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focus

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On alternative Banking and Payments

Lewisham and Bromley Credit Union launch their Smartcash junior account

Lewisham Plus Credit Union Limited, which also trades as Bromley Plus, has a community "live or work" common bond stretching from Deptford on the bank of the Thames across south east London towards the M25. The credit union passed 10,000 adult members in December 2015 and has about 1,450 junior members.

It will become one of the first credit unions to launch the new Smartcash product after Easter.

"We are especially pleased that Smartcash will bring a step-change to the service we can offer for young savers from ages 8 to 16. Our board and staff are enthusiastic about 'electronic pocket-money' and we have had several offering to sign-up their own children." said Paul Treece, founder member and the current treasurer. "We publicised Smartcash in our latest newsletter and plan to take it to each of our schools. It is really well thought out and will also encourage parents to join so they can supervise their child's account."

Lewisham Plus has a long history of working with junior members and schools. It is currently participating in the Church of England's LifeSavers pilot project to raise awareness of saving in C of E primary schools.

www.episcopaldigitalnetwork.com

One of these, St Bartholomew's CE Primary, recently welcomed a visit from the Most Revd Justin Welby

This is a part of Archbishop Justin Welby's plan to support improved financial education and inclusion. He said "I strongly support this initiative to encourage children to develop positive attitudes towards money and the habit of saving."

For more about the Archbishop of Canterbury's wider financial initiative see www.toyourcredit.org.uk. With help from LifeSavers, Lewisham Plus hopes to bring credit union savings clubs to more local schools in Bromley and Lewisham in 2016.

By Paul Treece, 20th March 2016 - Reproduced by kind permission of Lewisham Plus Credit Union

Pollok Credit Union to Celebrate Opening Fifth Branch

Pollok Credit Union are excited to announce that they are about to open their fifth branch, in Maryhill, this spring.

The expansion comes based on the high demand for the Credit Union's services, and will be their second branch opening in the last 12 months.

Pollok Credit Union currently has over 8000 active members and has watched their member count grow since opening over 22 years ago.

Pollok is eager to maintain its community values and keep the Credit Union ethos as its central focus; despite the massive expansion the Credit Union has witnessed since their first branch was opened at Pollok Shopping Centre in 2002, including reaching a total of £40million paid out in loans.

To celebrate the opening of the new Maryhill branch, and last year's opening of a branch in Royston, Pollok Credit Union are planning a launch day for new and existing members. This will provide a glimpse of the new

premises and will also allow the local community to gain insight into the services that the credit union offer, including loans, savings, a budgeting service, online access and more. For more information, please visit www.pcu.org.uk or call 0141 881 8731.

By Pollok Credit Union, 21st March 2016 - Reproduced by kind permission of Pollok Credit Union

UK credit unions drive cashless education for children

In what is becoming an increasingly cashless world, how do you safely teach young people the importance of responsible spending whilst encouraging them to save for a rainy day?

A number of UK credit unions may well have the answer.

Smartcash is a brand new credit union junior account designed specifically for members aged 8 – 16 and consists of a contactless Visa debit card, a specially designed mobile banking app and an online account that allows parents full access and control to ensure their children are spending and managing their money correctly.

Officially launching on 4th April 2016, Smartcash is the first product of its kind to be available exclusively via UK credit unions. It works by enabling junior members to receive their pocket money and other funds electronically by bank or credit union transfer, with those funds then made available on their debit card to spend on the high street, withdraw from an ATM or for making purchases online.

The Smartcash mobile app provided gives up-to-the-minute balance and account information along with a 'save money' facility that allows the young member to send funds instantly to their credit union savings account without the need to visit the branch.

Rewards and discounts are available on toys, games and other treats through selected high street partners helping youngsters to stretch their pocket money allowance further.

Safety and controlled money management is of paramount importance, and so as well as strict card security and full parental control other safety features specifically built into Smartcash include restricted daily spending limits, SMS functions that alert the child and parent whenever a transaction is made, a temporary block feature should the youngster misplace their card and pre-programmed restrictions to prevent adult orientated purchases including gambling, alcohol and alike.

Furthermore it is not possible for the child to incur any debt or go overdrawn with the card as they can only spend the funds available to them in their account.

Salford Credit Union is amongst the first in the UK to provide the Smartcash Visa debit card and account to their junior members.

"Smartcash will give young members the financial freedom they want, but at the same time allow parents and credit unions to provide the modern day financial guidance and education all youngsters need", says Mark

Brazendale, Operations Manager of Salford Credit Union.

He continues, "Not only does the card provide a safer alternative to carrying cash, it will also provide 8-16 year olds with a quick, convenient way to save money with the credit union without the need to visit the branch".

The Smartcash Visa debit card and account is provided to UK and Ireland credit unions as part of the Engage programme; a privately funded initiative managed by the Contis group. The Engage programme has been developed to drive growth of the credit union movement by providing them with the products and services they require in order to compete with high street banks and eradicate financial exclusion within their communities.

By Engage, 23rd March 2016

Web: www.engageaccount.com

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Engage account

Credit unions offer Government €5bn housing fund

The Irish League of Credit Unions has offered the Government a €5 billion fund, which could be kept off the State's official borrowing figures, to build thousands of homes over the next six years.

The league, which represents 437 credit unions and has savings in excess of €11 billion and total assets of more than €13 billion, has told the Government it currently has "surplus" funds of up to €8 billion.

In letters to the Department of Finance, the league has told the State it is anxious to use its resources for "community-enhancing investments" in keeping with its long-established ethos of mutual support.

League president Brian McCrory said its proposal had "a double benefit" since it would help to deal with an "urgent" need for more housing and secure the future of the credit union movement.

"It provides for much-needed social housing, it keeps the finance off the government books and it is good for our members," Mr McCrory told The Irish Times.

However, the offer has so far not met with an official response, while the credit unions' regulator has implicitly told them to continue lending money to their members for cars, holiday and home improvements, rather than trying to expand their ambitions.

- Housing should be core issue for new Government, says Simon
- Row looms in Dáil over housing being sold by vulture funds
- No quick fix to growing housing and rental crisis

Private mortgages

The league has previously offered to buy government bonds for up to €3 billion, with the money being used to fund items such as hospital services, social housing or even

roads. It has also offered to provide private mortgages.

The league is now offering up to €5 billion to fund a proposed State-controlled "special purpose vehicle", which would lend to approved housing bodies to facilitate social housing.

According to a report commissioned by the league from economic consultants Moore Stephens Nathans, the social housing fund could be structured to keep the debt off government books – and so avoid upsetting State fiscal targets.

