**How can Credit Unions help the community**

As we move into the Spring period, PCCU, the credit union serving the local communities with safe savings accounts, financial education and access to affordable borrowing discuss their passion to build a fairer community through financial resilience.

**What is a credit union?**

Credit unions are not-for-profit community banks, where anyone who opens an account becomes a shareholder in the cooperative. Residents from the community are encouraged to build savings, which are protected up to £85,000 by the Financial Services Compensation Scheme, to form a common pool of savings, which can be lent to other members of the community through affordable loans. As a not-for-profit the interest charged allows the credit union to operate and the remaining profit is returned to account holders as dividends.

**Who are PCCU?**

PCCU was formed at St Georges Church in Nelson, on St Georges day in 1982, over the years it has opened its services up to more communities and in 2021 merged with Affinity Credit Union which covered the whole of Cumbria. Today the credit union has 16,000 account holders and is trusted to look after £16m in savings.

Nationally, credit unions react to the challenges facing communities with products to help. Recently PCCU has helped account holders struggling with the cost-of-living crisis, inflation and winter fuel allowance changes.

**What savings accounts do PCCU provide**

PCCU has a range of free-to-open savings accounts for all ages. Long Term Savings where account holders are encouraged to build savings through regular deposits or one-off payments. The newly launched Dream Saver, where the saver can set a savings goal and lock the funds until they reach their target. Whether saving for a dream car, perfect wedding, a well-earned holiday or even retirement, PCCU help savers stay on track to turn dreams into reality. Young Savers account for under 18’s can be opened by a family member or carer of the child. Want your youngster to understand the need to build savings in order to pay for items? PCCU aims to provide saving accounts for the whole community and believe it is important to start savers young.

**Financial education**

Helping account holders to build financial resilience is very important to PCCU. The credit union created a ‘money matters’ section on their website. This has information to help support their account holders including energy saving tips, money & mental health, and many tools such as benefit, budgeting and saving calculators. Recently the credit union raised awareness about the important issue of Pension Credit, which could negatively impact 10million UK residents. ‘Pension Credit: Why it’s important and how to claim’ content was created and distributed through its communication channels to help account holders.

**Christmas Savings Account**

This popular account enabled over 2,600 PCCU account holders to save throughout 2024 but their withdrawals can ONLY be made during November and December. This means that Christmas savings really are just for the Christmas period. This account was designed to meet the needs of account holders who told PCCU that they wanted to save throughout the year for the expensive Christmas period but found it hard when other unexpected bills appeared. A total savings increase of 20% from 2023 has seen £650,000 saved, meaning on average savers have a £250 head-start on Christmas.

**Borrowing at Christmas**

PCCU encourage people to save for Christmas, but their 42-year history means they understand many people in the community need to borrow and spread the cost of a manageable period. Bank of England research indicated families spend an extra £800 more than usual during the Christmas period and PCCU has been on hand to help, whether it is presents, entertaining families or other associated costs.

**Committed to the community**

PCCU only operates to benefit account holders and the wider community. Last year it gave back £1 million in dividends and loan interest rebate to account holders and aims to do better this year. PCCU is the prime alternative to high-interest, often predatory and illegal lenders operating across the county. When comparing PCCU’s loan book against a typical high-cost national lender, PCCU is proud to save the community £1.8m in interest payments which will be saved or spend in the local community. Each year £20,000 is given to the communities through a charitable donation.

**How to open an account**

Accounts can be opened easily online or through PCCU’s mobile app. Managing accounts can be done though PCCU’s secure mobile app, 24/7 online accounts area or telephone banking 5 days a week. In a recent account holder survey the credit union was rated 4.9/5 stars and 98% said they would recommend to family or friends.

To learn more about how you can contribute to and benefit from your local credit union, visit www.pccu.co.uk