



Engage account



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What's inside...

Why do members stay with their credit union?

Derry Credit Union issue £16m in loans

Engage launches Junior Visa debit card and account

Congratulations Diane

We would like to congratulate Diane Calland of Unify Credit Union for winning the Engage card holder competition.

Diane was picked at random from over 500 entrances and has won a £50 Argos gift card, in time for Christmas.

The competition was set up to give something back to our card holders and for card holders to give vital feedback about Engage and their respective credit unions.

Leeds council and credit union 'will help 100's of hard-pressed families'



Leeds council bosses have signed a new long-term partnership with the city's credit union, as the two organisations join forces to tackle the £90m high-cost lending market. Membership has tripled in the past 10 years to 33,000.

The two organisations will also team up on a raft of new initiatives to help some of the city's neediest families. A report just approved by Leeds City Council's decision-making executive board says: "The credit union has an ambition to build its loan book to £20m in order to make a material impact on the estimated £90m high cost lending market in Leeds.

"In addition to reducing the market share of the high cost lenders, the plan would also see a considerable additional saving for households and the local economy and further build the capacity of the credit union."

Councillor Debra Coupar, executive member for communities, said: "Working with Leeds City Credit Union in recent years means we've been able to offer hard pressed families who don't have easy access to affordable banking services a genuine alternative and support to put them on a sound financial footing.

"Building on this success, our enhanced partnership with the credit union will go from strength to strength, making them the go-to organisation for advice and loans and ultimately offer a real challenge to the predatory high cost lending market."

Planned future initiatives including providing mortgages and helping people save for a deposit on a home.

By Leeds City Credit Union, 27th October 2015 - Reproduced by kind permission of Leeds City Credit Union

Credit union goes out on the road to reach new clients



ORGANISERS of Leyland's two-year-old credit union are attempting to reach out to more people.

It has begun trialling some dates outside the town. One has already taken place at The Place, 73 Royal Avenue, Leyland, where it will be available again on November 10, between 2pm and 3pm.

Another will be held on Tuesday at The Base, 107 Bannister Drive, Leyland. It will be there again on November 24, from 2pm to 3pm. The Leyland collection point is open on all other Tuesdays at Leyland Reformed Church, Hough Lane – access via door B on Quin Street.

The pop-up credit union was launched at the church by Unify, which already has credit union shops in Chorley, Wigan, Leigh and Skelmersdale.

It is seen as a safer way for people to save and borrow cash instead of turning to pay-day loan sharks, which often have high interest rates.

Reverend David Coaker, of Leyland United Reformed Church, said currently 51 people

have signed up to the Leyland facility. "The main success story has been raising awareness that credit unions exist," he said. "I think a lot of folk we've signed up want to pay standing orders.

"It's whatever people want really. We're just a collection point in Leyland. We're available if they just want a chat with us and we can point them in the right direction."

By Lancashire Evening Post, 24th October 2015 - Reproduced by kind permission of Lancashire Evening Post

Credit unions offer €8bn in surplus funds to build social housing



Credit unions have more than €8bn in surplus funds which could be used to help address the social housing emergency, but have been prevented from doing so by the State, it was claimed yesterday.

Representatives of the country's credit unions appeared before the Oireachtas finance committee and said they were "bewildered" at the continued failure by Finance Minister Michael Noonan or the Central Bank to listen to them.

Central to their complaints is an objection to pending legislation to regulate the credit union sector, which they said is completely ill suited and needs to be radically amended.

On foot of their concerns, the committee is to write to Mr Noonan to delay the signing of the legislation to consider the proposed amendment brought forward by the sector.



Michael Noonan - Minister of Finance

Ed Farrell, chief executive of the Irish League of Credit Unions, told committee members that the relationship between them and the Central Bank is "frankly a difficult one".

"The relationship with the Central Bank is very difficult. Frankly, we have been subjected to a uphill relationship with the regulator," he said. Kevin Johnson, CEO, Credit Union Development Association, said the over-regulation of the sector would force its demise.

"Strangling credit unions with over-zealous regulation will see their demise and force credit union members to switch to more expensive banks," Mr Johnson said.

"Before Minister Noonan allows further rules come into effect, he should conduct a review on how the commission's recommendations are being implemented and whether the legislation and regulations reflect the current needs of credit union members."

Committee members sought to explore why the massive cash reserves have not been tapped into at a time when there is a massive shortage in social and affordable housing.

Sean Hosford of the Credit Union Managers' Association responded by saying: "We are baffled. Everyone loves us but no one seems to be able to help us."

Responding to the calls for Mr Noonan to delay the introduction of the legislation, People Before Profit TD Richard Boyd Barrett said: "Why the hell are the Government and the Central Bank not listening and I am shocked that they have not taken up your offer to help build social houses."



Richard Boyd Barrett

Even government TDs said more needed to be done to help the sector. Michael Creed, Fine Gael, said the Government needed to be careful not to penalise the sector by over regulation.

Fianna Fáil's finance spokesman, Michael McGrath, pressed committee chairman Liam Twomey to write to Mr Noonan to delay the signing of the legislation, to which Mr Twomey agreed.

The Irish Examiner has also learnt of increasing unease within Fine Gael over the failure to address the concerns of the credit union sector.

"There is an increased sense that some form of compromise will have to be reached over the new regulations. None of us want to be responsible for the demise of the credit unions in Ireland," said one Fine Gael minister.

By Daniel McConnell, 26th November 2015 - Reproduced by kind permission of The Irish Examiner

Capital Credit Union comes to town



Marlene Shiels CEO of Capital Credit Union

The Scottish Government has given the country's credit unions a mission to encourage people to save more.

This drive comes as Capital Credit Union expands its operation into the Falkirk area, having recently received approval from the Financial Conduct Authority (FCA) to move beyond its traditional base of Edinburgh, the

Lothians and the Borders.

The most recent Scottish Government figures show 24 per cent of the population have no savings at all and a further 16 per cent have less than £1000.

