



**Lewisham + Bromley**  
Credit Union

# Social Impact Report 2024/25



[www.pluscu.co.uk](http://www.pluscu.co.uk)

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**“I am a long-term member of Lewisham Plus Credit Union and I know what an incredible impact they have in South London. In recent years they have given nearly £1 million to help members avoid eviction and they also work in partnership with a number of schools to help over 1,200 junior members learn about saving and finances. They are an invaluable resource serving our community.”**

*Ellie Reeves MP for Lewisham West & East Dulwich*

**91%**

**are satisfied  
with us**

**75%**

**would  
recommend us**

**63%**

**felt their  
finances were  
under control**

# Social Impact Report

## Background and context

Research<sup>1</sup> published by the Joseph Rowntree Foundation in 2023 concluded that “the impact of rising prices while having low incomes and no savings has meant 5.5 million low-income households have had to cut down on or skip meals because they cannot afford food. Four million reported going hungry, and 2.7 million have reported having a poor diet because of the cost-of-living crisis.

Low-income households are struggling to afford their bills, with 4.5 million in arrears and 2.6 million holding high-cost credit loans with loan sharks, doorstep lenders, payday lenders or pawnshops. Given the economic outlook of inflation falling slowly and interest rates remaining high for some time, we are concerned about low-income households’ access to the lifeline of affordable credit, as 2.8 million have been declined loans in the last two years.”

In this environment, credit unions are a lifeline for many low-income families. They provide affordable credit in a protective and caring way that allows their members to improve their (often damaged) credit scores while encouraging saving. In this way they combat financial exclusion in a practical and effective way. Credit unions provide a mechanism for their members to improve their financial resilience with attendant benefits for those members’ mental and physical health.

As at 30 June 2024, credit unions in Great Britain were holding c.£2.35 billion of savings on behalf of their c.1.5 million members and their aggregate lending to members totalled over £1.8 billion<sup>2</sup>.



(1) Unable to escape persistent hardship: JRF's cost of living tracker, Summer 2023  
(2) Bank of England Quarterly Return Q2 of 2024

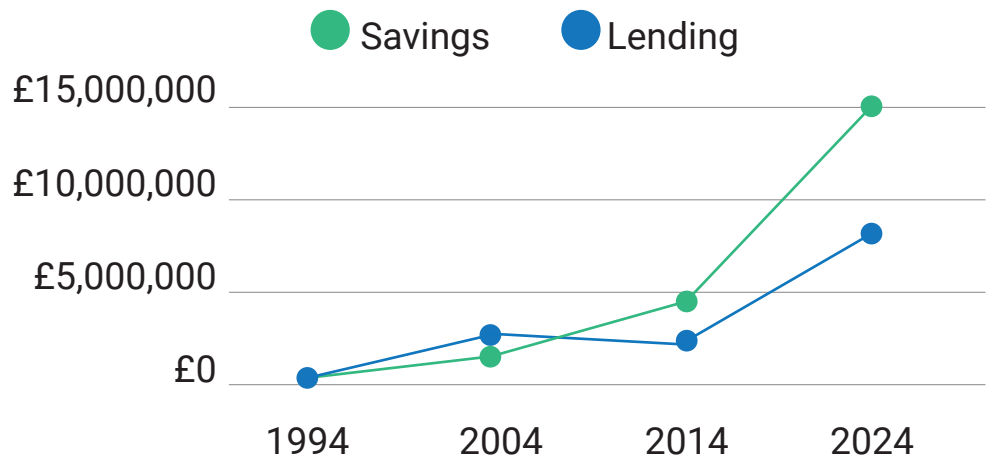


# Growth

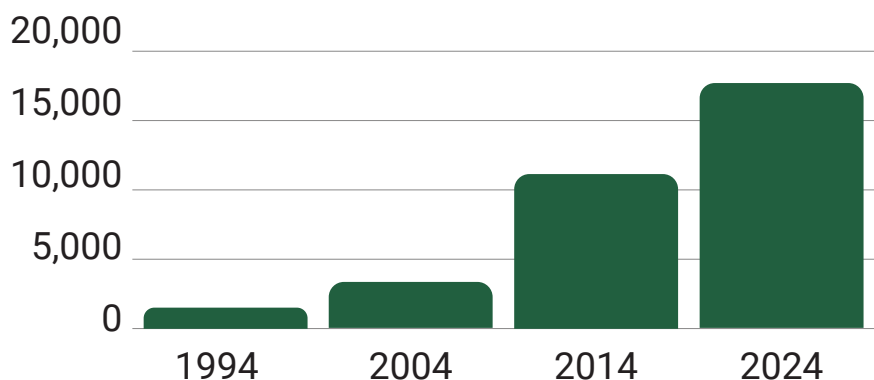
Our mission is to deliver an excellent service of savings and loans to an increasing number and range of members in a way which is sensitive to their needs.