The plan was formally submitted to the Government last October, envisaging funding of to 26,000 homes between now and 2021. However, Mr McCrory said, despite a flexible range of offers by him and his predecessors, the Government had yet to take the league up on any proposal for use of its funds.

Mr McCrory said the question of what interest rates might be paid by the Government for such funds had not arisen as talks stretching back a number of years had "not developed that far".

He said such rates would not be onerous as the league was getting very little from the banks for its deposits, "and it is getting towards the stage where they want us to pay for handling our money".

Social Housing Strategy

The league said its offer was a response to criteria set down by the Government in its Social Housing Strategy 2020, which was published by Minister for the Environment Alan Kelly in 2014.

A key theme in the Government's strategy was that the State would adopt a central role in direct provision of social housing through a resumption of building "on a significant scale". The Department of Finance confirmed it was in discussions with the league which, it noted, was regulated by the Central Bank. The Department of the Environment said it had received submissions on the theme of making use of credit union deposits.

The Central Bank said it had received "a number of proposals", which ranged from involvement in mortgage funding to government bonds. It said its registrar of credit unions was ascertaining whether they were "proportionate, appropriate and viable".

However, the Central Bank referred to a statement in 2015 by registrar Anne Marie McKiernan that "it is most important for credit unions to focus on getting the basics right".

By Tim O'Brien , 18th March 2016 - Reproduced by kind permission of The Irish Times

The Edward Filene Credit Union Awards for Performance Excellence - Great Britain & Ireland

These prestigious awards are open for application to any authorised and regulated credit union in Great Britain and the island of Ireland

www.iculdef.org/filene_and_biden

In the six years they have been established, these awards have become recognised as the "Oscars" of the credit union movement. The highlights of the 2015 Dinner as well as interviews with Geoff Leech of "Engage" (sponsors of the Dinner), winning credit unions and those on the Judging Panels can be viewed via this link

www.iculdef.org/award_dinners/videos.asp

The purpose of the awards is a dual one. The first is to challenge all credit unions everywhere to look at their activities, to see if they meet the criteria and can be entered for as many award categories as possible and by doing so, become the first choice of all consumers, whatever their circumstances, for financial products and services.

The second purpose is for the high achieving participants to receive deserved recognition from their peers, the media and the public, demonstrating that being an owner-member of a credit union does you good!

As most credit unions do not qualify for nor want any external funding or aid and to ensure fairness, entries are not accepted from those who have been assisted by any form of grant funding. However, those applications where money or facilities have been borrowed to develop the credit union business do meet the criteria.

Those credit unions that really stretch themselves to achieve and enter these awards are "the best" and those credit unions and individuals that win awards (and there are multiple award winners) are the "best of the best".

To assist credit unions in deciding how an award category might apply to the activities of their credit union and which ones they could enter, the awards office (they are not Judges) provides a confidential advice/counselling service to all award entrants by telephone on 020 8241 2736.

The closing date for the receipt of entries online is 31st July 2016 and the awards will be presented at the Celebratory Dinner in London on Saturday 19th November 2016 at the Radisson Blu Edwardian Bloomsbury Street Hotel, 9-13 Bloomsbury Street, London WC1B 3QD.

Good luck with your entries!

Barry & Marilynne Epstein, Co-Trustees – ICULD&E Foundation
Awards Office – Edward Filene and Joe Biden Credit Union Awards
Tel: 020 8241 2736/077 1104 8520
Email: info@iculdef.org

By Barry Epstein, 20th March 2016 - Reproduced by kind permission of Credit Union Consultancy

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

Liam.Hartley-Wright@contisgroup.com

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

New Current Account for credit unions

Migration planning now underway with UK credit unions.

The Engage delivery team are now in the process of holding planning meetings with a number of credit unions affected by the closure of CUCA (Credit Union Current Account).

Many credit unions have committed to switching their existing current account members onto the new Engage Current Account with the process of account migration scheduled to be completed by July 2016.

The Engage current account provides credit union members with all the benefits you would expect including direct debit facility, faster payments and mobile app, with customer account support will be managed by the Engage call centre team based in North Yorkshire. An expanded cashback rewards and online discounts scheme will also accompany the account.

The current account facility is provided to credit unions at no cost and delivers a revenue opportunity along with advanced capability.

If your credit union is looking for a CUCA alternative in time for the September cut off, or you would like to discuss offering your members a full current account facility then please contact Geoff Leech, Engage Managing Director on 01756 693257.

Faith groups and NESCU join together to launch donation appeal

Faith groups and NESCU join together to launch donation appeal for New Scots' Syrian families

The Church of Scotland Presbytery of Gordon, Aberdeen Mosque and Islamic Centre (AMIC) and the North East Scotland Credit Union (NESCU) have joined together to launch a donation appeal for the families who have arrived in Aberdeenshire during the last few weeks from UNCHR refugee camps near Syria.

The appeal is part of the work of the Aberdeenshire Partner Refugee Group's support to safely resettling vulnerable families in the Shire.

Nine families are settling in well to their new homes in Aberdeenshire, with neighbours providing a friendly welcome often baking for them and giving them gifts to make their houses feel like homes. All of the families lost their personal belongings in the war and are having to rebuild their lives from scratch.

Aberdeen FC Community Trust has played a crucial role helping the young people to settle in by organising football and sports sessions. These activities have given the young people pleasure, exercise and a normality they have not experienced for years.

Aberdeen FC Community Trust Chief Executive, Ally Prockter - "Aberdeen FC Community Trust exists to provide support to local communities, and we feel that this is a group of people who will benefit from our support. "Being forced from your home must be a traumatic experience, and AFCCT is happy to play its small part in supporting these families to settle in as quickly as possible to the North East of Scotland.

"I encourage everyone to sympathetically help out wherever possible to assist these families to establish a safe and happy home in Scotland."

The partners who have been involved in the resettlement process are continuing to work together to support the families as they adjust to life in Aberdeenshire.

The families are very independent and are grateful for all the support they have received but they do require some essential items.

That is why a corporate account has now been set up by North East Scotland Credit Union to allow people to donate money so these items can be purchased for the families as the need arises. The fund will be managed by representatives of the Church of Scotland, AMIC and the Aberdeenshire Partner Refugee Group.

Rev Stella Campbell, Minister of Skene Parish Church and Finance Convener of the Presbytery of Gordon said: "We have been involved in welcoming the families to Aberdeenshire. None of us can even begin to imagine what they have been through so we wanted to do what we can to help them settle in to their new life here in Scotland.