Capital's CEO Marlene Shiels said: "We will work with other credit unions in the area to help boost the savings rate in Scotland. There seems to be, among other issues, a distrust of the financial services sector over the last few years, but people should bear in mind credit

unions offer ethical products and services.

"Credit unions can set up schemes with employers to allow their staff to save direct from payroll. It is a very simple process and encourages good savings habits. Research has shown that companies with such schemes benefit from reduced absence rates and fewer reported cases of financially related stress."

Read more: <http://www.falkirkherald.co.uk/news/business/business-news/capital-credit-comes-to-town-1-3939510#ixzz3rN1tv922>

By Falkirk Herald, 7th November 2015 - Reproduced by kind permission of The Falkirk Herald



Falkirk Credit Union's 20 year success story



Chairperson David Eadie, treasurer Anne Wallace and member Wendy Cockburn were also attended the meeting.

Angus MacDonald said: "I was delighted to once again meet with representatives of the Falkirk District Credit Union and to hear all about their achievements and concerns.

"I hope this type of meeting could become at least an annual event. My colleagues Martyn Day and John McNally share my views on this matter and we are all prepared to assist in any way that we can."

The credit union was established in 1994 by a group of taxi drivers and was initially set up as a savings club.

The first loan granted was understood to be for £500 and was handed out in 1995.

In 2007 Westquarter Credit Union joined the existing savings group and the name was changed to Falkirk District Credit Union.

Grangemouth Credit Union transferred over in 2014.

Savings at the credit union are currently just over £1.6 million and loans granted last financial year totalled just over £848,000.

For more information about the credit union visit www.falkirkcreditunion.co.uk or telephone the Grangemouth head office on (01324) 473 695.

By Morven Quin, 14th November 2015 - Reproduced by kind permission of Falkirk Herald

Thousands of savers have reached their financial goals thanks to Falkirk's credit union, which celebrates its 20th anniversary this year.

There are currently 2233 adult and 524 junior members of the Falkirk District Credit Union based in Grangemouth and there have been many more throughout the years.

Viewed as an alternative to banks, they are not-for-profit organisations which are run by members.

Local politicians paid a visit to help members celebrate the milestone.

Linlithgow and East Falkirk MP Martyn Day, Falkirk MP John McNally and Falkirk East MSP Angus MacDonald, as well as representatives of Cabinet Secretary and Falkirk West MSP Michael Matheson, were in attendance, along with Credit Union director Malcolm Richards.

Mr Richards said: "It was indeed a privilege and pleasure to welcome the visitors.

"A large number of topics were discussed from collection points at schools, national publicity for credit unions and how the banking sector has affected them."

UK credit unions reach 1.6 million adult members



Adult membership of credit unions across the UK has reached a milestone of 1.6 million.

Figures released by the Bank of England show that in June 2015, adult membership of credit unions in England, Scotland, Wales and Northern Ireland reached 1,635,952 – an increase of 2.45% from the previous quarter and 5.47% over the previous 12 months.

The biggest jump was in England, with a 9.2% over the previous 12 months. Scotland and

Northern Ireland both increased by 2.7%, and Wales by 2%. The figures show that during this time, an average of 232 adults joined a credit union in the UK every day. In the three months from April to June, this figure rose to an average of 430 people per day.

"The continuing growth of Britain's credit unions is hugely encouraging and is a tribute to the effort so many credit unions are making to ensure their services are more accessible to a broad range of consumers,"

"It is particularly encouraging to see lending up by more than £20 million over the quarter as the movement starts to look at diversifying its lending to better meet consumer demand."

This is part of a global push to bring credit union services to more people, with the World Council of Credit Unions aiming to bring a further 50 million consumers into credit union membership over the next five years.



By Rebecca Harvey, 23rd November 2015 - Reproduced by kind permission of The CO-OP News

Fairshare Credit Union - Celebrating our first 21 years serving the community



This Autumn FAIRshare Credit Union celebrates 21 years of service to the community, and on Monday 16th November 2015, FAIRshare hosted an Open Afternoon to celebrate this milestone. The Directors & staff welcomed former volunteers, staff, Telford & Wrekin Councillors, and representatives from partner organisations, companies and communities to their Telford branch in Southwater Square, to view displays and memorabilia from the past 21 years, including many former articles from local papers.

Also invited to the event were 51 'original members' who joined on the opening day in 1994 and are still active members of FAIRshare 21 years on.

The Wrekin Council Employees Credit Union was launched on 1st September 1994 to offer secure savings and affordable loans to employees of Wrekin Council. 155 members joined on the opening day, and by the end of 1994 more than 450 staff had signed up. In 2000, the credit union changed its name to FAIRshare, and following a change to its 'common bond' membership was opened to everyone who lived or worked in the Telford &

Wrekin district. Membership grew quickly, with Oak Credit Union & Dawley & District Credit Union transferring to FAIRshare in October 2000, and S.H.R.U.B. Credit Union (which served Stirchley, Hollinswood, Randlay United with Brookside) and Broseley & Much Wenlock Credit Union joining in 2002.

Also key to FAIRshare's growth has been partnerships with local companies – Ricoh UK Products Ltd, The Princess Royal Hospital (the Shropshire & Telford Hospital NHS Trust), Telford College of Arts & Technology, Tollgate Products and the Wrekin Housing Trust were amongst the first employers to partner FAIRshare, and still offer payroll saving to their staff today. FAIRshare is very proud to partner many companies across Shropshire, allowing staff to make regular payments to their FAIRshare account direct from their salary.



In 2003 FAIRshare relocated to new premises alongside Meeting Point House in Telford. 'FAIRshare House' was officially opened by John Healey MP, then Economic Secretary to the Treasury, and former Wolves football legend Steve Bull. After 9 successful years, FAIRshare House was demolished in 2012 as part of the re-development of Southwater, before FAIRshare moved into its Southwater Square branch in 2014.

In 2012 FAIRshare members voted to extend the common bond to include everyone who lives or works in Shropshire, and a second FAIRshare branch was opened in Castle Gates, Shrewsbury. The introduction of Online Loan Applications in 2014, has enabled people across Shropshire to apply for FAIRshare loans from the comfort of their home, and membership continues to grow.



