

# CREDIT-U

SUMMER 2020

## KEY WORKERS

Helping our heroes through difficult times

## DON'T BE SCAMMED!

Essential tips to keep you safe.

## SAY NO TO LOAN SHARKS

Campaign highlights unethical lending



# CREDIT U

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## CREDIT U

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# DON'T FALL VICTIM TO SCAMMERS!

During the COV-ID19 pandemic we've heard many stories of communities coming together to help each other, people volunteering, neighbours coming together to clap for the NHS. These stories have filled us with positivity during a very difficult time but sadly it also creates opportunities for criminals and fraudsters with a rise in scams that seriously put your money at risk. To help you increase your awareness of some of the scams currently operating we've put together some information that might just help you to avoid being taken in by these appalling criminals.

## WATCH OUT FOR:

Be aware of people offering miracle cures or vaccines for coronavirus. There is currently no cure and the government are currently working with a range of organisations to come up with a vaccine. Therefore, keep yourself up to date with developments in the news and ensure that you are aware of the current situation.

- **Home cleaning services:** Beware of callers who promise to come in and clean your house demanding money prior to working.
- **People impersonating healthcare workers, claiming to be offering 'home-testing' for coronavirus** – this is a scam and these kits are not currently available to buy.
- **Emails saying that you can get a refund on taxes, utilities or similar** can often be bogus and they are just after your personal and bank details.
- There are lots of **fake products** available to buy online that say they can protect you or cure coronavirus. These will not help and are designed to take your money.
- There are new **mobile phone applications** that claim to give you updates on the virus but instead, they lock your phone and demand a ransom.
- **People offering to do your shopping or collecting medication** and asking for money upfront and then disappearing.

## HOW TO AVOID SCAMMERS:

- Be cautious and listen to your instincts.
- Take your time; don't let anyone rush you.
- If someone claims to represent a charity, ask them for ID.
- Be suspicious of requests for money up front. If someone attempts to pressure you into accepting a service they are unlikely to be genuine.
- Check with family and friends before accepting offers of help if you are unsure.
- If you are online, be aware of fake news and use trusted sources such as [GOV.uk](https://www.gov.uk) or [NHS.uk](https://www.nhs.uk) websites.
- Only purchase goods from legitimate retailers and take a moment to think before parting with money or personal information.
- Know who you're dealing with – if you need help, talk to someone you know or get in touch with your local Council or the numbers suggested in our useful contacts.
- Protect your financial information, especially from people you don't know.
- Never give your debit card, online banking details or PIN to anyone else.

## USEFUL CONTACTS

- If you think you've been scammed, report it to Action Fraud on **0300 123 2040**.
- For advice, call the Citizens Advice Consumer Helpline on **0808 223 1133**. If you are in immediate danger, contact the police on 999. To learn more about different types of scams and how to protect yourself and others, visit [www.FriendsAgainstScams.org.uk](https://www.FriendsAgainstScams.org.uk)





# INSPIRING HOPE FOR A GLOBAL COMMUNITY

“**Inspiring Hope for a Global Community**” has been chosen as the theme for this year’s **International Credit Union (ICU) Day** by the **World Council of Credit Unions (WOCCU)** in collaboration with US sector body **Credit Union National Association (CUNA)**.

The day which will be celebrated on **Thursday 15th October** celebrates the spirit of the global credit union movement and reflects upon the credit union movements history, its achievements and recognises its hard work and shared member experiences.

Credit Unions from across the globe are being encouraged to share stories about how they are providing financial services, guidance and relief to help members and communities overcome everyday hurdles, unexpected loss or disaster. Credit Unions celebrating the day can use the hashtag **#ICUDay** on social media to raise awareness about the movement’s work.

The day is marked annually with festivities, fundraisers, open houses, contests, picnics, volunteering and parades. However, dependent on global circumstances larger celebrations may need to scale down in accordance with Government guidelines.

*Michelle Kamke*, marketing projects manager at CUNA said: “What better way to show how credit unions from across the world provide hope through financial services, education and support than to highlight how credit unions have advanced the lives of members during the economic uncertainty wrought by Covid-19”

*Brian Branch*, President and CEO of WOCCU, added: “Throughout the COVID-19 crisis, credit unions around the globe have continued to provide a high level of service to their members and demonstrated a generosity to their local communities that has set them apart from other financial institutions. We are truly inspiring hope for a global community. I can’t think of a better theme around which to celebrate International Credit Union Day 2020.”