"Children made welcome cards for them which were placed in their homes ahead of them arriving so it would be one of the first things they would see when they got to their new home.

"Now they have settled in we have a good idea of some of the practical items they need. We are therefore asking people to donate what they can to help make life a little easier for these families. That is why we are delighted to be working with AMIC and NESCU in launching an account so people can donate money."

Payments can be made by on-line transfer using: S/c 608301 act 20139906. When using this process you must put your name and 10017 as reference for the payment. Cheques can be made payable to NESCU and sent to 7 Finnan Place, Torry, Aberdeen AB11 8RG. Alternatively contact NESCU on 01224 899688 / 0300 66 63728 or email info@nescu.co.uk

Hassan Ghanduri from Aberdeen Mosque and Islamic Centre said "We have been overwhelmed with offers of support and kindness from people across Aberdeenshire who would like to help. The launch of the donation account means people who want to help can now do so.

"The families need help with practical things like purchasing school equipment, shoes, warm coats, child seats etc. We hope to be able to use money raised through this appeal to provide necessary items for them as the need arises and are delighted to be working with partners to make this happen."

Dave Sims from North East Scotland Credit Union added: "NESCU are always looking at ways to help people and organisations with any financial services.

"We are pleased to be helping the families who have come from Syria. NESCU were part of the relocation partners group from the start and are fully behind the donation appeal. I did not need to convince people here that it was something we should be involved in they all agreed that we should help where we can."

Contact: Communications Officer Stuart Ritchie
Email: stuart.ritchie@aberdeenshire.gov.uk
Tel: (01224) 664601

By Stuart Ritchie 21st March reproduced by kind permission of Aberdeenshire Council

WELSH DRAGON(ESS) GOES TO THE FAR EAST

Christina Stoneman at the EFCU Awards 2015

The ICULD&E Foundation promotes the "Edward Filene Credit Union Awards for Performance Excellence – Great Britain and Ireland" and the "Joe Biden Awards for the Credit Union Development Educator of the Year" from Africa, Asia, Australasia, the Caribbean and Europe (inc GB & Ireland)

It also raises fund to provide course bursaries that enable outstanding credit union activities and natural leaders to attend Development Educator courses held overseas. A Development Educator course is a credit union mix of an MBA from the London Business School and a Sandhurst/Dartmouth and Cranwell "Passing Out".

This year the "Pell Scholar" (a bursary recipient) from Great Britain and Ireland is Christina Stoneman, the General Manager of Dragonsavers Credit Union, Treorchy, Wales. "Dragonsavers" are multi-category winners of "Filene" Awards and it could be said that much of this success is attributable to the driving will to service their owner-members and expertise of Christina and her team.

Christina will be attending the Asian Credit Union Development Educator Course in Bangkok in May.

Well done Christina!

By Barry Epstein , 18th March 2016 - Reproduced by kind permission of The Credit Union Consultancy

Strong performance by WCCU yields annual dividend of 2% for savers

Wolverhampton and South Staffordshire's biggest credit union has reported record levels of savings and loans and 25 per cent growth in new members.

At their annual general meeting (Monday March 21, 2016), members of Wolverhampton City Credit Union heard that they would receive a dividend of two per cent on their savings for the year ending September 30, 2015 following a strong performance by the Worcester Street-based community bank.

The chair of the not-for-profit bank, Alfred Williams, said:

"Wolverhampton City Credit Union is one of the city's truly outstanding success stories. Started by a small group of enthusiastic volunteers nearly 15 years ago, it is today a substantial not-for-profit business with £2.2 million in savings and £1.2 million in loans. And since we are owned and controlled by our members, it is they – not shareholders – who will benefit from our strong performance."

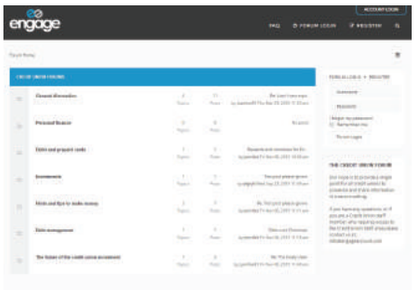
Mr Williams added that as an ethical provider of flexible savings and affordable loans, the credit union was in the first line of defence against the high interest payday lenders and worse, loan sharks. He said: "Though the Financial Conduct Authority's price caps on payday loans have tamed the worst excesses of this sector, these lenders are still very active in Wolverhampton and South Staffordshire. In contrast, we don't charge more than 2.5% per month on our loans. As a result, the credit union has increased the number of loans offered from 2,486 to 3,843 and has grown by over 25 per cent in 2014/2015. Word is getting out that we're not only an ethical bank, we're also a very competitive one."

Among the credit union's achievements in 2015:

Membership increased to 6,500
Income generated increased by 83 per cent to £318,500
Cost of bad debt was reduced to £27,000
Successful merger of the N.E.W. Friends Credit Union.

By Wolverhampton City Credit Union, 22nd March 2016 - Reproduced by kind permission of Wolverhampton City Credit Union

Engage launches the brand new credit union forum and website updates



Engage is proud to launch a brand new Credit Union online forum. Engage has spent time working with its credit union partners to find out what they would like to see from Engage in 2016. One of the top priorities was a place where knowledge and information can be shared amongst the credit union community.

The forum allows credit unions and there members to come together in once space, share ideas and build an online credit union community no matter where they are situated.

The forum is open to anyone who would like to use it and contribute; registration is free and only takes a few minutes.

Credit Unions only
Credit unions can set up private feeds to share information on best practice, marketing and management information, as well as good news stories, video and picture content.

What's on there now?
We have put in place some general topics of discussion to get you started. Once you have an account, feel free to contribute to those feeds or start your own start a new feed and share it with your colleagues.

Highstreet retailer cashback calculator

Engage has also spent time updating its website. There is now a calculator tool for prospective and current card holders to calculate how much they could earn in cashback every month.

The calculator is simple to use
1) Click on the retailer you would like to calculate
2) Enter the amount you spend at retailer in the box below the logos
3) Total rewards are calculated

Users can choose from as many retailers as they would like and enter any amount. For example they could calculate how much they would earn based on a weeks or a months' worth of transactions.

Over 1600+ online rewards

The Engage website now highlights some of our online rewards as well. Engage provides over 1600+ online rewards discounts and vouchers for card holders. These range from high end retailers to home improvements.

Every week the online reward carousel will highlight several of the online rewards. Card holders can then click through to the online rewards page and access the discount.

