



London Mutual
Credit Union

School Information Pack

Working together to build the financial resilience
of school staff, learners and local families



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Information Correct: October 2024

London Mutual Credit Union Limited, 4 Heaton Road, Peckham, London SE153TH

London Mutual Credit Union is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (FRN 213248)

Introduction

Thank you for your interest in working with London Mutual. We are excited about the potential to work together to benefit your students, families and staff.

As a not-for-profit credit union and a financial co-operative, doing right by our community and building mutually beneficial links with local partners isn't just 'community social responsibility' or 'nice to do': it is why we exist. With millions of members globally, credit unions like ours work to make our communities better off by helping people to make their money go further. During a cost of living crisis and a housing emergency in London, that work has never been more urgent.

Here at London Mutual, I work with schools and other local partners to find opportunities to support the work you are already doing. Examples include delivering school savings clubs for students or working with you to agree on a support and referral process for families in financial crisis. For your staff, we can offer salary-deducted savings to help them plan for a rainy day and affordable loans for the times they need to borrow. Every school's needs and priorities are different, and we want this to be a genuine partnership - so it is up to you to tell us how we can help.

As a parent who lives locally and whose children have been through local schools, I know first-hand the pressures local families and schools are facing. That's why I'm passionate about ensuring that children have the knowledge and tools to manage their finances - a critical part of a school's mission to make the most of every child's potential.

I know how busy you can be, so thank you for taking the time to read through. Don't hesitate to get in touch if there is any aspect of this you would like to discuss or explore further.

I am looking forward to hearing from you soon.



Aisha Stewart

Community Development and Schools Partnership Officer
community@creditunion.co.uk

A little about us...

Who we are

London Mutual Credit Union was established in 1982 by employees of Southwark Council as a secure and accessible way for staff to build savings and to borrow affordably.

Today, we are the largest community-owned financial institution in London, with over 40,000 members.

As a member-owned financial co-operative, our focus is on serving our members best interests – not making a profit. This inclusive approach means that all members have a say in the credit union's operations and can participate in the decision making processes. This inclusive structure ensures that the credit union's actions are closely aligned with the needs and values of the community we serve.

Our purpose

“To promote financial well-being and inclusion by empowering our membership community with the tools, information and support they need to manage their money confidently and effectively”

Because our purpose is promoting financial well-being, not just selling financial services or making money, it's important to us that community links and financial education are at the heart of what we do – not just an add-on. Every penny that we make is either reinvested in doing this, or returned to our members as a dividend on their savings.

Who can join?

All credit unions in the UK have a 'common bond' – a bit like a school catchment area! Membership of the credit union is restricted, by law, to those within the common bond. It ensures that all members have a shared connection, which can foster a sense of community and trust

London Mutual's common bond includes anyone who lives or works in:

- Southwark
- Lambeth
- Westminster
- Camden

As well as:

- Employees of Transport for London
- Members of HM Forces
- Those employed in health or education anywhere in Greater London

What we can offer

We aim to help our members manage their money wisely and plan for the future, with a services designed to help our members make their money go further.

Young Saver accounts

Savings accounts including those for parents to save on behalf of under-18s, as well as special accounts for Christmas and Holiday savings. All credit union savings are covered by the Financial Services Compensation Scheme (FSCS).

Current accounts

We offer basic current accounts which come with online banking and debit cards, as well as Apple and Google Pay (from March 2025). This includes a free Teen Current Account, which is available to anyone under 18.

Responsible borrowing

Credit unions are able to lend to those who are unemployed or whose main income source is benefits, with interest capped at 3% per month (42.58% APR).

We offer a Child Benefit loan product, which enables anyone receiving Child Benefit to access an emergency loan facility of £600, while also building savings to reduce reliance on borrowing over time.

Financial guidance

Alongside our online tools, we run a regular programme of webinars on topics such as building good credit and energy saving, with guest speakers.

