

Minutes of the Wiltshire & Swindon Credit Union AGM held 23 March 2023

Minutes of meeting held on 23 March 2023

The meeting was facilitated by ABCUL and held online.

The meeting opened at 18:01 with 35 attendees, i.e. quorate.

Nick Gallop, the Chair, ran through the agenda which was as published on our website.

Apologies:

There were no apologies from members.

Nick apologised for the late release of the accounts: while the numbers had not changed since January, our auditor managed to release them for signature only on the evening before the meeting. There would be more to say about auditors later.

Minutes of the previous AGM and the November SGM

Draft minutes had been circulated to members attending last year's AGM & SGM for comment or correction a few days after the meetings were held: they were effectively agreed at the time rather than a year later, so this approval vote should be a formality.

Both sets of minutes were unanimously approved.

Vote: 21 yes, 0 no.

Review of 2021-22 results

Nick reminded members that he had previously described the credit union as being in transition: in 2021-22 we moved from making a small surplus to a much healthier position. He hoped we could now move forward to a period of consolidation and growth.

Clive Henly, the General Manager, presented a summary of our business results. The highlights were:

- Emerging from Covid, getting the office open again
- Re-starting collection points, but finding them little used
- Members saved around £82000; we issued 2881 loans, 93% were family loans
- Payroll savings and loans were provided through 6 employers

Increased lending drove interest income up and led to a £63, 688 surplus, versus £ 6066 in 2021-22; in turn this improved our capital to assets ratio to 6.5% - a key business number monitored by the Bank of England.

The board proposal for a 1% dividend was approved by a clear majority.

Vote: 27 yes, 1 no.

Looking forward, we would focus on developing more payroll deduction schemes and try to develop tenant support schemes.

We had recently developed the Acorn loan, similar to the family loan but not linked to child benefit, and we were improving the Personal loan offer.

Responding to a question, Clive agreed to check the name 'Acorn loan' did not infringe any copyright.

Other developments should help to improve service to members: more training for staff, growing our team and implementing the new Consumer Duty regulations.

Clive thanked the whole team for their commitment, and congratulated Phoebe Fernandez on graduating on the ABCUL Future Leaders course.

Since the end of the financial year we won the Best Credit Union (South) award – thanks to members for their enthusiastic reviews – and the Wiltshire Life ‘Community Group of the year’ award.

We had just completed a merger with Clivey Credit Union based in Swindon, and were working now to merge with Swan Community Bank. This merger would be accompanied by an extension to our Common Bond and to Oxford & Buckinghamshire, where Swan operates today and Berkshire which has a concentration of employers along its Buckinghamshire border. The expanded organisation would operate as Acorn Community Bank.

A question revealed these mergers were a surprise to at least one member, though they were the main topics for the November Special General Meeting.

Responding to questions about progress on the Swan merger:

Clive said there was still much to do; there was also time to do it, and he was confident that we would be merging Swan members over the weekend of 1-3 April. Nick added that we would do it well, rather than quickly. The Bank of England had approved our merger plans, but there was no regulatory requirement to merge on a specific date. If there were problems moving on the intended date, the merger would be delayed as necessary.

Regarding staffing levels: One Swan employee had joined us, two more would join us with the merger. In addition there were plans to recruit one more to join the office team.

For our long term Director, Sam Selman, this was a natural time to retire: Sam had been a director since our 2017 merger with West Wiltshire CU, where he had been a founding member in 2003, on the board and as its President. Clive thanked him for his long term service.

Supervisory report

Stefan Ward chairs the Supervisory Committee and presented its report:

They continue to see progress in the maturing of the Credit Union’s systems, embedding refreshed policies and automation of previously manual processes with new IT.

This embedding should have been supported by the agreed internal audit plan, which had not run as expected. There are plans now to improve audit delivery using an external specialist audit partner.

The Committee was pleased to confirm that all regulatory returns had been completed and returned as required in the past year.

Stef also summarised our pay policy: at a minimum, we pay the living wage; we benchmark salaries against relevant published pay scales; and try to develop staff with training & new experiences so they have fulfilling careers and can earn promotion. This approach should help us retain staff who can provide members with great service.

Directors had a 73% attendance rate at board meetings.

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After three years, Stef will stop being a volunteer after the AGM. Nick thanked him for his service as a friendly critic of the way the WASCU is run, which had helped stimulate and guide the way we have developed.

Several directors had stepped down during or at the end of the financial year. Nick thanked Sue Moffatt who helped us develop our risk management discipline and Steve Purcell for his work on loan approvals which showed fruit in our reduced losses.

Votes on new directors and rule changes:

Accompanying the mergers the board had co-opted three directors, Philip Turnbull and Gary Brant from Swan and Sue Gurney from Clivey.

Members confirmed their appointment in a single vote on all three.

Vote: 25 yes, 2 no.

Members confirmed re-appointment of Lindley Adams as our external auditor, notwithstanding their continued last-minute delivery of audit returns.

Vote: 25 yes, 3 no.

Most credit unions have a September year end which causes 'audit congestion'. Members voted to approve a board recommendation to change our year end to 31 March.

Vote: 26 yes, 3 no.

Members voted to approve a group of three minor rule changes:

Rule 4 would become:

A junior saver, who is eligible for membership of the credit union according to rule 7 of these rules, shall convert to full membership of the Credit Union upon reaching the age of 18 years.

Rule 17 would be changed to allow management discretion to waive our entrance fee.

Rule 52 refers to loans taken out before 8 January 2012 and will be deleted.

Vote: 29 yes, 2 no.

While our formal name of Wiltshire & Swindon Credit Union Limited is not changing, members voted to approve the addition of 'trading as Acorn Community Bank'.

Vote: 26 yes, 3 no.

Rule 31 allows us to charge a dormant accounts fee, subject to member confirmation.

Members voted to give their approval.

Vote: 20 yes, 9 no.

While there was a majority in favour there was clearly less enthusiastic support for this change. Clive explained that this charge would only be used occasionally, and we would try to warn affected members before it was applied. Dead members would not be charged, normally, their accounts should be closed with any funds paid to the beneficiaries. The intention was to allow us to handle the accounts of members with small balances that are expensive to administer.

Summary

Nick returned to his original theme that we were moving from a period of transition into a period of consolidation and growth. While we need to ensure the mergers go smoothly for

the merging members, we had become cash constrained, and these mergers us bring us the cash we need to be able to increase lending.

Our plans only work with goodwill and generous help. Thank you to:

- Many volunteers, especially the board for giving their time and expertise
- Swindon Borough Council who support us in many ways, but especially with Andrew Hill as an observer
- Wiltshire Community Foundation who had given us a grant to support our IT investment
- The England Illegal Money Lending Team who help to stop loan sharks and had funded some of our saving incentives.

Finally, Nick thanked ABCUL for facilitating the meeting, and members for being members,, for their interest joining the meeting and their questions.

If any member wanted to ask supplementary questions, they could write to him at nickg@wascu.co.uk

The meeting closed at 19:15.

After the meeting:

A member commented that vote grouping was overdone, specifically:

- votes for directors should be individual, and
- all rule changes beyond simple corrections should have been separate.

This seems a fair observation, and the point is noted for the next general meeting.

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Separately, a member made the point that following the Special General Meeting there should have been more communication with members about merger plans.