Since it was founded in 1992, the Credit Union has grown rapidly as we address the needs of our community – as you can see from these graphs which chart our progress:

## Outstanding savings & lending



## Members and Junior Savers



”

“I encouraged my sons to open accounts over 15 years ago. My oldest son – now 40 years old – still has his running and is opening accounts for his daughters.”

# About Us

**Founded in 1992, we now have approximately 15,000 adult members who share our “common bond” of living or working in Lewisham, Bromley or SE19.**

We have four branches across our common bond area, supported by other community outreach locations, where our members can obtain a face-to-face service if they need it, including two branches with cashiering services. Alternatively, they can choose to interact with us online, through our app, by email or by telephone. The flexibility of interaction and the personal approach means that members who are often apprehensive about dealing with financial issues can be guided through those difficulties in a constructive and effective way. We fully support the FCA's guidance on Consumer Duty.

Our published vision is to promote financial inclusion and be a trusted and preferred provider of financial services in Lewisham and Bromley, deliver an excellent service of savings and loans to an increasing number and range of members in a way which is sensitive to their needs.

Our comprehensive 2024 member survey confirmed that we serve a diverse group of members across our community, in terms of age, family circumstances, employment status, monthly income and housing arrangements.

**Lewisham Plus Credit Union, also known as Lewisham + Bromley Credit Union, is a community credit union owned by its members.**





*Image from the BBC programme "A Matter of Life and Debt" 2018.*

We are a London living wage employer with 25 employees and a similar number of regular volunteers. Our volunteers include our Directors and Supervisory Committee members who are themselves members of the Credit Union and have extensive, diverse and complementary experience. Our other volunteers assist our staff with the delivery of day-to-day services to members. Volunteering is frequently used as a stepping stone to permanent employment both within the Credit Union and elsewhere. In the past 10 years, we have helped a number of volunteers progress into paid employment.

We were extensively featured in both series of the landmark BBC programme "A Matter of Life and Debt", originally broadcast in 2017 and 2018.

Two of our founders, who are still with the credit union after 32 years - were honoured with "Pioneer Awards" by the Association of British Credit Unions in 2024.

**Our aim is to promote financial inclusion and be a trusted and preferred provider of financial services in Lewisham & Bromley.**

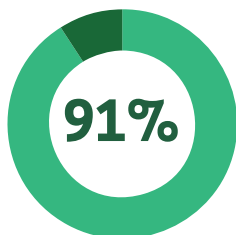
- \* **FACE-TO-FACE SERVICE IF NEEDED**
- \* **ONLINE OR APP**
- \* **EMAIL OR TELEPHONE**



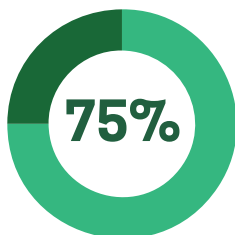
**"I always recommend Lewisham Plus as I even had an account as a child set up by my parents and remember when my dad died they helped my mum a lot as well as helping me with my finances as a single mum."**

# What our members have to say

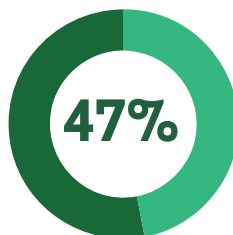
More than 1,700 of our members responded to our latest member survey in Spring 2024. That is an incredible 14% of those we contacted. Key findings from the survey included the following:



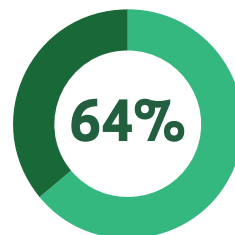
**are satisfied with us - our Net Promoter Score is an excellent 65**