The past year was a record year for FAIRshare, with loans issued in the 12 months to 30th September 2015 exceeding £1 million for the first time, and members' savings totalling over £2.5 million. 30th September 2015, FAIRshare's youngest member was just 6 weeks old, and the oldest member was 95 years young.

FAIRshare would like to thank all members, volunteers, staff, organisations & communities for their support over the past 21 years. Photos, press cuttings and memorabilia can be viewed in FAIRshare's Telford branch until the end of November.

By Fairshare Credit Union, 25th November 2015 - Reproduced by kind permission of Fairshare Credit Union

Contis paves the way across Europe in contactless technology



Contis, the fast-moving European alternative banking and payments group is launching across its entire UK and European client base, the delivery of Visa contactless prepaid and debit cards.

This initiative confirms the competitive edge of Contis' capabilities over other providers. It controls all elements of the delivery supply chain; and through its own processing platform, can easily deliver additional products and features to a head of the rapidly changing world of fintech and legislation.

Contactless technology is now seen as a 'must

have' for card holders. The main influence is the movement within high volume, low spend retail outlets and transport systems to incorporate this technology.

The UK's transactional take-up of contactless has been staggering, and any absence of this capability is now seen as a major inhibitor to a card's acceptance and usage. In the prepaid world where the business economics are closely linked to transactional activity, the lack of such key functionality will result in significant reductions of usage levels and increase in switching providers by existing card holders.

In July, Europe reached the major milestone of 1 billion contactless payments made over the past 12 months (1). The UK is a big reason for this success and leads the continent for the number of contactless cards issued, which now is in excess of 50 million.

Following its successful rollout of contactless, the biggest merchant for this technology continues to be Transport for London. Over 157 million journeys have been paid for via

contactless to date, of which the majority of transactions were made on Visa cards (2). It's a great success story and proof that with the flexibility and customers' ease of use, contactless can bring commercial advantages for all merchants operating in different environments.

Peter Cox Founder and Executive Chairman of Contis Group said "Contis have spent millions in ensuring our capabilities are in line with modern consumer and commercial organisations' needs. Our investment in developing contactless across our global platform capabilities is seen as a significant step; and will allow our brand partners to offer their customers the latest technology and convenience at the point of delivery.

From a good idea to a necessary deliverable, the move to wearable and alternative contactless payments is a feature that is being driven by strong user demand. To maintain customer loyalty, we are more than ever, now in a stronger position to adapt to any future changes in this industry".

Splash out for the Boys in Green: Credit unions prepare for Euro 2016 rush



Credit Unions across Ireland are expecting a spike in lending activity in the coming weeks as Irish soccer fans seek loans to fund summer trips to France.

The lenders have become associated with these trips - but as the economy improves they will face increased competition from banks.

"Credit unions have historically had a very good relationship with travelling football fans and Euro 2016 will be no exception," a spokesperson for the Irish League of Credit Unions said to The Irish Independent.

She added that Ireland's qualification and demand for new loans, "will be a welcome

development for credit unions as they have over €5bn available to lend."

We might be heading into the busy (and costly) festive season - but the body advises that you "start a saving plan now - even if it's only a very small amount."

Even as Ireland struggled through its post-crash recession, legions of fans made the trip to Poland, where the Irish team was based for its ill-fated Euro 2012 campaign.

For that competition many supports traveled on squeezed budgets, relying on camper vans and camping sites. Average spends were between €2,000 and €3,000.

Banks will also be keen to get in on the lending act. Ulster Bank has cut its loan rate on all fixed-rate personal loans between €4,500 and €40,000.

KBC Bank is offering a 2% reduction for customers who repay loans through direct debits from KBC current accounts.

France is accessible for Irish travellers, but significantly more expensive than Poland was - especially if the team is based in Paris.

By Joseph Conroy, 18th November 2015 - Reproduced by kind permission of Newstalk

Derry Credit Union issue £16m in loans



Credit Union

Derry Credit Union have warned of the dangers associated with taking out high interest loans as they revealed they have issued over £16m in loans over the past year, it has emerged.

A total of 19,300 loans were approved during the year, an average of £834 per debtor.

Of all those that applied for a loan, 94.6% of people were successful.

The Abbey Street Credit Union- the largest in the north west- now has 29,872 adult members and 5,139 children with accounts. Of these, 758 are people who have joined within the past year.

The Credit Union's Annual Reports and Financial Statements for the year to the start of October 2015 balance sheet shows that there is £80.1m in shares and savings held at the Credit Union.

Derry Credit Union has made over £5m from interest on loans and income from investors over the past year, it has emerged.

Staff have also recovered £207,000 in so-called bad debts, while 25 members were taken to court.

The annual report shows that when expenditure in salaries, insurance and other outgoings are factored in, there was still a surplus of £2.388m after tax.

The amount of loan money issued is down slightly from last year, and Carolann Doherty, Credit Committee Secretary concludes in her annual report: "In recent year, we have witnessed a reduction in the number of loans applied for.

"We would like to think members have been

more prudent in the context of the ongoing global financial downturn."

"However some members may be turning to more expensive forms of credit. We would urge all members to speak to us, your credit union, before considering other options. While our loan policy guides every loan application, we consider each application on its own merits, providing we have a full picture of the member's financial situation."

Across Co. Derry there are now 94,713 Credit Union members. Savings in credit unions across Derry City and the wider county now stands at £223m.

Brian McCrory, President of the Irish League of Credit Unions, said: "The loans they are providing are filling oil tanks, meeting school and college costs, providing for major family celebrations, helping with big household purchases, and of course assisting those who have suddenly found themselves out of pocket through no fault of their own."

