



Accounts and Office Administrator Joan Howard writes:

Well, here we are again, another New Year and I hope for everyone it will be a good one, so "Happy New Year to you all!"

By the time you read this, I will have had an operation on my foot, totally immobilising me, and my working days in the office reduced to once a week. For this I apologise and hope you understand that I may not be able to respond quickly to any enquiries, but rest assured, you will be one of my priorities.

I am pleased to report that I am receiving quite a few enquiries about the Credit Union and how it works, so the message seems to be getting out there about "Stopping Loan Sharks". Please, dear members, continue to get the message across and encourage friends and family to consider joining a Credit Union. You and I know it makes sense!

Members are important to us, so it would be good to meet some of you face to face, so if possible, please try to attend the **AGM on Tuesday, 27th February, 7:30 pm, Morpeth Methodist Church.**

Joan

Message from the Chairman

Happy New Year! I hope 2018 is going to be a good year for you all. As you'll see from other items in this newsletter – the credit union has been treading water this past year, so we need to get things going again with more members and more loans. But – as Ian Hutton writes, we are also thinking seriously about other options for the way forward. So the AGM on 27th February is going to be even more important than usual – I do hope you'll be able to come along.

Have you had a look at our relaunched website yet? It is still at www.ncul.co.uk but it has been totally redesigned. Let us know what you think! And if you have any ideas for what else we could have on it. And if there is anyone interested in helping to manage the website – please get in touch!

We've also ventured into social media with the creation of a credit union Facebook page (facebook.com/NorthumberlandCreditUnion). If you are on Facebook – do search it out and "like" it – and post things there. And again, if anyone would like to help run the page – please get in touch!

You'll see that images of a piggy bank and an umbrella now appear on our leaflets, website and Facebook page



The piggy bank represents savings and the umbrella, You'll see that images of a piggy bank and an umbrella now appear on our leaflets, website and Facebook page. The piggy bank represents savings and the umbrella, the opportunity to take out a loan "against a rainy day". I wanted to use the slogan "we do umbrellas but not

towels”, but the board felt this was slightly obscure. All I meant was that with our “save to borrow” approach, we can help members prepare for a future “rainy day” but since we don’t do (credit-checked) instant loans, we can’t help those currently in a “rainstorm of debt”. OK – perhaps it *is* a little obscure.

We really do need to get a *clear* message about what we offer “out there” though.

We do have volunteers (though we can always do with more!) willing to talk to groups and organisations about what we do, or to run stalls at events. So – if you know of any group or organisation that you think would be interested in learning about Northumberland Credit Union or of any events being organised, where a credit union stall would fit in – do get in touch and let us know. A quick tally recently showed that the Alnwick group alone is in touch with ten organisations in the town – so that must be lots of opportunities across the county!

Nic Best

What Makes Us Different?

As you may know, the other two credit unions in Northumberland – CUSEN and Tynedale Community Bank – are merging to create something that will be called “Northumberland Community Bank”. We are not entirely sure what they are going to be offering, but we are fairly sure that they’ll be spending a lot of money on marketing – so – it is important that people understand what we are about and what we offer, because there’s sure to be a lot of confusion. Put simply, our fundamental message is.....

“We don’t do instant loans, but we don’t do credit checks or intrusive interviews either – we do loans for members based on their savings record and loan repayment record with us”

And we charge the same rate of interest (1.25% per calendar month) on all our loans from £100 up to our maximum £3000.

With the population of Northumberland at 310,000 and total credit union membership in the county standing at around 2000 or less, there’s plenty of room for both Northumberland Credit Union and Northumberland Community Bank. But if you see or hear anyone getting confused – do let them know that we are separate and rather different and tell them what we are about. “Simples”

Future of our Credit Union – from the Treasurer

I mentioned in last years’ newsletter that the County Council had ceased to give us a grant and instead chose to support the Credit Union for South East Northumberland and the then newly established Tynedale Community Bank. As a result of this decision we have made a loss for the past two years. Despite raising the interest rate charged on loans, we expect to make losses for the foreseeable future. When we were receiving grants from the County Council, we were able to build up healthy reserves, so these losses do not represent an urgent problem. Obviously, however, we cannot carry on forever while running a deficit.

