

CREDIT-U

SPRING 2023

BETTER
FINANCES IN
2023

IT'S WEDDING
SEASON!

EASTER
BREAK LOANS



CREDIT U

TABLE OF CONTENTS

02 Join your local credit union

04 Credit Union News

05 Quick tips for better finance in 2023!

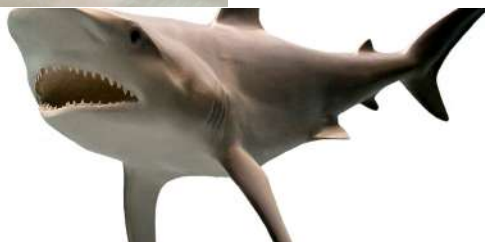
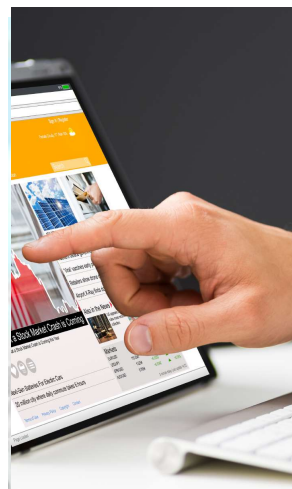
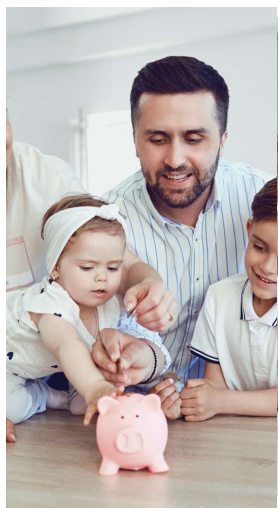
09 Loan Sharks - Lending with no ending!

11 Set up an employee scheme

13 Why choose a credit union [infographic]

14 Have a great Easter break!

16 It's Wedding Season!



CREDIT U

marketing@creditunion.co.uk
www.creditunion.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:

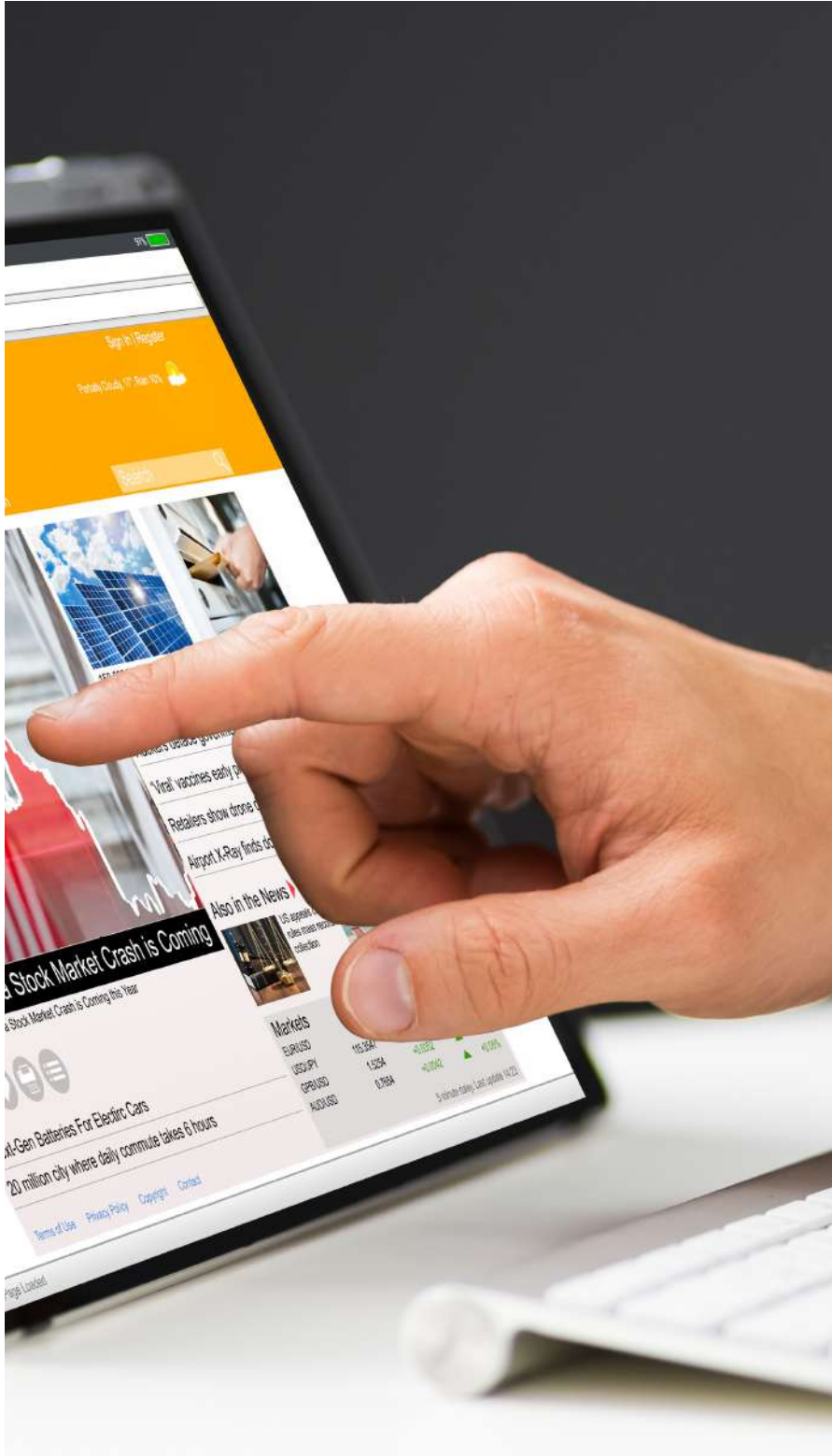
- Credit unions are **member owned** organisations where members pool their savings and lend to one another.
- Members of a credit union have something in common, also known as a “**common bond**”, things in common can include: working place, living area and/or belonging to a certain church, organisation 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