By Brendan McDavid, 24th November 2015 - Reproduced by kind permission of Derry Journal

International Credit Union Day Celebrations with RWCU



Paisley, Renfrewshire — On Wednesday 14th October Renfrewshire-Wide Credit Union staff set up stall in Paisley High Street to celebrate International Credit Union Day®, an annual event to commemorate the credit union movement's impact and achievements world-wide. The credit union Cash Cubs mascot joined in the celebrations and proved a big hit with the young and not so young, who queued for pictures and hugs with the school savvy saver's champion.

Speaking from a marquee set up as a credit union base for the day next to the High Street Cenotaph, Alison Dowling, RWCU Project Coordinator said, "credit unions are 'People Power' in action. They offer an easy way to save and borrow rather than using more expensive store cards, credit cards and pay day loans which charge far higher rates of interest.

Here at Renfrewshire-Wide credit union we also have a real connection with our members, you're not just a number on a ledger to us, that's the credit union difference. It's all about people helping people".

Karen Graham, RWCU Manager added "we've seen fantastic interest shown by the public today, we've had a great time chatting and answering questions while spreading the good news about the credit union and joining up new members. The RWCU is part of the community, myself and all of our staff and volunteers all have roots in Renfrewshire. Today is all about breaking out of our High Street office and having a family day in the community, it's about making finance fun!"

Renfrewshire Council Leader Mark Macmillan visited the event as the Cash Cub's special guest and said: "Credit unions have always been at the forefront of empowering people and communities – and that is particularly the case in Renfrewshire.



"Tackling poverty and boosting opportunity are key priorities for Renfrewshire Council. We have been proud to support credit union services as they evolve through new approaches in education, in communities and online.

"Credit unions, and the ethos they embody, have never been more relevant. We would urge people to get involved to find out the difference they can make to their lives."

Since 1948, International Credit Union Day has been celebrated annually on the third

Thursday of October. Each year, the international event affords the opportunity to remember credit unions' proud history and promote awareness of and support for the credit union difference. This year's theme, "People Helping People®," embraces the longstanding credit union philosophy.

Credit unions are recognized as a force for positive economic and social change and have provided significant value in both developed and emerging nations.

International Credit Union Day is sponsored by World Council of Credit Unions, the international trade association and development agency for credit unions, as well as numerous national credit union trade associations and federations around the world.

On Oct. 15, credit unions from around the world will join forces to celebrate the day with membership drives, contests and fundraisers to help out their local communities. Credit unions will share their activities with the global community on social media using #ICUDay.



By Renfrewshire Credit Union, 20th October 2015 - Reproduced by kind Renfrewshire Credit Union

Financial firms praised for helping customers manage their money

A "fair banking" scheme backed by the archbishop of Canterbury has given its blessing to products offered by 11 financial firms, including Barclays bank's main current account, held by several million people.

The Fairbanking Foundation, a not-for-profit charity of which Justin Welby is a patron, operates a scheme to encourage financial institutions to develop products that help customers improve their financial wellbeing and manage their money better. It awards star ratings to certain products – current accounts, credit cards, savings accounts and personal loans – that pass a number of tests on issues such as fairness, interest rates and fees, the number of complaints received, and what customers say.

At an event in London, the charity awarded its Fairbanking Mark to products offered by 11 institutions: Barclays, Halifax, Bank of Scotland, Lloyds, NatWest, Royal Bank of Scotland and Capital One, plus four credit

unions - London Capital, Central Liverpool, Enterprise and 1st Alliance (Ayrshire). They join three other firms that have previously been recognised.

Many of the products that received praise are personal loans, credit cards and Isas, although they include a mainstream current account in the form of the Barclays Bank Account, which won a three-star rating for its features designed to help people monitor their spending and avoid bank charges.

Firms seeking to gain a Fairbanking Mark must submit their product for detailed testing by the foundation, which includes a poll of customers by an independent research firm. The firm must confirm that a significant percentage of people find it useful in helping them manage their money better and achieve their savings goals.

Welby welcomed the fact that some financial firms were demonstrating a commitment to

the financial wellbeing of their customers: "We are all acutely aware that we need a change of culture within the banking sector if we are to avoid some of the problems and excesses that led to the financial crash of 2008."

He added: "As well as developing smart regulation, we also need financial institutions to do the right thing, not because of reward and sanction, but because it is the right thing to do. Because it is good for customers and for the wider common good."

However, research carried out for the charity found there was "still work to be done", with nearly two out of five customers (38%) believing the banking industry's image had deteriorated over the past year. Its study found that 13% believed the image of banks had deteriorated significantly. The main issue identified by the research was a lack of focus on customer needs, said the charity.

By Rupert Jones, 21st October 2015 - Reproduced by kind permission of The Guardian

Forget payday lenders – there’s a much better way to borrow



Molly Zacharias is a member of the Cardiff & Vale credit union. She now works as financial administrator for a UN charity and lives in a two-bedroom flat on the outskirts of the city with her son Jackson. This hasn't always been the case – in the past she's been homeless, jobless and badly in debt. She thanks the credit union for allowing her to work her way out of poverty.



Molly Zacharias: 'I never had savings; the credit union got me into that'

"If it wasn't for them I'd never have been able to provide a stable life for myself and my son," she says. "The first loan I took out was for £1,000 and it bought me driving lessons and helped me get a car. Having a driving licence on my CV got me a job. Also, without that car I wouldn't have been able to ferry my son to his special needs school seven miles away.

"The way in which I had to repay the loan was helpful. I had a weekly standing order of £20 – £12 of this went to the loan and £8 to my savings account. It took 102 payments until I'd paid the whole sum [with interest] of £1,224. Because I paid it gradually and built up my savings it wasn't too bad. If I'd taken one of those Wonga-esque loans we'd have starved trying to pay it back."

Zacharias shows me a spreadsheet of her weekly costs, laughing that her life used to be about music and parties, but now revolves around meticulous expenses charts – she says the credit union is responsible for changing her once reckless financial behaviour. "I never had savings – the credit union got me into that. Now I am planning to take out one more loan to pay for the last module of my accountancy qualification."

April McCann's financial behaviour also changed dramatically after becoming a member of the 1st Alliance Credit Union in Ayrshire, Scotland. She was in dire debt, which got worse when she developed an online gambling habit. Her income was disappearing fast and she was unable to pay back her loans.