**would recommend us to a friend or colleague**



**said we have helped improve their mental health**



**heard about us from a friend, family or colleague**

**91%**

**of members felt that their finances are under control – up by 10% as compared to our previous survey in 2019, despite the cost of living crisis.**

**66%**

**said they would have no other means of accessing affordable credit without us.**

**65%**

**said we have helped improve their finances & allowed them to access affordable loans.**

**Almost 60%**

**of members have been with us for at least 6 years.**

**“At the time I joined the credit union I had no other option in dealing with my financial situation (which was dire). Over the years, though, it’s become a consistent point of safety and even happiness in my life. I appreciate the simplicity of the processes, the philosophy of helping customers first and foremost and the ease with which you can explain your situation. Above all, I like, respect and admire the people who work there.”**



# Savings

We provide simple ways for members to save to improve their financial resilience. Research suggests that approximately 25% of UK adults (a total of 14 million people) have savings of less than £100<sup>3</sup> and 30% of people in financially vulnerable circumstances have no savings at all<sup>4</sup>. At a household level, 51% of low-income households have less than £1,000<sup>5</sup> in savings, of which 31% have less than £200. At the same time, research by the University of Bristol<sup>6</sup> indicates that having no or minimal savings to fall back on can significantly affect the individual's health. Overall financial insecurity is a key factor in mental health challenges.

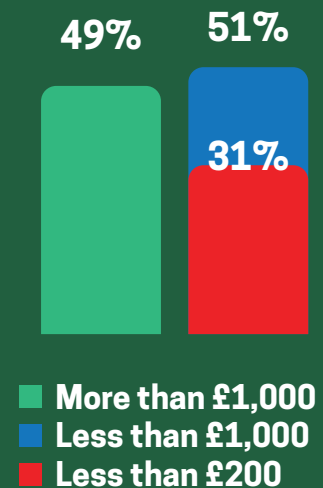
We encourage our members to get into the habit of saving regularly. Approximately 12,000 (80%) of our adult members are active savers.

We offer the PrizeSaver account which provides an extra incentive for small savers – every pound saved (up to a maximum of £200) increases the member's chance in the monthly prize draw, which gives participants the opportunity to win a first prize of £5,000 or one of 20 other prizes worth £50 or £20. Two of our members have won the £5,000 top prize in the past five years.

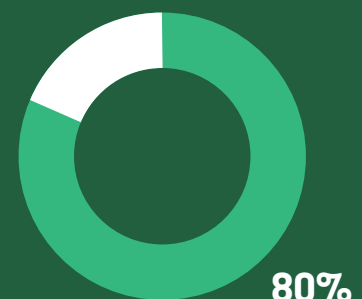


**“I love that you help those who would otherwise struggle at a main bank. It's encouraged me to save a little each month which came in really handy when I needed extra cash as a single parent with young children.”**

## Savings Levels of Low-Income Households in the UK



## LPCU adult members that are active savers



(3) Money and Pensions Service research (4) Fair4All Finance research (5) “Unable to escape persistent hardship: JRF’s cost of living tracker”, Summer 2023. (6) “Understanding the role of savings in promoting positive wellbeing”, University of Bristol Personal Finance Research Centre, July 2024.

We have around 800 members who work for local employers participating in our payroll saving scheme, saving over £200,000 every month. The report of the Financial Inclusion Commission published in January 2025 recognises the vital role that workplace-based savings schemes can play – we have a proven track record of delivering this service, benefiting both employers and employees.

We have another 1,300 members who are saving regularly as part of their loan arrangements (Save As You Borrow) with the aim of leaving them with a savings balance when their loan is repaid.

Research shows that learning to save at an early age builds good financial habits that can last a lifetime. We have worked with 20 local primary schools over the years to establish savings clubs for their pupils. We now have over 1,300 junior savers with total savings of over £450,000 and we actively encourage junior membership and savings by usually paying them an enhanced dividend.

We reward our savers by paying them a dividend out of our annual profits – in the past 10 years, we have paid out almost £280,000 in dividends to adult and junior members.