CREDIT UNION NEWS



BOUNCE FORWARD FUND

1 ANNOUNCES GRANTS

In early 2022, ABCUL committed to creating a Bounce Forward Fund, which would make finances available to applicants to use on business development and profitability, where credit unions' profitability and business model were impacted by the pandemic.

Following a rigorous application process, more than 30 credit unions were granted a total of close to £80,000. These grants were funded by recent ABCUL surpluses, and Forums from London to Scotland made voluntary contributions towards the fund.

2 GLOBAL WOMEN'S LEADERSHIP NETWORK

The GB Global Women's Leadership Network's (GWLN) Steering Committee Panel was reintroduced to ABCUL at its recent conference. Delegates, spoke about the Network's objectives for the years ahead. The event was a significant milestone for the British credit union sector, and guest speakers included Deputy leader of Manchester City Council, Joanna Midgley, CEO of Enterprise Credit Union, Karen Bennett and also GWLN's Director, Eleni Giakoumopoulos.



QUICK TIPS FOR BETTER FINANCE IN 2023

2022 has been a very tough year. For many economic struggles have had a major impact on their finances and the cost of Christmas, the added stress of paying off purchases and bills can leave us extremely apprehensive. As we start 2023 it's important to get a handle on our finances and we've come up with some easy tips that you can implement immediately that will set you in good stead for the year ahead.

Set small goals

Set manageable targets, with shorter time frames. It could be a goal to save a certain amount every month, or a list of tasks you need to do. Then make sure to check-in on how you're doing at least once a month

Talk to your lender

The most important factor in maintaining a healthy credit score is repaying loans on time. If you are worried about making any payments such as your mortgage or credit card, you should get in touch with your lender as early as possible to discuss alternatives before that missed payment affects your score.





Make a will

You can pay a solicitor to do this, use an **online service such as Farewill**, or even do it yourself. Thanks to social distancing, it is now legal to have a will-signing witnessed remotely. If you want professional assistance but are concerned about the cost, there is a 'Free Wills Month' coming up in March. This scheme gives individuals or couples over 55 access to free appointments with solicitors to draw up wills.

