Credit unions and co-operatives building a fairer Wales

By Co-operatives Wales

Credit unions demonstrate that finance can serve people through democratic ownership and shared responsibility. As financial co-operatives, they bring members together to save and borrow, using resources for their collective benefit. Their importance extends beyond individual transactions: they offer a practical expression of solidarity within an economy that leaves many people excluded.

The forthcoming Cardiff meeting, organised by All Together Money in partnership with its Cymru Forum, offers an opportunity to strengthen this contribution. Bringing credit unions, co-operative organisations, financial inclusion stakeholders and Senedd representatives together can help turn shared concerns into practical partnerships addressing the pressures facing households and communities across Wales.

Credit unions belong within the wider co-operative movement. Our shared values of self-help, self-responsibility, democracy, equality, equity and solidarity provide a foundation for collaboration. Honesty, openness, social responsibility and caring for others should shape how financial services are designed, explained and delivered, particularly when people face hardship or uncertainty.

Financial exclusion restricts choices. Without savings or access to suitable credit, an unexpected bill can become a crisis. Credit unions can help members build financial resilience and access alternatives to expensive borrowing. However, lending must remain affordable: poverty cannot be solved through debt, and some circumstances require grants, benefits advice or specialist support.

Partnerships with other co-operatives can make these services more accessible. Housing co-operatives, community shops, care organisations and worker co-operatives could help members discover local credit unions. Employers could explore payroll saving arrangements. Community premises could host information sessions, while trusted local relationships could reach people overlooked by conventional financial marketing.

These partnerships should provide benefits in both directions. Credit unions can gain members, visibility and stronger community connections. Other co-operatives can support the financial wellbeing of workers and members, strengthening their own organisations. Joint education, referrals and campaigns could build understanding of democratic ownership and encourage participation across the wider movement.

This is co-operation among co-operatives in practice. The sixth co-operative principle encourages organisations to strengthen their movement through working together. The seventh, concern for community, connects that collaboration with sustainable local development. Together, these principles challenge us to build lasting relationships supported by clear responsibilities, mutual respect and shared purpose.

Credit unions can also contribute to community wealth building. Pooling members' savings and lending to fellow members can help resources circulate within their membership communities. Alongside co-operative employment, community ownership and responsible local purchasing, this offers a way to broaden economic participation and retain more of the benefits of economic activity.

Empowerment requires more than membership on paper. People need accessible information, opportunities to influence decisions and support to develop financial confidence. Partnerships should include working-class communities, disabled people, younger and older residents, and people facing language or digital barriers. Services must respond to their experiences without stigma or assumptions about their capabilities.

We are especially interested in developing and sharing online learning around how Robert Owen Day activities and working through our national curriculum can improve financial literacy and a better understanding of co-operative values and principles. We would welcome further collaboration with others which would involve limited cost.

Robert Owen Day could provide a starting point for learning that builds across all five progression steps of the Curriculum for Wales, from early years to age 16. The Curriculum's numeracy framework provides a basis for developing financial literacy over time. Co-operative activities can give learners practical reasons to use those skills and opportunities to discuss fairness, ownership and how decisions are made.

- Progression step 1, including early years. Through stories, a pretend shop and shared play, children can count and exchange tokens, take turns and decide together how to use a limited set of resources. Asking who has had a say and what would make a decision fair introduces co-operative values through experiences children can understand.

- Progression step 2. Learners can recognise coins and prices, work out simple change and make choices with a small fictional budget. A class could vote on what to buy for a shared activity, explain its decision and consider how to include someone whose first choice received fewer votes.
- Progression step 3. Learners can plan a budget, compare prices, explore income and expenditure, and keep simple records for a classroom co-operative. A simulated credit union can help them understand why people save together, how lending works and why members should have a say in the decisions that affect them.
- Progression step 4. Learners can compare borrowing costs, examine interest and repayment terms, and use fictional scenarios to explore how irregular income or an unexpected bill affects a household budget. They can also compare a member-owned credit union with other financial providers and ask who has voting power and how any surplus is used.
- Progression step 5. As young people prepare for work, further study or independent living, they can practise reading a payslip, comparing financial products, recognising scams and finding trustworthy advice. They could also design a co-operative response to a local issue, set a budget, agree membership and voting rules, and explain how they would measure the benefit to their community.

Starting early gives children repeated opportunities to practise making choices, sharing resources and explaining what they think is fair. Building on that learning as they grow gives them time to ask questions about borrowing, online spending and financial pressure before they face those decisions themselves. It also helps learners understand why people in similar circumstances can have very different choices. Fictional scenarios can make those differences visible while protecting children from having to disclose their family's income, debts or hardship.

Credit unions, co-operatives, early years practitioners, teachers and young co-operators could develop a small collection of free, reusable activities in Welsh and English. Short videos, printable materials and accessible lesson plans would allow settings and schools to take part with limited cost and adapt the activities for different learning and communication needs. Children and young people should help test the materials and tell us which examples reflect the decisions they encounter in their own lives. That would put co-production into practice from the outset.

The Cardiff meeting should help establish practical commitments: stronger referral networks, shared financial education, employer partnerships and continued dialogue with policymakers. Credit unions cannot remove structural poverty alone, but working across our movement can strengthen collective action towards a fairer Wales in which people have greater security, voice and control.