WOCCU and CUNA will release official ICU Day 2020 posters and logos to be utilised as part of the campaign later this summer.



## 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](http://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





# SAY NO TO LOAN SHARKS

The England **Illegal Money Lending Team** (ILMT) investigates and prosecutes 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.

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.

To create awareness and provide information and help about loan sharks, the England Illegal Money Lending Team have developed a campaign in conjunction with 10 Digital (part of the Exasoft Group) incorporating four high impact adverts with powerful simple wording to encapsulate the message that loan sharks could be friends, people you think you trust or just that friendly face around the community. It demonstrates that people can easily fall prey to loan sharks as a quick fix for lending but the consequences can be extremely damaging with people having to pay back more than they borrowed and their continuous debts spiralling out of control. The campaign also offers help and advice of where to turn to and how to report loan sharks through the [www.stoploansharks.co.uk](http://www.stoploansharks.co.uk) website and recommends credit unions as an ethical and safer alternative method of borrowing, pointing them towards [www.creditu.co.uk](http://www.creditu.co.uk) (a sign-posting platform to find your local credit union).

Feedback from the campaign which featured on Facebook has been extremely positive with the adverts going viral and a huge uptake in clicks through to [www.creditu.co.uk](http://www.creditu.co.uk) enquiring about credit union services.

Tony Quigley, Head of the England Illegal Money Lending Team said: “Loan sharks are a serious problem and come in a variety of disguises. We wanted to create awareness of this to the public and provide information and guidance to help them look at alternative ethical lending providers such as credit unions. We have been delighted with the feedback that we have received from the campaign and we are pleased that as a result, more people have made enquiries about credit union services and are considering them as a safer more ethical option”.

If you have been approached by a Loan Shark report them now **0300 555 222** or visit [www.stoploansharks.co.uk](http://www.stoploansharks.co.uk).

For details of your nearest credit union visit [www.creditu.co.uk](http://www.creditu.co.uk)

# SERVING MEMBERS THROUGH COVID-19

**The Centre for Community Finance (CFCFE)** has recently published a report about the impact that COVID-19 has had on credit unions and how they have continued to serve members during this crisis.

The Credit Union Difference, Responses to COVID-19 in Great Britain report is based on responses from 24 British credit unions and covered the period **March-April**.

Its findings revealed various responses were determined by the needs of populations served including **London Mutual Credit Union** who kept all of its branches open to support those requiring access to cash over the counter for their daily needs. Others including **Liverpool Credit union** and **Smart Money Cymru** opted for partial closures whilst **NHS Credit union** which doesn't have a branch outlet introduced a mobile service so that it can remain available to members.

Digitalisation has also seen a rapid rise with **Central Liverpool credit union** introducing electronic signatures and its online offer being upgraded so that members can access loan applications more easily and view and manage their balances at home. It also introduced an online chat service managed by staff.





Credit unions have also seen a rise in several new products being introduced to support key workers including **Clockwise Credit Union** and **Just Credit Union** offering key worker loans at preferential rates and **London Mutual credit union** offering NHS staff free overdrafts of up to £2,000.00 on their current account for three months.

Credit Unions have also been proactive in helping their local communities with **Enterprise credit union** donating £500.00 to four community groups with an aim to help two organisations per week. **Plane Saver credit union** has also made donations totalling £5,000.00 to the **British Red Cross, Shelter, the NHS, the Trussell Trust** and **the Victory Services Club**. In addition, **Plane Saver Credit Union** has made car parking spaces available to key workers.

The research conducted demonstrates the societal importance of the values on which the sector is based as well as the willingness of many within the sector to speed up changes and upgrade operations and service for the benefit of their members.

The key takeaway message for credit unions was that they must learn through this crisis and understand how the sector can strengthen in the future.

# CREDIT UNION NEWS



## 1 ABCUL CALLS FOR FURTHER MEASURES TO PREVENT IVA ABUSE

ABCUL has called on the Insolvency Service and the Insolvency Practitioners' Association to stop insolvency firms making money out of those disadvantaged by the coronavirus.

## 2 SALFORD CREDIT UNION SCRAPS MEMBERSHIP FEE TO SUPPORT THE CITY'S RESIDENTS DURING PANDEMIC

Chief Executive of Salford Credit Union, Sheila Murtagh, has sent a message to the people of Salford most affected by the coronavirus pandemic with the promise: "we're here for you".

