19 but we all need something to look forward to so it's definitely sensible to plan early.

Credit unions are not for profit organisations, owned and controlled by their members rather than shareholders. They are committed to helping their members and local community through offering limitless financial services that improve their quality of life. Credit unions and banks serve members differently. Credit unions can offer some of the best rates on the market and dividends for their members whilst delivering a highly personalised service.

Many people may think it is difficult to join a credit union due to specific rules and regulations, however, there are many credit unions who have different requirements for joining members, therefore essentially there is a credit union for everyone! Find your local credit union at www.creditu.co.uk and choose the right service for you. AUTUMN/WINTER 2020 • CREDIT U | 16

HOLIDAY LOANS

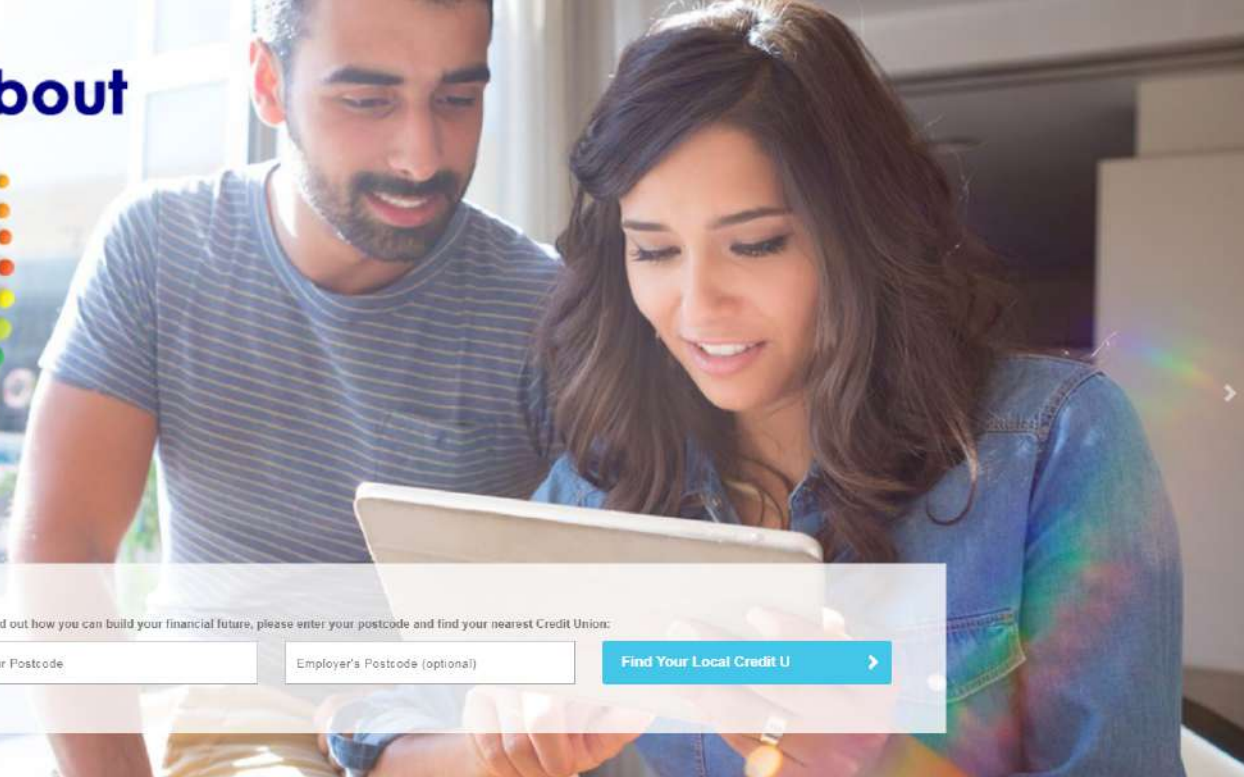
- Competitive interest rates 8.5% (variable 8.86% APR)
- The amount of interest you pay decreases as you pay back the loan
- No charges or penalties if you want to pay the loan off earlier
- Free loan protection insurance to qualifying members
- Flexible repayments
- No transaction fees or administration costs
- Speedy decisions - usually within just 2 days
- No processing charges or documentation fees, so there are no hidden surprises

HOLIDAY SAVINGS

- Simple, straightforward accounts
- Save from £5 to £1,000 each month (must maintain balance of £10 to retain membership)
- Annual dividend return paid in December each year
- Quick and easy access to make withdrawals by BACS transfer
- Free Life Savings protection (restrictions apply)
- Easy to make regular contributions by Direct Debit or from your salary for members of any employee schemes.
- Savings accounts are protected by the FSCS up to £85,000.



We're all about



To find out how you can build your financial future, please enter your postcode and find your nearest Credit Union:



Who are we?

Credit U is a online platform that helps to promote credit unions, their benefits and services and sign posts visitors to their local credit union.

The platform has been developed after conducting extensive academic research into consumer finance and the need to help people find ethical savings and affordable loans to move people away from high cost credit.

The portal is supported by seasonal online/offline marketing campaigns to create awareness of credit unions and their services, drive traffic to our portal, connect applicants to their nearest credit union and provide credit unions with more quality leads for your business.

For further information please visit www.creditu.co.uk

Our Mission:

- ✓ We can help you build your financial future
- ✓ We help you find affordable loans and ethical savings
- ✓ We serve everyone at any life stage