Pay off debt

Before considering putting extra money into savings or investments, pay off any debts. Low interest rates make now a good time to do so, as you won't be missing out on much return for your savings.

Missing just one month of repayments on your credit card could cause your credit score to drop by 21 points, so it's always worth ensuring you make at least the minimum repayments on debts, rather than putting extra cash towards your savings.



Plan for next Christmas

It's probably the last thing you want to think about, but there are huge advantages to working out what you will need next Christmas right now.

You can join a Christmas club through your local credit union saving affordable monthly amounts enabling you to reap the benefits when Christmas comes around. In addition this time of the year many supermarkets and online retailers will slash the prices on wrapping paper, crackers, Christmas cards and gift sets to clear their shelves, so snap up a bargain.

Subscription cancellations

Many of us may have signed up to streaming services and music subscriptions that we may not be getting the most of. Evaluate if you actually use them and cancel immediately and save yourself some money! Many of these services can be reactivated very easily later down the line if you require them. Furthermore, if you're approaching the end of a contract for TV subscriptions negotiate a better deal with your provider.

Get better deals on bills

Get on the phone or check out online comparison websites such as www.comparethemarket.com, www.uswitch.com or www.moneysupermarket.com, their services are invaluable and allow you to do the research and save yourself some money.

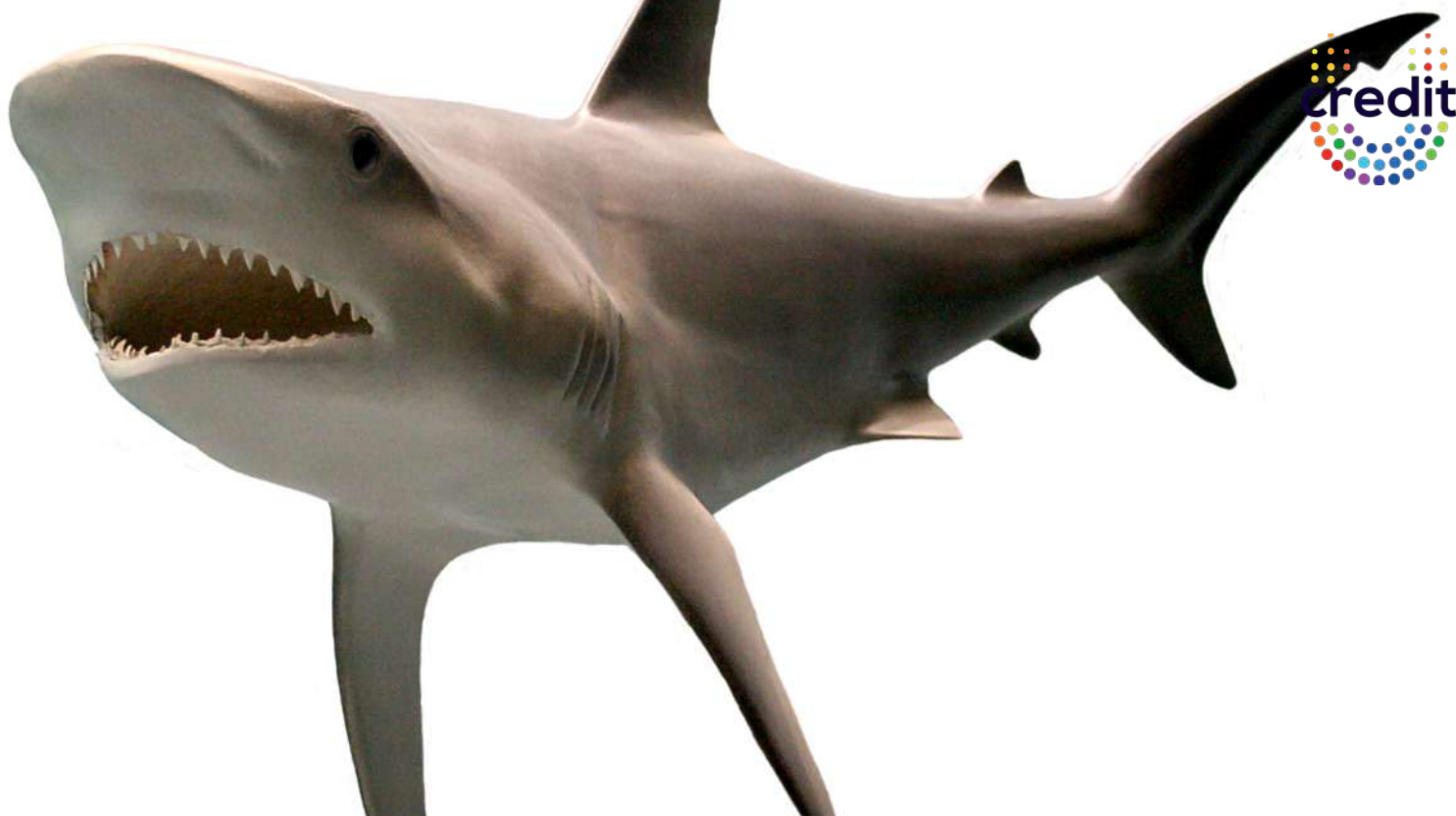
Check for discounts

Check out discount portals and voucher codes before checking out your online shop. These codes can provide considerable savings off the price of your purchase. In addition many supermarkets offer savings if you download their app or sign up to a club card.

Review transport costs

If you're not driving as much, the risk and cost of insuring your car should be lower. Speak to your insurer to let them know of your lower mileage.





LOAN SHARKS – LENDING WITH NO ENDING

REPORT THEM NOW!

Jack and Diane are well known around the local school, where their son Tommy has been going for many years. Parents know if you need to borrow a couple of hundred pounds with no questions asked then Jack and Diane will help you out. Around Christmas and birthdays, Jack and Diane are very busy, lending a couple of hundred pounds here and there, all carefully noted in Jack's black book.