By Engage, 23rd March 2016

Credit unions: the mystery of the disappearing members

At the beginning of February, the Bank of England released its quarterly statistics on credit union performance. They appear to have passed almost unnoticed in the press, and were not even mentioned on the website of the Association of British Credit Unions (Abcul). This is perhaps surprising, since in February 2015, Abcul had devoted an entire page to the Bank of England's report.

That report was glowing: "The unaudited figures from the September 2014 quarterly returns of 362 credit unions in England, Scotland and Wales show that in the decade since 2004, credit union membership and lending have more than doubled, with savings and assets almost trebling."

Indeed, credit unions have performed spectacularly well in the last decade, and particularly from 2008 onwards, as anger about the failure of large banks in the financial crisis and revelations about widespread mis-selling and rate manipulation led people to abandon them in droves. Organisations such as Move Your Money encouraged people to move their accounts to smaller banks, building societies and credit unions, while the account switching guarantee introduced in September 2013 made it easier for them to do so. There have, of course, been failures among credit unions, but they have not hit the headlines. The popular perception is that credit unions and small mutuals are both socially responsible and safer than the large high street banks.

Credit union membership still on the rise

The figures for September 2015 show that credit union membership has continued to increase. Since September 2014, the total number of depositors in the UK (including young people) has grown by 4.32%, from 1,568,558 to 1,636,289. But among young people, depositor growth is only 1.71%, from 226,335 to 230,198. And the figures for the year conceal a further, worrying development.

In the third quarter of 2015, membership growth tailed off. Adult membership across the whole UK only grew by 0.02%, and actually fell in both Scotland and Wales. Youth membership fared even worse, falling by 0.18% across the whole UK and 2.68% in England.

The credit union rise is consistent with the UK's recovering economy

Interestingly, though, there is no corresponding fall in savings and lending. Credit union balance sheets have continued to grow robustly, with total assets and liabilities rising by 7.19% over the year from September 2014 to September 2015, and by 1.70% in the third quarter of 2015 alone. So depositors are depositing more money, and borrowers are borrowing more money.

This is consistent with a recovering UK economy. Credit unions also overall have rising capital levels and falling bad debts, which is reassuring for their depositors. It is an encouraging picture.

But the membership trend is nonetheless a cause for concern. There have been considerable initiatives to raise credit union membership, not least by the Church of England, which in January 2014 launched a Task Force Group as part of its aim to promote a fairer financial system. According to Abcul, the Task Force Group has done a lot to encourage credit union membership: "Local initiatives inspired by the Task Group include mass sign-ups to credit unions; recruiting volunteers for credit union boards; 'pop-up' credit union service points in churches and halls; encouraging engaged couples to join a credit union to save or borrow for their wedding; and promoting payroll saving with credit unions."

So why is credit union membership levelling off, and falling among young people?

There are a number of possible explanations. Among older people, it seems likely that the problem is low interest rates on savings. Credit unions have traditionally paid lower rates on deposits than banks, since they are subject to a cap on the interest rates at which they can lend: although a few large credit unions feature on "best buy" comparison websites, the majority do not. For people whose primary motivation is safety and a wish to engage productively with their local community, this has often been sufficient.

But as low interest rates become entrenched, people looking for positive returns on their savings than the banks can offer increasingly turn to peer-to-peer lenders and crowdfunders, who offer better rates of interest and comforting transparency of information. This is a worrying trend: as I write, the former City regulator Lord Adair Turner has warned that the peer-to-peer lending market is neither safe nor well regulated, and there may be large losses to come, which would hit people who have turned to these platforms in a desperate search for yield. But the rise of peer-to-peer lending may partly explain the tailing-off of adult depositor growth.

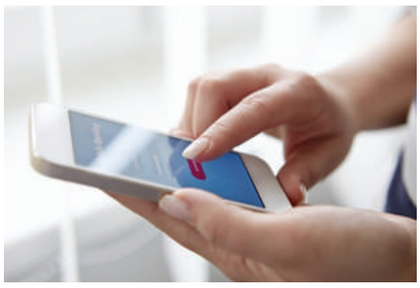
More significantly, though, credit unions have not until recently offered the current account functionality of the high street banks, and some still do not. Abcul's standard current account scheme is a welcome development, but not all credit unions are members. The fact is that the high street banks continue to dominate the current account marketplace.
But this has been the case for a long time, and yet credit union membership has been growing until very recently. Clearly, current accounts are not the main problem.

The core offering of credit unions – safe savings and cheap loans – remains attractive, and with a bit of government support, the access problems could be solved

In July 2015, the Guardian reported that although credit unions were regarded as value for money, access to them was regarded as a problem. The access problems were of two kinds: limited online and mobile access, and difficulty setting up regular savings.

The first of these in my view explains the falling numbers of young people joining credit unions, especially in England. Many young people do not have permanent homes or jobs, which tends to make them ineligible for credit union membership. But even if they are eligible, and they have disposable income, they may find that credit unions simply do not fit their lifestyles.

Mobile banking is now the UK's number one way to bank



In August 2015, the British Bankers Association reported that mobile money had become "the UK's number one way to bank":

"Banking by smartphone and tablet has become the leading way customers manage their finances, as mobile banking overtakes branches and the internet as the most popular way to bank."

The figures are startling. In 2015, customers moved £2.9bn per week using mobile device apps – up from £2bn in 2014. Banks are sending 1.3 million text alerts to mobiles every day. Telephone banking fell by 43% between 2008 and 2013, as the mobile money

revolution gathered pace. And in 2014, there was a 6% decline in branch use across all types of banks. This last is particularly difficult for small geographically-based mutuals and credit unions, who have traditionally relied on personal contact and local presence.

To be sure, credit unions are beginning to respond to the growth of mobile money. companies are working to improve online and mobile access for credit unions, and many of the larger ones now offer online banking and mobile payments. But they have some catching-up to do, and in the meantime applications such as Apple Pay gain traction. There are alternative providers in the payments space too, offering a fast, cheap, fully mobile payments service which is attractive to today's mobile, internet-savvy young people. It is not clear whether credit unions can really compete with these technologically advanced companies.

However, the core offering of credit unions – safe savings and cheap loans – remains attractive, and with a bit of government support, the access problems could be solved. The Scottish government, in a welcome development, recently announced that it would back payroll deductions for credit union savings schemes. Payroll deductions are an easy way for people to save, and even young people need to save, for house deposits and rainy days. If the UK government also backed payroll deductions for credit union savings, the declining trend in depositor numbers could be reversed before it really takes hold, and the credit union sector could become a far more significant part of ordinary people's lives. And that is something we would all like to see.