The Directors have decided to put forward a motion to the Annual General Meeting, asking for its agreement to explore the possibility of merging with a bigger credit union based in the North-East. Potentially there are a range of benefits to be had from such an arrangement, including spreading some of our fixed costs and providing a wider range of services. Our size, our resources and our limited staffing

budget do not allow us to offer, for example, instant loans. A bigger credit union could change this position. Being able to offer a wider range of services would also enable us to meet the County Council's criteria for a grant and perhaps have it reinstated. If the AGM gives us permission to seek a suitable partner and we are able to negotiate acceptable terms for a possible amalgamation, the final decision would be referred back to members, either at an extraordinary general meeting or by means of an "all members" ballot.

THIS IS AN IMPORTANT ISSUE FOR ALL MEMBERS. YOU ARE URGED TO ATTEND THE AGM ON 27TH FEBRUARY 23018 TO HEAR THE ARGUMENTS AND MAKE YOUR VIEWS KNOWN.

Ian Hutton, Treasurer

Recruiting New Members

2017 has been a challenging year for many financial organisations and Northumberland Credit Union is no exception. We ended our financial year (end of September) with 480 members and a savings balance of £190,000 of which only £86,000 was loaned out to members.

We are always looking for new ways of raising our profile in the community and increasing our member numbers. We are currently in the process of expanding our advertising through social media, and improving our website.

More members saving means more funds for loans – and more members taking out loans means more income for the credit union. So we're always asking you – the members – to spread the word about the credit union to your friends and families so they can benefit too. Well here are some ideas on how you might do that:

"Maybe you are feeling the squeeze after Christmas, but if you save a few pounds each week for 8 weeks you could apply for a small loan to pay those mounting bills and it'll cost you less in interest than the credit cards!"

"Perhaps you or your family are thinking of a holiday or replacing old appliances. Before entering into expensive loans and hire purchase check out what Northumberland Credit Union can do for you. No credit scoring or external credit checks, only a demonstration of regular saving."

Or maybe you - or someone you know - is in the process of applying for a Housing Association property, which generally takes about 8 weeks through the application process. And that's just enough time so that if you join the credit union when you apply and start saving a small amount each week, you can apply for a small loan to help towards the costs of furnishings etc when you move in.

And remember, interest rates on all loans is just 1.25% per calendar month on the remaining loan balance (that's around 16.4% APR) and there are no extra set up costs or penalties for early repayment.

We have Paying-in-Points at Alnwick, Berwick, Hexham, Morpeth-Stobhill, Pegswood, Prudhoe, Seahouses and Tweedmouth. These are run by local volunteers, and without their valued support we wouldn't be able to provide a

service. We welcome anyone who can spare the time to become a volunteer, either at a Paying-in Point or in the office. Contact Head Office - Tel: 01670 503666 enquiries@ncul.co.uk or check the website www.ncul.co.uk for details.

News from the Front Line – from Graham Cook

For the past few months I have been attending the regional meetings of ABCUL, which is the trade organisation who offers professional support and training for Credit Unions across the North of England. They act as a “sounding board” for organisations of different size and shape, along with championing the Government on policy issues, relating to credit and lending. Here at NCUL, we are predominantly a volunteer led organisation, offering a sound but basic suit of products that sit around Savings & Loans. Within the cluster of the other CU's that meet regularly, there are a number of very large and complex organisations, many employing quite large staff numbers and many who also offer a comprehensive set of products and services. We therefore have a good cross-section of ideas and we can share working practices to help deliver a level of service that our members (customers) rightly expect.

While we at NCUL believe that “small is beautiful”, we have to face the reality that sometimes size counts and that the economies of scale that volume can produce, can ultimately bring about savings and more choice for consumers. With this as back cloth, we are now starting to see a number of mergers within the Credit Union industry. Organisations of differing size are getting together to combine resources, reserves, staff and volunteers, to ultimately provide better standards and more options to the wider public. They remain united to fight unlawful and excessive lending and offer value for money products to those in greatest need.

As you will see from the words of our Treasurer, we are not exempt from what is going on around us and we cannot bury our heads in the sand. If we did, we would simply allow our reserves to diminish and take our eyes off the ball. As always, our attention and actions will have the best interest of members at heart. **Watch this space for further developments!**

Graham Cook Company Secretary

To all our Volunteers

The Staff and Board of Directors would like to express their greatest appreciation for all your hard work and commitment last year. Volunteers are relied upon so much, that without their help, we could not continue to provide the service we do, running our PiP's. We do hope you know how much you are valued and are all willing to carry on this year. With grateful thanks, we wish you all a very Happy New Year.

The Board