She remembers lenders coming to her door to ask for repayments. "When I didn't have the money to pay them back they were sometimes all right about it – and at other times quite abrupt, but there was nothing I could do."

McCann says she was lured by the speed and ease with which she would receive the money. "They would just turn up, make you fill out a form and give it you."

She now has a pre-paid debit card that helps her budget, its access blocked for online gambling sites. "The credit union treated me like family when I needed them the most. Sometimes I do try and gamble on the card but it doesn't let me. I no longer worry about feeding my family," she says.

The credit union sector in the UK is growing, but there is some way to go before loan sharks are driven out of existence. In the US, 46% of the population belong to a credit union; in Australia 30%; and in Ireland an impressive 75%. Support from the whole community, not just those in financial hardship, would help unions to grow further and reach more of those in need.

Case studies

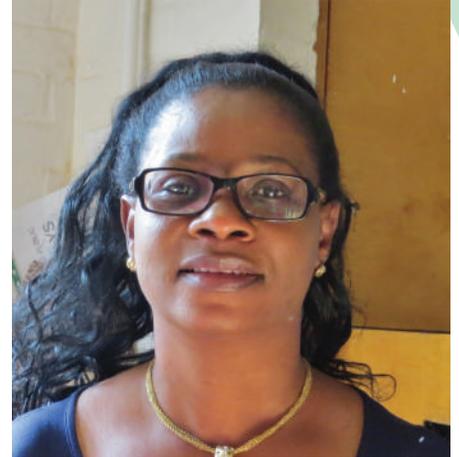
John Shipman,

59, street sweeper for council
Took out a £500 loan to pay for an operation to get new teeth in time for his son's wedding. He found an appointment that he otherwise wouldn't have been able to afford as it fell before his payday.



Angela Quarm,

49, chair of Stonegrove community group in Edgware. Publicises credit unions to people on her estate as lots of doorstep lenders were coming in. She wants to help those in her community become responsible savers and reduce the number getting into long-term debt. She finds the credit union helpful herself, as you can pay in small amounts and save little bits.



Jemma Burbridge,

30, business doing hair pampering parties for children. She ran into trouble when her partner left, and was relying on child benefit money. Inspired by her daughter she decided to set up a business designing hairdos for girls at parties. She took out an £800 loan to get her business going.



By Olivia Acland, 24th October 2015 - Reproduced by kind permission of The Guardian

IF YOUR CREDIT UNION WOULD LIKE TO CONTRIBUTE TO THE NEXT ISSUE OF FOCUS THEN EMAIL:

Liam.Hartley-Wright@contisgroup.com

Focus goes out to all UK and Ireland credit unions.

We aim to provide a newspaper for Credit Unions to share their news with other to build bonds in the industry.

- Good news stories about your credit union
- News about your community
- Issues in your area

Credit Union members tell us what they think of their credit union

This year Engage was proud to support the celebrations for International Credit Union day, in which credit unions across the world celebrated their achievements.

As part of the festivities, we offered our card holders the opportunity to win a £50 Argos gift card, by simply filling out a questionnaire they could be in with a chance of winning. We wanted to make sure that we got feedback about what credit unions members thought out their credit union. The responses were overwhelmingly positive; here are some of the responses.

Brilliant, Chelmsford office are kind and help.

It's a well run office and the manager always goes one step further, thank you for making my life easier .

I find them both fantastic changed my whole way of living and saving for my children i thank you both

My local credit union has the most helpful and friendly staff, they always seem to go out of there way to make the whole process easy

Great service and good staff

I think they're great

Friendly understanding caring staff

Keep up the good work

Thank you

This is a fab facility more people should join

Clockwise are fantastic

Staff in my local branch are lovely and helpful

Tees Credi Union have been a life saver for me helping with financial troubles and loans.

Credits union have been so helpful to me and make life may easy for me and they care about the community

London Capital Credit Union commits to London Living Wage



As one of London's largest member-owned financial businesses we have become a London Living Wage employer to demonstrate our commitment to our employees.

The London Living Wage award marks the continuing commitment by London Capital Credit Union in Archway, where, regardless of whether they are permanent employees, third-party contractors or suppliers, everyone receives a minimum hourly wage of £9.40 – significantly higher than the current national minimum wage of £6.70.

The London Living Wage is set annually by the Living Wage Foundation and calculated by the Greater London Authority. It covers all boroughs in Greater London. The UK Living Wage for outside of London is currently £8.25 per hour. The UK rate is set annually by the Living Wage Foundation and calculated by the

Centre for Research in Social Policy at Loughborough University.

Felix Hebblethwaite, a director at London Capital Credit Union, said: "A key principle of the co-operative movement – of which credit unions are a part – is to champion the sustainable development of the communities in which we operate. At LCCU we believe that paying our employees appropriately is an important step forward in achieving this objective."

Employers choose to pay the Living Wage on a voluntary basis. The Living Wage enjoys cross party support, with public backing from the Prime Minister and the Leader of the Opposition.

Living Wage Foundation Director Sarah Vero said: "We are delighted to welcome London

Capital Credit Union to the Living Wage movement as an accredited employer.

"The best employers are voluntarily signing up to pay the Living Wage now. The Living Wage is a robust calculation that reflects the real cost of living, rewarding a hard day's work with a fair day's pay.

Added Felix Hebblethwaite: "We are proud to be a London Living Wage employer and we would encourage other employers within London to do the same."

Find out more about London Capital Credit Union at www.credit-union.coop. Find out more about the Living Wage at www.living-wage.org.uk.



By London Capital Credit Union, 18th November 2015 - Reproduced by kind permission of London Capital Credit Union

Housing associations seeing tenants move from exclusion to real poverty



Many of the 2 million adults in the UK without a bank account are in a financially precarious situation, often lacking savings and reliant on short-term loans. But the introduction of universal credit, which will require welfare recipients to have a bank account into which benefits can be paid, has given the problem of financial exclusion a new urgency.