## 3 CU FUTURES CLASS OF 2020 COMES TO END AS ANOTHER YEAR BEGINS

Scottish Parliament Committee calls for significant changes to Protected Trust Deeds



# UNLOCKING KEY WORKER LOANS

Many key workers are currently working in unprecedented times with many having their household incomes being reduced due to less hours or partners being furloughed. Therefore, to help out in times of need many credit unions are offering Key Worker Loans meaning that you can now borrow between £100.00 and £2000.00 and receive preferential loan rates.

This is an affordable alternative to many small loans currently available on the market.

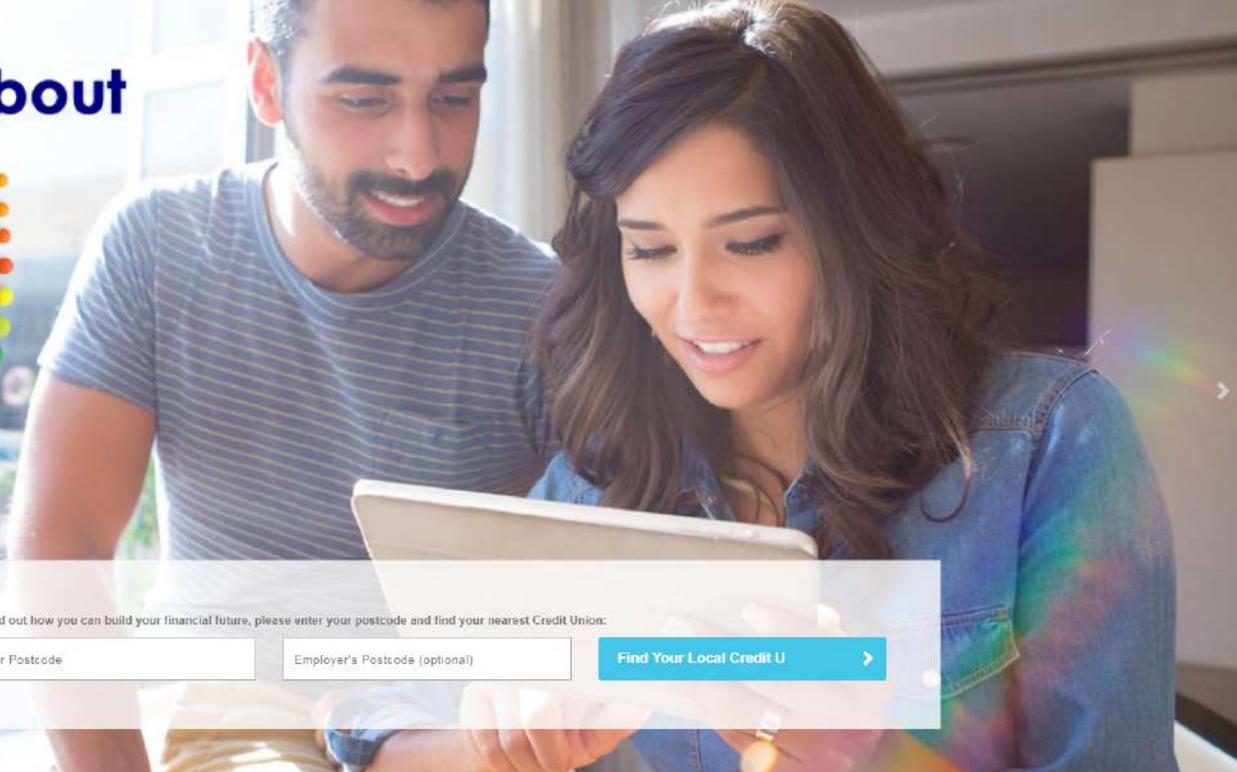
## TO QUALIFY FOR A KEY WORKER LOAN:

You need to be working in a key worker category such as:

- Health and social care
- Education and childcare
- Key public services
- Local and national government
- Food and other necessary goods
- Public safety and national security
- Transport
- Utilities, communication and financial services

Credit Unions will have a specific area that they cover and you can obtain your nearest credit union by visiting [www.creditu.co.uk](http://www.creditu.co.uk) and entering your postcode. Participating credit unions will require you to provide an email with a **photo of your recent wage slip** or **work ID**.

# 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](http://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