Young people tend to be mobile, internet-savvy and wedded to their smartphones. Credit unions have, unfortunately, taken far too long to adapt to their needs.

By Frances Coppola 15th March 2016 - Reproduced by kind permission of CO-OP News

The vital role of credit unions in providing access to low-cost finance

Britain faces a debt and savings crisis. Research published last year by debt charity StepChange revealed 2.6 million people in the UK had a severe debt problem (pdf) and a further 8.8 million were in moderate debt.

The problem is exacerbated by an insecure labour market and the growing use of zero-hour contracts, which means a steady income is no longer the norm for millions of people.

As a result, the ability to save has become almost impossible for many families who are instead forced to rely on credit to cope with sudden demands on their income, such as paying for an unexpected car repair. For those who don't have access to affordable credit, this means turning to high-interest lenders or, in some cases, loan sharks.

Many politicians and charities believe credit unions are the answer to this crisis. These not-for-profit co-operatives are usually established by members of a particular community, for example a workplace. They are regulated by the same authorities that oversee banks and building societies; however, as they are run for the benefit of members, not shareholders, they can offer ethical saving schemes, competitive loans and other financial products not usually available to people excluded from traditional financial institutions.

According to the Association of British Credit Unions Limited (Abcul), there are 1.2 million credit union members in Britain, but the comparative scale of the sector still lags behind many other countries. So what can be done to raise awareness and help the sector grow? That question was posed to a panel of experts at a recent Guardian seminar, supported by Lloyds Banking Group, which was attended by an audience drawn from the credit union sector.

Debt is dealt with better in Scotland - we need the same for England and Wales

Panel member David Haigh, finance capability director at the Money Advice Service, explained why there was such a need for credit unions. "About 21 million people in the UK – almost half of all adults – don't have a £500 savings buffer," he said. Their ability to cope with debt was therefore limited. In addition, many more people struggle with financial literacy. "We know around one in five people can't work out their balance on a bank statement."

Lack of access to a bank account

Chris Pond, vice chair of the Financial Inclusion Commission, agreed the UK faced a specific problem. "Here we are, sitting in what we proudly describe as an international hub of financial services and 2 million of our fellow citizens don't even have a bank account," he said. "We have millions who don't have access to affordable credit, millions who have no means of accessing savings … The problem is that many people don't trust financial services." If mainstream financial services aren't trusted, then credit unions have a real role to play in increasing financial inclusion, he added.

Yet Pond also highlighted a limit to what credit unions could achieve at their current scale. The gap in affordable credit – between demand and supply – is, according to Pond, about £5bn. "Sadly, the credit unions are not going to meet that in the short term, unless they are able to expand by between eight and 10 times," he said. "In the meantime, people are turning to loan sharks."

So what can be done to increase membership and therefore the amount of capital in the credit union sector? Mark Lyonette, chief executive of Abcul, said much work had already been done to widen their appeal, but more was needed. "There is a big job to do around awareness," he said, pointing out that research carried out two years ago revealed that only 8% of the population suggested credit unions as a place where you could get a loan.

"The image of credit unions is all about serving people on the lowest incomes. We do a fantastic job of that, but if that's all we do, then it will be very, very difficult to run a successful credit union," Lyonette said.

The sector also needs to match the quick and easy, hi-tech offerings of other lenders, he added. "In 2016, if you're not able to offer people a Wonga-like experience of borrowing money, then you are going to be missing a whole part of society that lives their lives on their smartphones."

Government investment in the credit union expansion programme is bringing forward that technology, Lyonette said, while also suggesting credit unions should pool their resources to develop more digital products: "Successful credit union systems around the world all work together."

Such collaboration was key to growth in the sector, agreed Sheila Murtagh, chief executive officer at Salford Credit Union. "I don't have a PR or marketing department, so being able to work with partners who have skills around communications, that's something that offers real scope," she said. Salford Credit Union is increasingly trying to work with the local city council and major housing partners to get them to use their websites to promote the credit union, she added.

Payroll saving

But perhaps most importantly for Murtagh – and many others on the panel – was the need to popularise credit unions through collaboration with employers. "We want credit unions to be normalised, to be a financial institutions

of choice, so we want to do more work around payroll saving and borrowing – that's a very important area," she said.

Robin Bulloch, managing director of Lloyds Banking Group and chair of theFinancial Inclusion External Steering Group, agreed that credit unions "can supply a payroll saving mechanism – banks don't do that. If you're providing ease of access to savings, through saving through your payroll, that increases your membership. If you increase your membership, you increase awareness and you increase consideration."

A number of audience members concurred and suggested further benefits. David Barclay, senior network coordinator at the Church Credit Champions Network, said that when staff are no longer worried about debt, they will be better employees.

Third-party capital

While the issue of payroll saving and employer collaboration enjoyed widespread support at the seminar, other issues generated much more heated debate: in particular, the idea of third-party capital. That is to say, traditional financial institutions, such as banks, lending credit unions money so they can increase their loan book.

"You need to find a way for the commercial banking sector to provide access to capital to credit unions," said Pond. As calls of "No, no", were heard from the audience, Pond pressed his case. How do we fill that huge cap we have got in access to affordable credit – that £5bn that people need? We can't expect credit unions to do all of it. "If the judgment [from the sector] is it's not sensible to access third-party capital, where does the rest of that affordable credit come from?" he asked. "What I'm hearing is limited ambitions."

Many disagreed strongly, Lyonette among them. "It's not limited ambition from the sector: its ambition is huge. It's about growth at a sustainable pace," he said. "Credit unions are wary of external capital because it changes that focus from serving only the members, to having this burden and new need you have to meet."

Bulloch clarified Lloyds' position: "It's not our intention to be a capital provider: we give grants, then it's over to you," he told the seminar, referring to Lloyds'Credit Union Development Fund, which offers grants of up £100,000 to a credit union's reserves.

Audience member Richard Priestman, president of East Sussex Credit Union, pointed out that credit unions were bound by stringent regulation that made growth difficult, despite having the ambitions to do so: "The goodwill being put out, particularly by the government, is there in words and not in action."

Lyonette was sympathetic, but said that, overall, he felt the regulatory balance was healthy. "The amount of time and cost that regulation represents in a credit union business is a tiny fraction of what banks and small building societies have," he said.

Other audience members suggested credit unions should be more involved in educating young people to encourage saving at an earlier age – and in credit union membership – while it was also stressed how important a role local councils could play promoting credit unions, due to all the "touchpoints" they have with the local community.

