

# Christmas comes early for first £5k winner of new Treasury-backed savings account

The first winner of a new-Treasury backed savings account has been announced today (Sunday 22 December), winning a £5,000 cash prize just in time for Christmas.

The lucky saver, a postal worker from London, opened one of the new PrizeSaver accounts with participating credit union Commsave.

As well as the top prize winner, a further 20 savers have received runner-up prizes of £20 each, deposited directly into their savings accounts.

The prize draw is part of a new collaboration between the Treasury and 15 credit unions across Britain to pilot a prize-linked savings account. Savers who put away as little as £1 with participating credit unions will have a chance to win.

Since its launch in October, nearly 3,500 PrizeSaver accounts have been opened, giving each saver the chance to win up to £5,000 every month.

The Economic Secretary to the Treasury, John Glen, said:

Saving for the future is something we all try to do, but we know it can sometimes be challenging. That's why we teamed up with credit unions across the country to launch this new account, giving savers the chance to win up to £5,000 every month.

I've no doubt our first winner is working tirelessly to make sure we get our cards and parcels in time for the holiday season, and hopefully this win will help them to have an extra happy Christmas this year!

The CEO of Commsave, Amanda Ivey, said:

We are absolutely delighted that a Commsave member was the winner of the very first headline prize in the PrizeSaver draw.

Commsave was excited to be chosen to take part in the HM Treasury pilot to encourage more people to save with credit unions. Saving a small amount regularly helps build financial resilience and improves overall wellbeing.

Our lucky members all over the country from Dundee to Torquay have won prizes on their hard-earned savings, by opening a Prizesaver

account with us. We look forward to encouraging more people to join credit unions and sign up for a PrizeSaver account as 'Saving feels good, winning feels great!'

The scheme, announced at last year's Budget, is designed to help more people to save for the future, as well as raise awareness of credit unions, who play a vital role in financial inclusion as an alternative to high-cost lenders.

The account is partly inspired by the 'Save to Win' scheme in the US, which has helped credit union members save \$200 million and has awarded \$3.1 million in prizes nationwide.

The pilot will run until the end of March 2021 and will help inform understanding of the PrizeSaver model. The Treasury will work with participating credit unions to evaluate the success of the PrizeSaver accounts throughout the pilot, with an ambition to roll the account out more widely if successful.

### **Further information**

To find out more about the scheme, go to: <https://prizesaver.co.uk/>

The participating Credit Unions with accounts available today are:

- 1st Alliance Credit Union
- Bradford District Credit Union
- Central Liverpool Credit Union
- Clockwise Credit Union
- East Sussex Credit Union
- Merthyr Tydfil Borough Credit Union
- Nottingham Credit Union
- Riverside Credit Union
- South Manchester Credit Union
- Westcountry Savings and Loans

- Commsave Credit Union
- Plane Saver Credit Union
- Police Credit Union
- Lewisham Plus Credit Union
- London Capital Credit Union

Fintech company incuto was appointed by the Treasury earlier this year to administer the pilot and work with credit unions to ensure they can operate the account. The move is part of the government's drive to use innovative UK fintech companies to boost financial inclusion.

For every pound put into the savings account, savers will receive an entry into the prize draw, with a maximum of 200 chances to win per month. For example, if a member saves £20 in their first month they will get 20 chances at winning. If they save an additional £30 in their second month they will then have 50 chances of winning.

Elements of the savings account may vary between credit unions – savers should make sure to check the terms and conditions with their chosen credit union first.