From autumn 2025, we'll also be offering all members a free 'Money MOT', which will take them through their current income and outgoings, as well as identifying any benefits or state support they may be eligible for.

Employee financial wellbeing

We work with a number of local schools as well as Southwark, Lambeth, Westminster and Camden Councils, local NHS Trusts, and Transport for London to offer salary deducted savings and loans as an employee benefit to their staff. This service is simple to set up, and comes at zero cost to employers.

Our impact

Every month, London Mutual enables local people to do things which financially wouldn't otherwise be possible.

Key figures

- Last year we lent £2.9m to low-income or unemployed members. On average, each member saved £3,374 in interest compared to high-cost online lenders.
- We helped over 180 members to consolidate existing high-cost credit card and overdraft borrowing at a lower rate, giving them the chance to get debt free sooner.
- During Covid-19, 75% of members agreed that “Being a member of the credit union has made me better prepared for the financial shocks of the past year”.

Of course, behind each of these figures is a unique story! There are a few we are especially proud of, such as the local Mum who used credit union loans to deal with short-term emergencies when her kids were growing up, and who continues to save with her now her two sons are at medical school, or the local family whose membership of our Child Benefit scheme enables them to spread the up-front costs of new shoes each September.

Here are a few more:

‘Being on a low income and a single parent of two, credit union has been a life saver for me and my kids. Repayments are affordable and they save a small amount of you monthly repayments as savings – so it's a win win!!’

- Charlene Member Since 2019

“Friendly and helpful staff, they listen and tell you how they will help if possible. With the way the company operates, I have gone from no savings to some savings I can fall back on in future”

- Ola, Member Since 2011

How we can work together

Below, we have outlined some of the key areas where we might be able to add value or add to your schools' existing curriculum or extra-curricular activities, pastoral support for parents or families, as well as your employment offer to staff.

These are just a starting point though. More broadly, we are keen to work with you on an ongoing basis as your local credit union to understand the challenges local families are facing, and to work with you, the local authority and a wide range of other local organisations to be part of a local network of support. Finally, we also understand that many schools are stretched right now, and we know that time and capacity are limited. All of the opportunities below are designed so that we, as the credit union, do as much of the heavy lifting as you need us to, and none involve any financial commitment.

Information and referrals

We can provide a range of printed materials and information about our own services and other local organisations supporting families in financial difficulty. These brochures and flyers can be distributed discretely through your pastoral services, distributed in school reception or on notice boards, or made available at events such as parents' evenings. They can be provided by us free of charge.

We are also able to accept referrals from you via the Client Referral form on our website for families experiencing financial difficulty. Referrals made in this way will be supported by a designated member of staff who will ensure they get the best possible support with setting up an account or applying for a loan.

If appropriate, we can also offer these families a one-to-one 'Money MOT' in person at our branch or online, helping them to understand their income & outgoings, as well as to identify any additional benefits, grants or financial support they might be eligible for.

Next Steps:

To order copies of brochures and flyers, email community@creditunion.co.uk

To refer a financially vulnerable family or individual (over 18) to us in confidence, visit <https://creditunion.co.uk/membership/client-referral-form/>

Visits and assemblies

We are able to host talks or presentations on financial education topics for up to 30 children at a time at our office at Heaton Road, Peckham Rye. This includes age-appropriate content on topics such as the benefits of saving, fraud awareness and online safety, how current accounts work and other topics. This also includes a tour of a working bank branch and the opportunity to ask staff questions.

If you would prefer us to come to you, our team are available to run workshops or speak at assemblies on a range of subjects, including the importance of saving, creating a budget, understanding your money mind-set, or any other topics you your students would like to know more about!

Next Steps: Get in touch to schedule a visit or request a talk for an assembly – community@creditunion.co.uk

Parents evenings, school fairs and other events

These types of events can provide a great opportunity for schools to support their families to engage with local services such as credit unions offering support that may be of value to local families.