Audience member Margaret Roffe, financial inclusion manager at Genesis Housing Association, summed up the passions of those working in the sector and their belief in the important role credit unions could play in raising the financial literacy of all members of UK society by concluding: "Credit unions are not just about affordable credit; it's about creating that savings culture – and more."

Fact file

• Credit unions encourage members to save regularly, provide loans at low rates, and help members in need of financial advice and assistance.

• There are about 350 credit unions across England, Scotland and Wales, with more than 1.2 million members and total assets of £1.32bn.

• While credit unions in Britain remain relatively small, internationally there are active credit union sectors in 103 countries with more than 208 million members and assets of $1.7tn (£1.2tn).

• To reach a comparative scale in the UK, awareness of credit unions needs to be raised and more members are needed from all income groups.

By Craig Scott 16th March 2016 - Reproduced by kind permission of The Guardian

Wolverhampton City Credit Union steps in to help savers after collapse

A credit union has moved in to support 1,000 savers and borrowers after a neighbouring organisation collapsed.

And bosses say their first task is to protect members of the former Whitmore Reans Credit Union from unscrupulous loan sharks and money lenders.

Wolverhampton City Credit Union is now running the old credit union's offices and is already talking to scores of former Whitmore Reans members.

Matt Goulding, manager of the Wolverhampton City Credit Union, which has more than 7,000 members, said: "We have to see that people don't resort to less ethical lenders, who can get people into an even worse debt problems.

"Non-profit community banks, owned and organised by their members, credit unions are run to provide a safe source of saving and borrowing for local people.

Although the Whitmore Reans union collapsed last week, dragged down by bad debts, the banking sector's 'lifeboat', the Financial Services Compensation Scheme, is ensuring all 981 members of the credit union get their savings deposits back.

The Whitmore Reans union held around £1m in savings. Borrowers will be able to continue repaying their debts with the credit union's administrators, Cork Gully, at their previously agreed rate.

Mr Goulding added: "Payments and letters to members of the Whitmore Reans Credit Union only went out just before Easter, so we are expecting a lot more people to get in touch over the coming weeks.

"Our staff are currently running the old Whitmore Reans offices and we are negotiating with the landlords to make that permanent. We are also hope to take over the credit union's links with local schools, such as West Park and St Andrew's.

"Whitmore Reans is an area with high levels of deprivation and issues with literacy – and financial literacy. It is important we make sure these people still have access to the services of a credit union.

"The Wolverhampton City Credit Union is in robust health, with £2.2 million savings and £1.2m in loans last year.

It generated £318,500 in income in 2015, while the cost of bad debts was cut to £27,0000. As a result, members are being paid a dividend of two per cent on their savings for last year.

By Express & Star 31st March 2016 - Reproduced by kind permission of Express & Star

Perth and Kinross Credit Union prepares to celebrate its second anniversary

Nearly 900 people have signed up to be part of PKCU since it first started operating in 2014

Bosses at Perth and Kinross Credit Union are aiming high for the future as the organisation prepares to mark its second anniversary.

Nearly 900 people have signed up to be part of PKCU since it first started operating in 2014 - but members are keen to see that figure grow.

And it has branched out with new offices in Blairgowrie and Crieff, with bids to create new sites in Pitlochry, Kinross and Perth's Letham district in an effort to reach even more people.

On Thursday, April 7, the financial organisation will mark its anniversary.

Chair of Perth and Kinross Credit Union Euan Walker said: "In the two years since MSP John Swinney formally opened the credit union in 2014, we have grown in membership, reach and budget – we are trusted to hold over £300,000 in members' savings.
"I'm delighted with our progress so far, and would like to thank our staff, volunteers, supporters and members who have all helped us on the road to success.

"We're still a young organisation and have great ambitions for the future, with more local offices planned in Pitlochry, Kinross and Letham.

"In such a large geographical area, it's vital that as many people as possible can access our services."

The credit union provides low cost and ethical savings and loans and supports people who might not otherwise be able to access bank loans.

Last year it approved 700 loans - nearly two a day. These are low cost, and unlike banks or building societies, PKCU is not set up to make money, but to help people on low incomes with their budgeting.

It was formed with support from Perth and Kinross Council and Citizens Advice Scotland, to offer financial services to everyone.
John Swinney MSP said: "The first two years of the Perth and Kinross Credit Union represents a tremendous effort and achievement by all those involved from the volunteers and staff through to the savers and borrowers.

"The Credit Union is a wonderful asset for local people who would otherwise face significant challenges budgeting in a cost effective way and to this end the Credit Union has demonstrated its tremendous worth.

"I believe the Credit Union is now permanently established here in Perth and Kinross and I look forward to learning further about future growth."

Membership of PKCU is open to anyone who lives or works in the Perth and Kinross local authority area.

You can join by calling us at 01738 624872 between 8:30am and 4:30pm Monday to Friday or by coming into the office at 282 High Street, Perth. The office is open from 10am to 2:30pm, Monday to Friday.

Find out more, including our area office opening hours, online: www.pkcu.org.uk

By Iain Howie, 27th March 2016 - Reproduced by kind permission of The Daily Record

Happy Birthday Connection Credit Union

HISTORY OF CONNECTION CREDIT UNION (formerly Raychem C. U. Ltd) Longest running Credit Union in the South West of England

A Credit Union was proposed in 1970 by Phil Griffiths; in 1980 Phil was on Radio 4 Today Programme with Len Nuttall (Chief Executive Officer of the Credit Union League) and John Hosker (National Consumer Council).

A Common Bond was set up for Raychem employees in Swindon yet no funding was received from Raychem but 9 volunteers put a roadshow together. They registered under the Industrial and Provident Societies Act 1965 and 71 people joined. Their first payroll drop was for £531.In 1981 Cuna Data Computer System was utilised as an outsourced service and at 1 year old they had 210 members with an annual income of £23,000.

In 1983 they borrowed £5,000 from Barclays to cover holiday demand and in 1988 they had 450 members with an annual turnover of £486,000. In 1993 a dividend of 5.5% was declared and in 1999 a 6.5% dividend was declared.

In 2004 Loans greater than £4100 had a reduced rate of 9.9% APR and in 2006 10% of shares were required as a security deposit against loan and a dividend of 4.75% was declared.

In 2010 the worldwide economic situation not good and a dividend of 2.75% was declared. Membership was at 462. In 2011 Maximum loan amount was increased to £8,000.

In 2015 the maximum loan amount was increased to £10,000 and maximum savings to £15,000. Members of 519 at year end with a 2014 dividend of 3.5%.