**“For many years I relied on the credit union to get through while bringing up the kids. My savings account means I now have money to dip into for emergencies and treats. I am more than happy to encourage people to start a credit union account and build up an ability to get things on a better footing.”**

### Junior Savers' Dividends

**Paid out  
£37,000**



**Total Junior  
Savings  
£450,000**

### Total Dividends Paid (Adult + Junior)

**Junior  
£37,000**



**Adult  
£243,000**



# Loans

Over three million UK households have been declined lending in the last two years. Those who have been declined a loan are more likely to be going without essentials, in arrears, or have a high-cost credit loan.<sup>7</sup>

We seek to fill this gap by being more flexible than other financial institutions. We make sure that our loans are simple and easy to understand with fair rates of interest. We have no early repayment charges and do not charge higher rates of interest if a borrower goes into default. We always aim to extend flexibility to those who fall behind with their loan repayments.

We have around 4,000 members with one or more loans. In the past five years we have made almost 35,000 loans, often providing small amounts that other financial institutions would be reluctant to provide. Our average loan balance is around £1,750 and in the year to 30 September 2024 ("FY2024") we made over 2,500 loans of less than £1,000.

Analysis of our loan book in 2024 concluded that 29% of our loans were to "cash strapped families" as defined by the market research company Acorn. In the year to FY2024, we made almost 3,000 loans to members in vulnerable financial circumstances<sup>8</sup>.



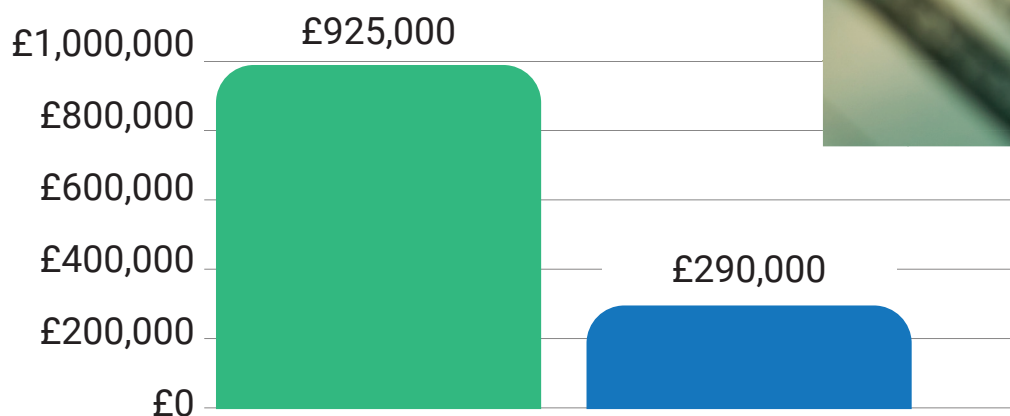
**“The Credit Union provided me with a second chance at finding an affordable loan when I had nowhere else to turn to and I will always remember that as it provided stability to myself and family at such short notice.”**

(7) "Unable to escape persistent hardship: JRF's cost of living tracker", Summer 2023. (8) As defined by Fair4All Finance, the not-for-profit organization established by the UK Government to promote financial inclusion.

Our smaller loans (Save As You Borrow) include a compulsory saving component, which means that the member will gradually build up a small savings balance which is available to them after they have finished paying back the loan – giving them increased financial resilience for the future. We have around 1,300 members with SAYB loans – they have borrowings of c.£925,000 but importantly they have built up c.£290,000 in secured savings.

Members who participate in our payroll savings scheme can also access loans from us, and we currently lend them in excess of £1.5m

## Secured Savings built up with SAYB Loans



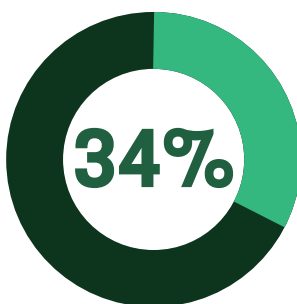
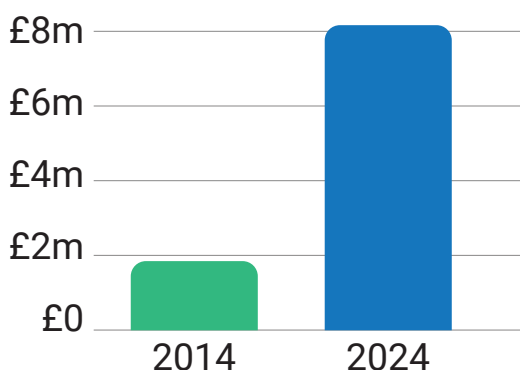
**“I love Lewisham Plus, I have been a member for many years now. It’s always good to know that if a special occasion, family holiday or home improvement are needed, I can get a great loan or top up with ease. Also love the save as you pay back, it’s a nice little lump sum at the end of your loan. Feels Like a little well done bonus for paying back.”**



