



Members' Newsletter

March 2017

ANNUAL GENERAL MEETING

Our AGM will be held on Friday, 31 March 2017, at 12.30pm in the Elisabeth Room, Endeavour House, Ipswich

Please join us at the AGM. This is your chance to have a say on how your credit union is run and to hear how the Board has been managing your money over the last 12 months.

We would like to take this opportunity to thank members for their support over the last year.

The Board are proposing the following important changes to our Loan Policy.

Members who have saved continuously for more than three months will be offered loans on the following terms:

- 1% interest per month; 12.7% APR
- Can borrow up to 4 x the amount in savings with the credit union
- Any loan up to £5,000 can be repaid over a period of up to 36 months
- Loans over £5,000 and up to £10,000 can be repaid over a period of up to 60 months.

We will also introduce (for new members only):

New Starter loans for people joining the employment of our payroll partners (e.g. SCC, Vertas, NHS, Police etc.) as a bridging loan until they receive their first salary payment.

Christmas loans to encourage new members to join the credit union and access a small loan for Christmas.

Holiday loans to encourage new members to join the credit union and access a small loan for holiday spending money.

These loans will be offered on the following terms:

- 2% interest per month; 25.9% APR
- Can borrow up to £500
- The loan can be repaid over a period of up to 12 months.

We will continue to reduce the risk to the credit union while staying in line with our ethos of fair finance for all by helping people, not trapping them in debt. We will in future limit the maximum number of top-up loans to two, i.e.

A maximum of two top-ups are permitted on any one loan, after which the member would not be eligible for another loan until the loan is repaid in full.

With all of these proposals the Credit Committee will usually use its discretion for loans that are outside of these policies.

Please attend the AGM as this is your opportunity to vote on these proposals.

MEMBERS' SURVEY

Suffolk Credit Union's Board of Directors shared with you, the members, their views about the challenges the credit union are facing and asked you to complete a survey with your views on the options being explored.

The main options we are looking at are:

- Improving governance and operational capacity through more volunteers within the current membership and increased investment in staff. This is our favoured option as it means the members will maintain control and it will not have a financial impact on the credit union.
- Close collaboration with other credit unions and perhaps buying in support to deliver specific tasks including dealing with bad debts. This will clearly have a cost involved and is likely to result in the credit union making a loss in the short term which will in turn have an impact on dividends now and in the future.
- Full merger with another credit union. This would bring much needed capacity to the organisation. The Board will weigh up the pros and cons of a merger before coming back to the members for a final decision.

Thank you for taking the time to respond to the members' survey. We had 179 responses which is well over a 30% response rate.

Below is a summary of what you said:

In the main you found it was a good place to save.

You liked that it's run by employees/pensioners from the membership, that it is an employee-based credit union and (mostly) pays a dividend.

We received a mixture of support for the proposals. The general consensus was that a merger would be the better option, but only if it maintained the ethos and offered real benefit to the members. Most respondents stated that they trust the board to make the right decision.

We also asked if members had any comments to make regarding the above information.

We were grateful to receive lots of thanks and positive feedback on the service provided by Karen (our business manager) and the volunteers.

People asked if we could make it easier to volunteer by having clear tasks that could be done on a one-off basis.

We had a number of offers of help which have now turned into three new volunteers. If we could find a further seven, this will really help increase our capacity.

There will be an opportunity for your input and further discussion at the AGM.

**The office is staffed Mondays, Tuesdays and alternate Wednesdays 8.30am-5.30pm.
Telephone 01473 265000 (24 hour answer-phone). Email creditunion@suffolk.gov.uk**

***Please quote your membership number on emails or when you leave a message.
This can be found on your statement overleaf.***