Now in 2016 membership stands at 546, they have 39 volunteers and 2 employees with assets of £1.4 million.

By Connection Credit Union, 24th March 2016 - Reproduced by kind permission of Connection Credit Union

Credit union is one of many services to open at former police station in Catton Grove

The Lord Mayor of Norwich, Brenda Arthur, officially opens The Box, a community information centre part of Catton Grove Big Local, surrounded by volunteers and local residents. Picture: DENISE BRADLEY

A new resource centre based on the site of a former police station is to benefit from a credit union point.

The service will be at The Box in Catton Grove, which was officially opened yesterday by the Lord Mayor of Norwich, Brenda Arthur, and will provide loans for people at low interest rates.

It will replace the union's existing service at the Norman Centre, Mile Cross, which will close on Tuesday due to a lack of people using it.

Alan Camina, vice-president of the Norwich Credit Union, said: "We used to have a very successful one based at Catton Grove Primary School, but gradually the space was lost and so we had to close.

"We have been looking for somewhere in the area for some time and this new location is right on people's doorsteps."

The Box, on Woodcock Road, provides a variety of services ranging from benefit advice to health information, and is located inside a former police station.

It has been transformed into a resource centre by Catton Grove Big Local, in partnership with Future Projects, following lottery funding.

Mr Camina said it would be the first time in three years that Catton Grove has had its own credit union point.

He added: "If it gets better and we get lots of activity and volunteers we can expand it. The credit union offers a valuable resource for everyone in the city."

The service will initially be open on Thursdays from 9am to 10am at The Box.

People wanting to join the union must save money for 13 weeks and can then borrow twice the amount they have stored away.

Unlike other lenders that can charge rates of interest of more than 1,000pc, the union charges 19.6pc APR on the loan.

Membership costs £1 and is open to anyone living or working in a Norwich postcode area.

Is your community organisation due to open a new office? Call Luke Powell on 01603 77268

By Luke Powell, 24th March 2016 - Reproduced by kind permission of Norwich Evening News

Darlington Credit Union to strengthen board in preparation for expansion

DARLINGTON Credit Union is strengthening its board as it gears up to provide an extended range of services under Government ambitions to expand the appeal of credit unions to a wider consumer base.

Later this year, the credit union will add current accounts, cash ISAs and online banking to its existing savings and loans products as part of a national £38m investment in the Credit Union movement.

A not-for-profit-organisation, Darlington Credit Union is looking to recruit a fully qualified accountant to take up the role of Treasurer in advance of its AGM in April.

The successful candidate will lead its Treasury committee alongside two other accountants, as well as joining the nine-strong board.

Tony Brockley, Darlington Credit Union chief executive, said: "This appointment reflects the Credit Union's success and the strengthening of our expertise as we prepare to play a leading role in the Credit Union movement becoming a more mainstream financial institution."

The Credit Union is looking for a professional with a recognised accountancy qualification with experience of a senior finance role in a medium-to-large organisation being desirable.

It is expected that the average time per month required for the position would be about 12 hours. While the role is a voluntary, reasonable out-pocket expenses will be paid.

The Credit Union recently released figures for 2015, which demonstrated the positive impact a move to prominent modern town centre premises on the Corner of Crown Street and Tubwell Row has had on the organisation.

Its 2015 highlights included:

- 1,175 new member accounts opened at an average of about 100 per month.
- 5,749 active members at end of the year.
- More than £1.8m taken in new deposits.
- £900,000 granted in new loans.
- Record breaking months for business in November and December.

By Andy Richardson, 3rd March 2016 - Reproduced by kind permission of The Northern Echo

Engage competition winners

Over the last few months Engage has been running several competitions for card holders and the wider public.

We would like to congratulate Greig Spencer on winning our Easter egg challange, he has won himself a Hotel Chocolat selection box worth £22.

Card holder winners

Congratulation to Dean Carley of Riverside Credit Union on winning:

Argos
£100 gift card

Congratulation to Joanne Mather of Unify Credit nion on winning:

NEW LOOK
£100 gift card

The Top 5 Credit Union Digital Marketing Challenges

1. Measurement of Results
In his assessment, Jim stated, "Two-thirds of financial institutions completing the survey said, 'We could do a better job establishing a marketing ROI,' with 56% mentioning that only basic results are reviewed and 50% saying there is a struggle with quantifying the results and impact of marketing. Frighteningly, 31% said they use guesswork more than hard data, while only 10% said 'We are obsessed with quantifying marketing ROI.' There was virtually no variation by type or size of financial institution."

I have written and spoken about the need for marketing to start quantifying everything they do. This will improve future strategy and the allocation of budget and resources while also helping to build trust with the CEO.

Up to this point, it has been difficult for credit union marketers to quantify broadcast marketing activities. But with digital marketing, marketers can track their various initiatives and the role they play in attribution. However, many marketers who are reporting on digital activities are only using soft, vanity metrics that do not tie back into bottom line numbers.

2. Lack of Focus/More Business as Usual
Jim noted, "With the exception of the community bank segment, financial services executives believe, 'We have too many initiatives and/or take on too much at once.' This can result in a lack of focus and potentially a lack of capacity to measure results."

Digital marketing provides an opportunity to define focus, specifically content, are different market segments. It will be a challenge for credit unions with limited budgets to reach everyone.Instead, we recommend focusing on one segment, for example, those between the ages of 25-40, and then document three unique consumer personas.

Focus is also required for digital channels, including social media and digital ad networks.

For example, if your credit union has more than one social channel at this point, you might need to cut everything else. Maybe even cut Facebook to focus on producing your own SEO rich content for your credit union blog so you can build an audience you own, instead of having to lease an audience from Mark Zuckerberg.

3. Limited Data Analytics
Jim also shared, "The largest banks appear to be doing a better job in [data analytics] compared to their smaller counterparts, but nobody is out of the big data woods. In other industry studies, it has been found that there is still an issue with multichannel attribution and customer journey measurements, usually having a negative impact on measuring the impact of digital channels."

As noted above, data analytics must move beyond vanity metrics and be correspond with the digital consumer journey.

4. Marketing Automation and Personalization
In the analysis of his report, Jim states, "The ability to take advantage of the benefits of marketing automation and personalization is a top 5 challenge for all sized organisations, according to this year's financial marketing survey. Despite the challenge, as with the challenge of managing results, this ranks surprisingly low compared to other priorities. Consumer expectations are being set by other industries and the bar is getting higher every day."