Susan has been borrowing money from Jack and Diane for years, she knows that when times are hard, Jack and Diane will be there to help her out. Over the last 4 years Susan has borrowed £400 from Jack and Diane, paying £5 per week for each £100 she has borrowed. Susan has paid Jack and Diane over £1,200 but Jack and Diane have been very good to her, not pressing her for payment when she has missed the odd week, except for once when Susan stopped dropping off her daughter as she couldn't afford to pay for a few weeks. This is when Jack and Diane's son Tommy spoke to Susan's daughter pressing her to get her mum to pay his parents...

As Jack and Diane are there for Susan she has never asked how much she owes them and continues to pay £20 a week, until she needs to borrow more money and this will increase again. There is no formal contract between Susan, Jack and Diane, just Jack's black book.

Graham started his engineering business late last year having worked for over 20 years and saving for his dream of being his own boss. Before coronavirus hit, Graham's business was flying with 10 staff taken on and new premises. Graham's faced a dilemma in April and having heard how great Jack and Diane were he contacted them for a short term loan of £30,000 to help him during the pandemic.

Jack and Diane put him onto Harry as this was out of their comfort zone and Harry met with Graham and agreed the loan on a handshake. Harry got £30,000 in cash from Graham and agreed to pay him £1,000 a month. Luckily for Harry he managed to turn things around within a couple of months and managed to secure funding and paid Harry £30,000 back.

A month later Harry contacted Graham and asked him for the next £1,000 instalment. Graham was confused as he had made the £1,000 monthly payments and had paid back the full amount of £30,000. Harry advised Graham that he was grateful for the payments but he still owed Harry £15,000 in interest and that this would continue to grow. There was nothing written down and Harry made it very clear what would happen if he failed to pay him. Graham seeing no way out of this attempted suicide and luckily his wife found him in time.

Susan and Graham had both become victims of loan sharks. Seemingly friendly at the school gates or in the local pub, loan sharks prey on the vulnerable and it can be increasingly difficult to initially spot them before it's too late.

It is estimated that there are 310,000 people in debt to illegal money lenders in the UK which highlights a growing problem. Loan sharks may look to take advantage of those who have found themselves in a vulnerable position during the current pandemic and feel they have nowhere else to turn for help.