We will always try our best to provide staff and materials to run a stall at these kinds of events and often do so alongside other partners such as Citizens Advice, local food banks and council services.

Next Steps: Contact us at to arrange a stall for your next event. -

community@creditunion.co.uk

Salary deduction scheme

The impact of the rising cost of living isn't limited to your pupils or families. We work with over 25+ local employers, including 4 local schools, to offer financial wellbeing to their staff as an optional employee benefit.

Salary deduction is a proven method of supporting those with limited savings (especially younger employees just starting out) to get into the habit of setting aside a portion of their salary, from as little as £10 per month. After a period of saving, employees are also able to access loans (subject to affordability checks) at preferential rates, providing a popular option for staff who choose to borrow for holidays, car repairs, or other situations where they might otherwise find themselves resorting to high cost overdrafts or online lenders.

Salary deduction schemes are simple for payroll or HR staff to set up, and are as simple as securely transferring a lump sum and spreadsheet listing staff participating in the scheme to us each month. This money then gets disbursed into your employees' individual savings accounts as soon as it's received. This service can be a highly popular employee benefit which is delivered at zero cost to you.

“Really great. Paying directly from my wages and saving up a lot. I can transfer money to my bank only if I need to” - Takala (MOD)

Next Steps: to discuss the practicalities of setting up a salary deduction scheme in time for next term, get in touch -
community@creditunion.co.uk

School savings schemes

We work as part of the Just Finance Foundation's LifeSavers scheme to run school savings clubs which develop financial skills in a fun and engaging way.

Savings clubs teach children the importance of saving and from an early age, as well as hands-on experience in cash-handling and money management, which can support numeracy and communications skills.

Our collaboration with Lifesavers enables us to deliver these schemes using high-quality resources and toolkits which have been developed by educators based on Lifesavers' experience of working with schools across the country. The savings collected through these clubs are deposited securely into a credit union account (either through a collection facilitated by our staff, or by an escorted group of children visiting our branch).

Here's how the process works:

- **Setting up the scheme**
Schools are provided with a simple system for enabling students to sign up and register for a junior credit union account with us if they want to do so. A group of students can also receive basic training in taking and handling deposits.
- **Weekly deposit sessions**
Schools hold weekly sessions where students can make cash deposits. This often takes place during a lunch period or after school. A designated adult cashier (either a member of our team or yours) oversees these sessions, recording transactions and ensuring it goes smoothly.
- **Recording deposits**
With adult supervision (usually a member of staff) or an appointed person from the Credit Union, student cashiers record deposits manually, using a deposit book, or electronically. The adult cashier verifies all totals and closes the session.
- **Banking the money**
After each session, the adult cashier deposits the money through the platform, either via bank transfer or by visiting our branch. We can also arrange for a member of credit union staff to come and collect this from you.
- **Crediting students' accounts**
We use the session records to accurately credit each student's account with their deposits.
- **Ongoing support**
We work with Just Finance Foundation (Lifesavers), to provide ongoing support through workshops, educational materials, and help with ensuring the scheme runs smoothly.

Safeguarding & child protection

As you'd expect from a professionally-run organisation, we take safeguarding and child protection exceptionally seriously. London Mutual has the following processes in place to protect and safeguard children and vulnerable adults we may come into contact with either on or off of school premises.

- All staff members are subject to enhanced DBS checks.
- Those involved in delivering outreach or visiting schools have completed NSPCC child protection and safeguarding training.
- A copy of our safeguarding policy is available upon request.
- We have full public liability insurance.

Next steps

If you are interested in any of the opportunities in this pack, it would be great to hear from you.

Whether you've got a specific question or would like a more general discussion about our offer and the level or work or commitment involved, it would be great to set up a call

My contact details are below - feel free to drop me an email to arrange a call or visit at a time that works for you and your team.

Contact Details

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www.creditunion.co.uk

For more Information

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