We just completed our 2016 Trends in Financial Marketing Study where a big focus was around the topic of marketing automation. While this technology has exploded outside of the financial services industry, 70%-80% of credit unions currently do not use marketing automation. This also reflects our findings from our 2014 and 2015 studies.

As Jim noted in his assessment, consumer expectations for digital experiences are being set outside of financial services by other industries. Marketing automation provides growth opportunities for credit unions who leverage this technology, when combined with helpful content, to target, capture, nurture, and convert leads for loans and new accounts.

5. Lack of Budget and Human Resources
Finally, in the review of his report, Jim notes, "Rounding out the top five overarching challenges in financial services marketing mentioned by all sizes and types of financial organisations is the lack of budget and/or manpower to get the job done. Unfortunately, catching up to an ever demanding consumer gets harder and harder if resources are not properly allocated."

Our primary research has found as many as 88% of banks and credit unions feel they lack the knowledge and capacity needed for digital marketing to move the needle.

This reflects findings from Adobe's Digital Distress report that found 82% of marketers are having to learn digital marketing on the job. But this is challenging when they are already working at max capacity.

At this point, credit unions have three options to fill this talent gap:

1. Train
2. Hire
3. Outsource

A fourth alternative, while not popular but necessary to consider, is to let go of those who are not willing to evolve with the organisation. As financial institutions embark on a digital journey, there will be those who embrace change, those who resist change, and those who are neutral about change. The battle for change will be fought and won by which direction the neutrals sway. This is why it is critical to quickly remove any detractors who may hold you back in this digital transformation.

A Call to Action
In closing, The 2016 Financial Marketing Trends Report found that, "Most marketers are acutely aware of what needs to be accomplished, but have not made the required changes to their marketing organization or their priorities to succeed. Instead of making relatively modest adjustments to marketing plans, most organisations need to start from scratch and rebuild their marketing plan to mirror organisations in other industries."

As Jim noted, the first step to change is simply being aware of the problem.

Now that you are aware of the problem, you now need to make the effort to change.

However, rarely anyone likes change. To put this transformative change into action will require credit union executive teams to overcome three types of fear:

- Fear of the unknown
- Fear of change
- Fear of failure

Go All In
Credit unions cannot simply afford to dip their toe in the waters of change as consumer

Story continues on the next page

behavior, and expectations, continue to rapidly evolve.

Financial executives must commit to go all in on a digital marketing as they evolve their marketing and sales model built around branches and broadcast channels to one that is optimised for mobile and digital delivery.

This evolution will require credit union marketers to find the courage required to commit to digital marketing.

Courage is found as one gains knowledge and insight along with inspiration from others who have taken a similar journey before them. This includes Billy Beane, the General Manager of the Oakland A's, whose story is told in the movie Moneyball.

There are many parallels between the movie's narrative and the changes credit unions face in today's digital economy. In fact, we recommend credit union executive teams watch the movie together as it will help to facilitate discussions around the topic of digital marketing.

It's human nature to want to go back to the old way of doing things because it feels safe and provides comfort. But changing and replacing negative behavior requires the formation of positive habits.

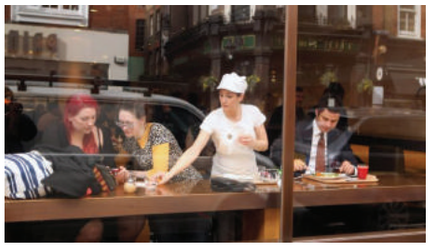
And habits require systems.

And systems require processes.

Digital marketing is nothing more than a set of processes that when established and documented can be refined and optimised overtime.

By James Robert Lay, 1st March 2016 - Reproduced by kind permission of CUGrow

National Living Wage comes into force



The new mandatory National Living Wage (NLW) has come into force, requiring employers to pay workers aged 25 and over at least £7.20 an hour.

It is expected to give 1.3 million workers an immediate pay rise.

The policy was announced in last summer's Budget by Chancellor George Osborne, in an effort to create a higher-wage, lower-welfare economy.

Workers aged 21 to 24 will continue to be entitled to the National Minimum Wage of £6.70 an hour.

Adam Sowter, a hotel employee in York, told BBC Breakfast the extra money would help him pursue his ambition of becoming an actor. However, his colleague Clare Vernon will be about £1,000 worse off over the next 12 months, because she is under 25. "We do the same amount of work," she said.

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Media captionAdam Sowter is over 25 and will benefit, but Clare Vernon will not "The hours are really unsociable, so me getting 50p an hour less to work until 03:00 can get a bit annoying - I've only got another four years to wait."

The intention is for the NLW to rise to more than £9 an hour by 2020.

However, there are fears of job losses as companies struggle to pay the new higher wages.

The independent Office for Budget Responsibility has warned that 60,000 jobs could go as a result.
Sir George Bain, former chair of the Low Pay Commission, dismissed fears that the NLW could cost jobs.

"I think the claims are overblown, but I think it is too complicated to call in advance," he told Radio 4's Today programme.

The Living Wage Foundation, which inspired the idea but does not set the level of the NLW, welcomed its introduction, but urged businesses to "aim higher" and pay more than the statutory minimum.

Some employers have already pledged to do this.

'Good news'
The TUC said the government needed to ensure that everyone benefited from the NLW.

"Britain desperately needs a pay rise, and this increase is good news for those aged 25 or older," said TUC general secretary Frances O'Grady.

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"But the government must ensure that younger workers are not left behind; 21 to 24-year-olds will not be seeing an increase.

"This is not fair. Future wage increases must narrow the pay gap between old and young."
For its part, the Living Wage Foundation pointed out that its own suggested level of pay - £8.25 an hour and £9.40 in London - was higher than the NLW.

"The job is not done when it comes to tackling low pay," said the foundation's director, Katherine Chapman.

"Businesses who can afford to pay a rate that reflects the real cost of living should do so and join over 2,300 employers signed up to pay our higher voluntary Living Wage.

"For profitable business or those who see themselves as innovators and leaders, simply not breaking the law on pay is not enough. Many businesses want to aim higher."

'Huge effect'
Paul Johnson, director of the Institute for Fiscal Studies, told Radio 5 live: "This is going to have, in the longer run, a huge effect on the British labour market, because it's going to affect such a large fraction of workers."

The NLW will also have a bigger impact in regions such as the North, North East and the South West than in London. "It will have a ripple effect up the earnings distribution, because you will be taking the lowest-paid up to a level close to, or in some cases above, the next rung or two up the ladder."

By BBC Business, 1st April 2016 - Reproduced by kind permission of BBC News