If you're a victim of a loan shark or know somebody that is, the **England Illegal Money Lending Team (ILMT)** are here to help. The team investigate and prosecute illegal money lenders while supporting those who have borrowed money from a loan shark. Since 2004 the England IMLT have helped over 30,000 people escape the clutches of loan sharks and written off over £83 million worth of illegal debt.

You can report a loan shark 24/7 in the strictest of confidence by calling

:0300-555-2222

STOP LOAN SHARKS
Intervention . Support . Education

SET UP AN EMPLOYEE SCHEME



Employers can do their bit to help their employees financial well-being through implementing pay roll savings schemes into the workplace.

Studies have shown that one in four workers report that they have lost sleep over money worries and 59% of employees with current financial worries state that their money concerns are preventing them from performing their best at work in addition to absenteeism and presenteeism from financial distress adding an extra 4% to payroll costs for UK firms, it's never been more prevalent for employers to look after their staff's financial well-being.

Payroll deduction schemes build employees' financial resilience by helping them save directly from their salary, savers also earn a return on their instant access savings in the form of an annual dividend. Workers who save with a credit union at work have average savings of £900.00 compared to less than £100.00 of savings for around half the people in the West Midlands.

Having a nest egg can make a big difference when employees are faced with an unexpected emergency, failed MOT or utility bill and those without one can often turn to high street lenders and loan sharks and soon see themselves falling into spiralling debt. Employees can apply for loans between £1000.00 and £10,000.00 and repay them directly from their salary.

For the employer a payroll savings scheme is a free benefit that can be added as part of your employee benefits package and helps to manage your staff's financial security.

If you'd like to start a employee scheme with your local credit union check out www.creditu.co.uk.





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



HAVE A GREAT EASTER BREAK

The Easter break is a time to relax, unwind, and spend time with family and friends. However, it can also be a time when unexpected expenses arise. If you find yourself in need of extra cash during the Easter break, a credit union may be able to help you with a personal loan. An Easter break loan is a personal loan that is designed to help you cover the costs associated with the Easter break. This could include expenses such as travel, accommodation, food, gifts, and other holiday-related expenses. Easter break loans are typically unsecured loans, means that they do not require collateral, such as a car or house.

Credit unions are a great resource for Easter break loans. As non-profit financial institutions, credit unions are focused on providing the best possible services to their members. This means that they can offer competitive interest rates and flexible repayment terms. In addition, credit unions often have more lenient lending requirements than traditional banks.

This means that you may be able to qualify for a loan even if you have less-than-perfect credit. Credit unions also typically offer personalised service, which means that you can work with a dedicated financial advisor who can help you find the best loan for your needs.





To apply for an Easter break loan with a credit union, you will need to become a member of the credit union. This typically involves opening a savings account and meeting certain eligibility requirements, such as living or working in a specific geographic area or belonging to a particular profession. Once, you are a member, you can apply for a loan online or in person at a credit union branch. You will need to provide information about your income, employment, and other financial obligations, as well as the amount of the loan you are requesting and the purpose of the loan.

After you apply, the credit union will review your application and determine whether to approve or deny the loan. If you are approved, you will receive the funds and be able to use them to cover your Easter break. In conclusion, credit unions are a great resource for Easter break loans. They offer competitive interest rates, flexible repayment terms, and personalised service. If you find yourself in need of extra cash during the Easter break, consider applying for a loan with a credit union to help cover your expenses and enjoy the holiday.

Find your local credit union at www.creditu.co.uk and choose the right service for you.





WEDDING SEASON

We all look forward to a good wedding. There's nothing like a crisp spring or balmy summer wedding, the sound of the church bells ringing, the sun on your face and meeting up with family and friends, truly happy occasions. Or not so happy for the bride and groom when they are left to cover the cost! And with the average price of a UK wedding costing between £20,000 and £30,000 (according to Money Supermarket research) 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 competitive interest rates, 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 (at the front counter, over the phone or online). Furthermore, if you are member of a credit union's employer's scheme, you can save direct from your salary.

We're all about



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

[Find Your Local Credit U](#)

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