It's an issue of particular concern to housing associations, where an estimated 13% of residents don't have bank accounts. Most housing associations now have teams of financial inclusion officers, tasked with supporting residents who are financially vulnerable. Matt Earnshaw, group financial inclusion manager at Circle Housing, says that some residents are "only one incident away potentially from being tipped over the edge. They might lose their job, they might go off work sick, they might have a family breakdown, and that can be the point at which problems start to occur".

Financial exclusion doesn't exist in isolation, he adds: "Being in debt is a massive barrier to getting back into work, and we know the impact that money has on health as well."

Often residents have multiple, interconnected financial problems. Paul Langley, head of business development at Community Housing Cymru, which represents housing associations and community mutuals in Wales, says many lack contents insurance or have "multiple insurances linked to the products they've purchased like phone insurance or television insurance, as opposed to one blanket policy for everything", which is more expensive. Others are paying too much for an energy supplier, or have failed to claim benefits to which they are entitled.

Preventing exclusion

Tackling financial exclusion effectively requires a broad range of preventative measures, including encouraging residents to join credit unions. Liverpool Housing Trust, for example, has just invested £50,000 in two credit unions and wants its own staff to join them, enabling the unions to offer as many loans as possible. In south Wales, many housing associations have adopted Moneyline, which offers affordable loans to people

on low incomes, as well as basic bank and savings accounts.

Housing associations can also minimise tenants' outgoings by helping them shop online to find the cheapest energy supplier or, in the case of Golden Gates Housing Trust, introducing solar panels to 1,500 properties to reduce energy costs.

Frequently they work with partners; Circle, for example, works with the debt charity StepChange and has the charity's debt tool embedded on its website. John Thorndike, income and financial inclusion manager with Liverpool Housing Trust, says the association and its partners deliver advice on topics such as "opening bank accounts and credit union accounts, accessing low-cost home contents insurance and help getting online and employment and training advice". That advice is offered in a number of ways: through home visits, over the phone or via the internet.

A more drastic set of challenges

The work can be challenging, however. In rural areas and the south Wales valleys, many bank and post office branches have closed, making it physically difficult for residents to gain access to a bank account, says Langley. Libraries where residents might use computers to access online accounts have also closed down. Some Welsh housing associations have responded by lending residents tablet computers to access the internet. Digital inclusion and financial inclusion are so closely linked, says Langley, that the role of a financial inclusion officer is merging with that of digital inclusion officer.

Many residents are also unwilling to seek advice until they are in financial trouble, and Golden Gates has found that even offering incentives, such as contributing £10 when a resident opens a bank account, doesn't always work. Bigger problems arise when struggling residents take out high-interest loans to pay off debts. Some residents, says Carmel Morris, senior financial inclusion officer at Golden Gates Housing Trust, will prioritise paying the weekly debt collector over paying their rent: "Someone's coming to your door, and not paying them can be quite difficult because they're very clever, and the tactics and their terminology they use are almost like grooming."

In the worst cases, residents fall prey to loan sharks --- which Liverpool Housing Trust treats in the same way as hate crime or safeguarding, says Thorndike. If any employee hears of a loan shark operating in the area, he adds, it's the whole organisation's responsibility to deal with it.

It is inevitable that part of housing associations' work is to support residents when they have reached a financial crisis. Earnshaw cites a resident who had become too ill to work and had slipped into rent arrears of more than £1,000. He was referred to Circle's financial support service, which helped him claim £3,000 in benefits that he was entitled to as well as a grant from Anglian Water's assistance fund for his water debts. Now back at work, the resident's arrears have been reduced by almost £900.

But housing associations face their own financial challenges, following the government decision to reduce the rent of social housing tenants by 1% a year, and the extension of the right to buy. These challenges may put the valuable work associations do in supporting financially excluded tenants under threat.

Meanwhile, the economic climate, the introduction of the bedroom tax, welfare reform and the lack of secure employment are leading to greater financial difficulties for residents. Langley believes that housing associations are changing focus to tackle a more drastic set of challenges: "We find that even if people could access the internet they can't afford it. They don't have the money to heat and eat. We're moving on from just this being about financial inclusion or exclusion to real poverty."

By Kim Thomas, 27th October 2015 - Reproduced by kind permission of The Guardian



**CREDIT UNION
GROWTH
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**100% FINANCIAL INCLUSION
IN YOUR AREA**

**CONTIS GROUP PROVIDES AN
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ANY CREDIT UNION SIZE**

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- Personal Pay as You Go Account
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- SmartCash Junior Account
- Business Account
- Banking and Payment Platforms
- Unique Community Engagement initiatives
- All new Cashback Rewards

Email Marketing is Not Dead: How to utilise email marketing

Email is the channel where the digital marketing battle for your credit union will be fought and won. It is the most critical channel for your digital marketing strategy's primary goal of building digital community. Because from this digital community, you will attract, nurture, and convert inbound leads for loans and new accounts.

In contrast to social media, it is also much easier to sell email marketing to your CEO and CFO:

- Email is nearly 40 times better than Facebook and Twitter at acquiring customers. (McKinsey & Company)

Your Email Database Might be Dying

When planning to resurrect your email marketing, don't fall back into dogmatic ideas and think email marketing is only used to send emails to current account holders. Because according to Harland Clarke, the average email penetration of bank and credit union account holders is a measly 37%. And even if you assume you have a high email penetration of current account holders, don't relax too much because email attrition erodes the effectiveness of an email database.

On average, 30% of the email addresses in your database will vanish each year through non-engagement bounces, abandoned/changed email addresses, unsubscribes, and spam complaints. Furthermore, after just four months, the click rate for your average email subscriber drops to less than 1%.

And you will grow your email database by increasing new email acquisition from:

- Prospects (inbound lead generation)
- Community events (onsite lead generation)
- Current account holders (onboarding)

Resurrect your email marketing

Use these eight simple ways to quickly grow your email list through the acquisition of inbound leads, community events, and the onboarding of current account holders.

