

Minutes of the Norwich Credit Union AGM 2019-20 held on 3rd March 2021 by Webinar hosted by ABCUL.

Present: Jon Warne; John Brewer; Philip Buttinger; Bridget Buttinger; John Cameron; Margaret Camina; Alan Camina; Daniel Douglas; Marion Fallon; david Knighton; Julia LaRonde; Ieuan Lawrence; Ian Leather; Jackie Littlewood; Stephen Oakley; Bernie Sheehan; Danny Thomas; Roslyn Trimmingham; Dee Troughton; Kay Wheatley; Malcolm Black; Paul Toplass.

1. Apologies: Tony Devany; Simon Chapman; Walter Lloyd-Smith; Jill Wheatley; Gwyneth Roberts .

2. Minutes of the AGM held on 4th March 2020.

Accepted

3. Matters arising

None

4. Reports

a. President

After a difficult year 2018-19, particularly with bad debt we had started to see an improvement in the financial situation. Then Covid 19 struck bringing new challenges. We stopped face-to-face services and moved swiftly into online service provision and remote working for staff and this has proved to be more efficient.

Child Benefit Loans have become a mainstay for us. The bad debt we anticipated as a result of Covid 19 did not manifest itself and we have become stronger.

We have now started to employ staff which is something we need to work towards.

Overall we are very happy with the year and thanks to all the staff for their contribution.

b. Treasurer

The bad debt record is better than in previous years.

We were successful in the applications for 3 grants.

We have increased our use of technology and this will have increased costs in future years.

Proposal to pay a dividend of 0.5% to members. Agreed.

Proposal to pay interest of 1% to Junior members. Agreed.

c. Credit Committee

347 Loans totalling £287,980 were granted.

There are more Loans than the previous year but a lower overall total amount. This reflects the increase in Child Benefit Loans which are now 40% of our Loans.

Loans up to £500 are the most common and then loans up to £250.

We are now looking to offer Introductory Loans which will be unsecured and as we will not have any history for the member, they will be subject to Credit Checks and Open Banking checks.

d. Supervisory

A positive report

5. Election of the Board of Directors

Proposed by JW, seconded by BB to re-elect the current Board of Directors. Agreed.

6. Election of Credit Committee

Proposed by JW, seconded by BB to re-elect the current Credit Committee. Agreed.

7. Election of Supervisory Committee.

Proposed by JW, seconded by BB to elect Philip Buttinger to Supervisory Committee. Agreed.

8. Appointment of Auditor.

Proposed by JW, seconded by JB to appoint Hornbeam Accountancy as the Auditors for Norwich Credit Union. Agreed.

9. Proposal – that Norwich Credit Union discard the NCU Joining Fee (currently £1) and amend the Annual Fee (currently £1) to £2 in the current financial year (to be deducted from savings as £1 in March and September) and from then onwards to charge £1 each quarter. Recipients of 3% loans will not be charged a membership fee.

JW proposed and explained the increase is needed to cover the cost we incur for all members, for example insurance costs.

Questions raised:

Will this put off people wanting to save small amounts of money? Answer – we need members to borrow as well as save. There is a Hardship Fund that could be called on to help if these costs seem to be too large for some members.

How much will this generate? Answer – approximately £4,000 per year and will go to cover increases in IT costs, insurances etc and will help to make Norwich Credit Union viable. If the funds are not needed/used it will go into surpluses and could then be paid back to members through the dividend.

What other options have been evaluated? Has there been any consultation with members on the impact of this? Answer – most other credit unions charge at least £5/year. We do not really have choices as we are limited in the way we can raise funds to the annual fee and interest rates on loans.

Ian Leather commented – charging everyone, across the board, is the fairest way of raising funds and there are some costs such as Life Insurance and Loan Protection which cost Norwich Credit Union that all members can benefit from.

Can members donate their dividend to help other members? Answer – yes, by donating it to the Hardship Fund.

Proposed by JW, seconded by BB to raise the Annual Fee to £2 in this current year. Agreed.

Proposed by JW, seconded by BB to change the Annual Fee to £4 in subsequent years. Agreed.

10. Any other business.

Question regarding Child Benefit Loans and how they work was answered.

Request for a report on the operation of the Hardship Fund – will be emailed to Peter Sergeant.

Thanks – from Jackie Littlewood for attending. Jon Warne to all staff for working through a challenging year.