Unlike high cost, short term lenders, we typically lend for a longer period than lenders such as Mr Lender<sup>9</sup> or Drafty<sup>10</sup> (c. two years compared with c. six months) – and at a lower APR (max 42.6% APR as compared with APRs of 100% or more). This means that our loans are much more affordable – the monthly repayment is significantly lower, leaving the borrower with more disposable income every month, even if the total cost of credit over the loan period may be higher. This is essential in helping our members to avoid problem debt. Studies have found that people with problem debt are more likely to suffer physical and mental health problems<sup>11</sup>.

Over the past 10 years, our total value of loans (net of provisions) has grown from £1.9 million to £8.0 million. In our Spring 2024 member survey, 34% of our members said their credit score had improved since joining us.

## Total Value of Loans



**of members said  
their credit score  
had improved  
since joining us.**



**“When I joined over 10 years ago I was a struggling single mum in low paid job. I relied on your bank for loans at Christmas to get by. Prior to this I would take loans from Provident doorstep lenders and paid very high interest rates. Your service is invaluable to those with poor credit. Your staff are amazing. I never felt judged for having little in life and always felt welcomed. Now that I am a lot more financially comfortable; I continue to use my account with you to regularly save my “rainy day account”. Thank you so so much to all of you and the outstanding crucial service you provide to us all.”**

# Working in our community

**We partner with a range of organisations in our community to make a positive difference.**

We work with a range of different local employers, including Lewisham Council and the Lewisham and Greenwich NHS Trust, to operate payroll based saving schemes, supplemented with borrowing where required. Research has shown that these payroll-based schemes make a significant contribution to the wellbeing of the relevant employees<sup>12</sup>.

With Lewisham Council's support, we make loans to individuals to enable them to avoid homelessness, by ensuring that they have the funds necessary to manage rent arrears or pay rent deposits – with benefits for those individuals and the Council. We have also developed similar initiatives in partnership with Bromley Council and over the years we have helped more than 350 families to avoid eviction and homelessness.

We have worked in partnership with Lewisham Council and Lewisham Homes (now part of Lewisham Council) for over 25 years. Our homeless prevention lending scheme began in 2010. The Council has been able to refer individuals at risk of eviction due to rent arrears, enabling us to arrange finance for those individuals to resolve their arrears and avoid the risk of eviction. A 2019 research paper<sup>13</sup> concluded that this scheme enabled the Council to save money on servicing those at risk of homelessness, and for local housing associations to avoid the loss of money associated with evicting those in rent arrears - a positive outcome for all concerned.



(12) Fair4All Finance report, "Deduction lending – does it all add up for low income earners?", March 2023 (13) "A case study of the financial benefits of a credit union's homeless prevention scheme", published in June 2019 by Professor Bill Lee of the University of Sheffield and Liam Carlisle of Lewisham Plus Credit Union.

Dinardo's is based in Catford and provides quality accommodation and support to vulnerable adults who have experienced mental health illnesses. We have partnered with Dinardo's to offer support with financial management for some of their clients. We work with those individuals, helping them to manage their income and expenses. This is just one example of how we work with members to develop their financial education and to enable them to take control of their finances. We are uniquely positioned to do this through our experienced and understanding staff coupled with our branch network, and our comprehensive and clear website and regular newsletters.

**As we look forward, we have ambitious plans to achieve more within our community, as we seek to realise our vision of promoting financial inclusion, including:**

- \* Working with our local councils to help them implement the Household Support Fund project.
- \* Developing our employer relationships to improve the financial security and mental health of their employees.
- \* Deepening our partnerships with local housing associations.

Deptford First is a local charity that has been helping residents with small grants to alleviate some of the hardship encountered by those who cannot access help elsewhere. We have partnered with Deptford First to distribute these grants on their behalf to people who are on Universal Credit and reside in SE4, SE8 or SE14 postcodes. Those recipients have joined the Credit Union to help them to improve their financial acumen and budgetary skills.





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