1. Create landing pages with transitional calls to action: CUGrow research has found as much as 93% of new website visitors are directed to inner landing pages and not the home page. Traditionally, credit union landing pages incorrectly use direct calls to actions, which ask for the business immediately. "Apply Now" or "Open an Account" are the standard direct calls to action. However, only 1%-3% of website visitors convert on their first visit. And direct calls to actions are only applicable for those who are ready to apply for a loan or open an account.

Instead, your landing page should highlight transitional calls to action (such as "Download our Home Buying Guide") with a focus on

inbound lead generation for a consumer early in their buying journey. You can then use marketing automation to nurture this inbound lead over the next 30-90 days as you guide them closer to the point of conversion.

2. Add opt-in forms and offers to your website: Many case studies have found that simply using opt-in forms can increase conversion rates by as much as 200%-500%. Furthermore, exit intent pop-up windows, displayed when a visitor is about to leave your website, have increased some website conversion rates by as much as 1,000%. These opt-in forms can be customized for specific product pages and offer valuable consumer content or offers in exchange for a consumer's email address.

3. Offer a free financial assessment: Consumers are looking for someone to help them with financial matters in their life. For example if a member wants to buy a TV, house or car. By simply asking, "How can we help you?" you have the potential to dramatically increase inbound leads through a free financial assessment.

4. Use social proof in your copy: Increase inbound leads during a consumer's awareness and consideration stage of their buying journey by using product ratings, reviews and testimonials next to email collection calls to action. According to Bazaarvoice, 83% of consumers say it would be important to read other consumers' ratings and reviews about a financial institution before making a banking decision.

5. Use video stories: A study by Eyeview Digital found that using video on landing pages can increase conversion by 80%. This video can be used to position your products beyond a list of commoditized features by highlighting stories of success from current account holders. Custom video players now allow for email acquisition within the video player itself through forms strategically placed at the beginning, middle, or end of the video.

6. Run social media contest: There is no better way to prove the value of your social media than to run social media contest and promotions with the goal of collecting the emails of inbound leads. And when properly planned and executed, the social aspect of social media can generate additional emails from inbound leads as fans and followers enter the contest and then refer their friends for further incentives, such as additional entries into the contest.

7. Acquire (and follow up) with emails from community events: Almost every credit union we have guided through our Digital Marketing Blueprint engagements collects emails at community events. But a large percentage of those do not effectively follow up or segment these emails into proper lists. Remember, just because you meet someone at a community event does not mean they are going to open an account or apply for a loan

with you next week. Instead, use a marketing automation platform to nurture this relationship over the next 3-12 months. The intent of this nurture process is to position your credit union as a financial matters expert that can guide them with helpful content along the way wherever they are in their financial journey. As their financial needs do change, your credit union will be top of mind during the awareness stage of their buying journey.

8. Acquire emails (and other important data) during onboarding: As noted above, the average email penetration of credit union account holders is a measly 37%. And if for some strange reason the above seven ways don't help you capture an inbound lead's email address, make email collection and other important data part of your onboarding process.

As online and mobile account opening adoption increases, you may not have an opportunity to engage with a prospect or a customer on a 1:1 level. The new account opening process is the best time to collect insights beyond the basics, regardless if this is completed in-person or through digital channels.

According to research from J.D. Power & Associates, including a needs assessment as part of the onboarding process can have a significant impact on consumer satisfaction as well as improve cross-selling results. However, only 26% of banks overall perform this simple, yet extremely powerful and effective process. As part of the onboarding process, send a simple survey via email asking, "How else can we help you?" Include the following options for a consumer to select:

- My checking account charges me too many fees.
- I'm planning to purchase a new car soon.
- I'm planning to purchase a new home soon.
- I'm planning to make some home improvements soon.
- I'd like to lower my current car payment.
- I'd like to lower my current mortgage payment.
- I'd like to lower my credit card payment.

Using the survey responses, you will add this new account to a specific onboarding workflow to welcome them to your financial institution while offering them additional products most relevant to them at this time in their own personal financial narrative.

Happy Birthday! One Simple Action That Can Increase the Loyalty of 91% of Your Credit Union members



Birthdays haven't always been milestones important enough to celebrate. It wasn't until ancient Roman times that civilization started allowing commoners to celebrate their birthday. And it wasn't until the industrial revolution that we've all been able to enjoy cake on our birthdays.

Thanks steam power; we owe you one. Nevertheless, your birthday is probably one of your biggest annual milestones today. Family and friends gather around to help you celebrate one more year traveling around the sun together, and there's frosting.

For the friends who can't be with you on your special day, they may be sending you a birthday greeting as well, which is still big business. This trend does not seem to be fading away despite technological advances and a digital generation coming of age. In fact, according to the Greeting Card Association, "Younger card buyers and those who are more technology savvy are currently the ones most engaged in buying paper greeting cards online."

So what does this mean for your credit union?

For starters, you should be celebrating your customers' birthdays with them.

Birthday Greetings and Engagement

A 2013 study conducted by Fulcrum uncovered some interesting insights about birthdays and loyalty between consumers and brands. The primary finding is that only about half of those surveyed recalled receiving a birthday greeting from a company they do business with.

This spells opportunity for you.

Fulcrum also looked at the effects of sending greetings, gifts and discounts on consumer birthdays. The results were that consumers react very positively to birthday greetings that also contain special discounts or gifts. From the study:

Consumers almost unanimously reported an increase in loyalty to a company when offered discounts on their birthday, agreeing 94% of the time. At the industry level, consumers

showed the greatest positive reaction to birthday greetings from food and beverage companies. Nearly all respondents (92%) thought more positively about the company and 96% reported an increase in loyalty. Monetary birthday greetings are also very effective for both service providers and retailers, where 91% of the respondents receiving such a greeting reported an increase in loyalty.

Companies like Starbucks have learned to exploit these statistics and have built birthday freebies into their "My Starbucks Rewards" program. The beloved coffee company offers a free birthday beverage of the customer's choice to all registered Starbucks Card holders.

In an age where engagement and loyalty are coveted by financial institutions, it's nice to know that something as simple as a birthday greeting with a discount can make a huge impact on loyalty.

In fact, birthday greetings appear to be a pretty big opportunity for banks and credit unions to engage and differentiate themselves.

How Do I Set Up A Birthday Program With Limited Resources?

I'm glad you asked. Time is your scarcest resource. So, follow these five basic steps to quickly set up a customer appreciation / birthday greeting process that also measures the overall effectiveness of the program:

1. Collect Birthday Information: The first place to start is to collect a new account holder's date of birth upon enrolment. After all, you can't send out birthday greetings if you don't know the customer's birth date. You may even already have this date in your systems; just make sure it is consistent and correct.

2. Determine How You'll Communicate: This should play to your organisational strengths. Have a stack of cards ready to hand or send an email card out. Alternatively if you're looking to enhance personal relationships, then social media might be the way to go.

3. Hit the Date or Get Really Close: You should strive to get your birthday greeting to your customer as close to their actual birthday as possible, with the real goal of reaching everybody on their exact birth date. Nobody likes getting generalised birth month greetings. It's just not the same.

4. Hold an Individual or Group Accountable: Someone or some group will ultimately need to be responsible for ensuring these communications go out on a regular basis. Holding someone accountable is the most important thing you can do to guarantee that these communications go out routinely and that loyalty and engagement are tracked.

Extra Bonus: Triple Win Idea for Hard Charging Financial Institutions

If you're looking for a reason to reach out to some of your business clients, you can ask them if they have a special discount you can offer to the credit union's customers on their birthdays.

The idea is that you value their relationship and want to help drive business their way, while simultaneously adding value to bank customers via your birthday outreach program.

Collecting a number of birthday offers from business clients will give you additional flexibility. You'll be able to either compile a list of all the offers together or put in a bit of extra work to tailor specific offers to specific individuals on their special days.

Either way, this has the potential to be a triple win. Your business clients win by getting potential new business driven to them by you. Your customers win by getting access to deals from you that they otherwise would not have received. And if you get those surveys set up, your financial institution wins by measurably increasing loyalty and engagement.

By James Robert Lay, 2nd November 2015 - Reproduced by kind permission of CU Grow

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Engage launches Junior Visa debit card and personal account designed exclusively for the credit union sector

Smartcash to encourage more junior savers to join their credit union whilst delivering long term member retention

Following on from the successful roll out of the Engage Classic account across 120+ UK credit unions, Contis Group is pleased to announce the launch of the Engage Smartcash Junior account and contactless Visa debit card.

The flagship 'credit-union-exclusive' account is available to young savers aged 8-16 when they become a junior member of their credit union.

Smartcash has been designed to help children and teens take control of their finances as well as help credit unions to teach junior members the importance of money management in today's increasingly cash-less society.

Full parental access and monitoring of the child's online account ensures safe, responsible spending, whilst the ability to send money direct to the credit union encourages the junior member to deposit into their savings account on a regular basis.

Each Smartcash account comes with a contactless Visa debit card, free mobile app, online account and a range of junior rewards and discounts that will save them money on everyday spending as well as high value purchases like games and fashion items.

The future of the credit union movement

Retaining young savers is key to the long term security of the credit union movement. Now credit unions can offer a true alternative to rival the banks and keep hold of their junior members.

"When we conceptualised the Engage programme, one thing that came back from our research was that whilst credit unions were able to recruit junior savers, they had difficulty in retaining them as members once they reached the age of 11 or 12" says Geoff Leech, Managing Director of Engage.

"What we have done with the Smartcash product is provide credit unions with the ability to provide a junior personal account that exceeds anything offered by high street banks to 8-16 year olds".

He continues, "credit unions are fantastic at looking after their savers, but customer service isn't always top of the list for junior

members. Not only do they want to appear financially independent, they also want discounts, offers and special deals on purchases or 'treats', and they want to manage all this using the latest available technology.

"Until recently that kind of banking product was only available from Barclay's, Nat-West and alike. Now all Engage partner credit unions can provide junior members with an account that will hopefully encourage them to stay and save for years to come".

Peace of mind for parents and credit unions

Safe spending and controlled purchasing is of paramount importance so the Engage Smartcash account and Debit card has been designed to protect against overspending, or making inappropriate purchases. Account activity can be monitored by parents or the credit union and loading options are restricted. No overdrafts are allowed and daily spending limits and ATM withdrawals are controlled to ensure any frivolous spending is avoided.

Engage has also worked tirelessly to make the account as safe as possible by placing restrictions on inappropriate online activity such as gambling sites.

Money management - it's all in hand!

Smartcash has made financial management as easy and accessible to junior members as possible with a brand new, full function mobile app that is available for iPhone and Android devices. The app lets the account holder check their balance and make transactions to other Smartcash or Engage accounts, as well as allowing them to transfer money to the credit union for placing in their saving account.

Version two of the Smartcash app is already in development and will include the ability to automatically ringfence and send savings from their weekly pocket money, wages if they have a part time job or money earned via the cashback rewards scheme.

Other functionality specifically geared around teaching effective money management will be added in the near future.



Shopping is more rewarding with Smartcash

Engage has partnered with some of the UK's biggest retailers to bring junior members exclusive monthly cashback rewards.

Account holders can earn monthly cashback rewards everytime they shop with one of our retail partners. Details of the latest retail rewards are available via the Smartcash App and their online account portal.

For further information on the Smartcash Junior account for credit unions please contact Geoff Leech on 01756 693240.

Story by Liam Hartley-Wright and Geoff Leech

Engage sponsors prestigious credit union awards



On Saturday 14th November in central London, credit union folk from around the UK and the globe gathered together to celebrate and applaud the successes and achievements of credit unions and individuals.

Awards were presented covering a number of different categories, recognising inspirational and novel ways of bringing the values and benefits of credit unions to their owner-members and communities.

A great evening was had by all - see the results together with the views of the Filene and Biden Judges by visiting www.creditunionconsultancy.co.uk