



**Wiltshire & Swindon
Credit Union**

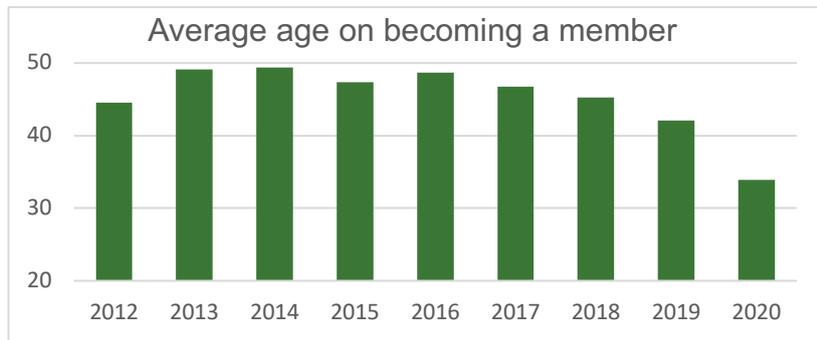
Developing Wiltshire & Swindon credit union

**A look at where we stand today,
what members are asking for,
and our plans to extend services
and broaden community relationships in 2021**

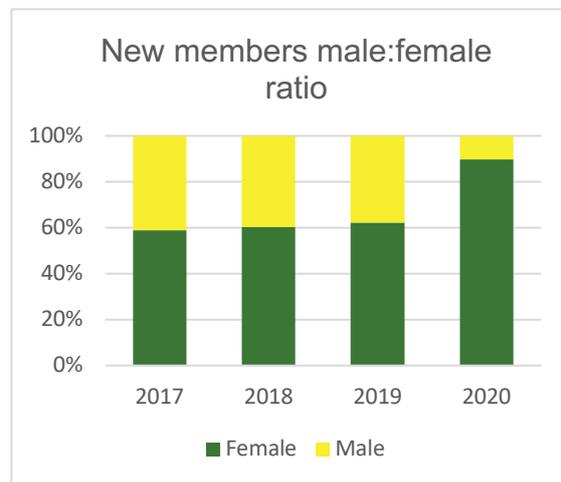
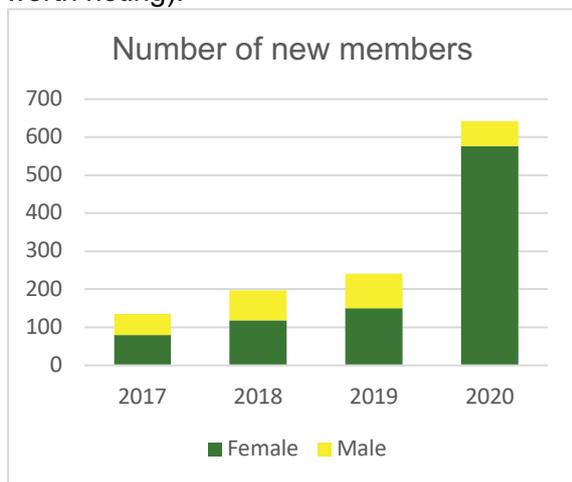
A report for the 2021 AGM

Who are our members?

Clearly, our members live or work in Wiltshire, that's why we exist. Many have been members for quite some time and looking back the average age of a new member when they joined was in their mid-40's. That changed in 2020 with the launch of the Family Loan: the average age of a new member fell to 32. It was an important development: a new product helping us to reach a new part of the Wiltshire community.

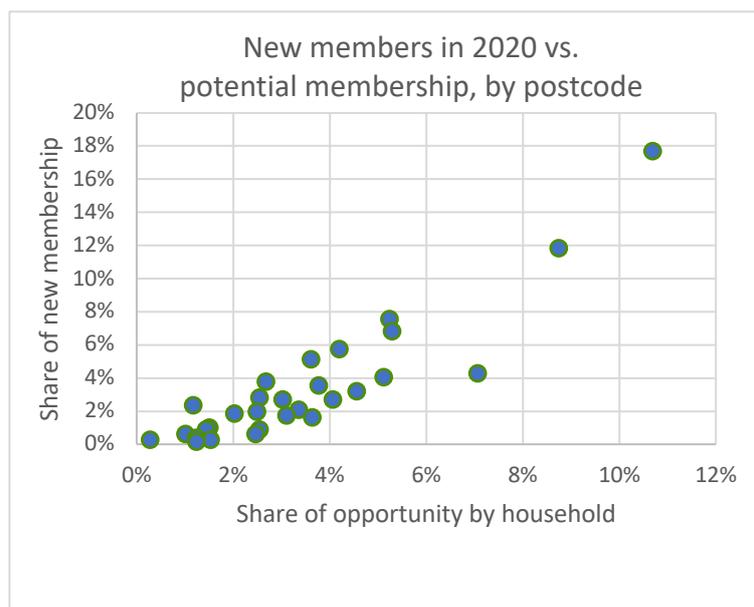


As well as reaching a new type of member, the Family Loan helped to grow our membership significantly. Not surprisingly, given that the Family Loan is paid to a Child Benefit recipient, this increased the proportion of new members who were female (not in itself a bad thing, just worth noting).



From a geographical perspective, we served most parts of the county fairly evenly. Looking at new members by postcode, we grew in proportion to the opportunity: larger postcodes generally had more new members than smaller ones.

We continued a historical trend and performed better than average in Swindon, and less well in Trowbridge (a point to note when we plan member development activities).



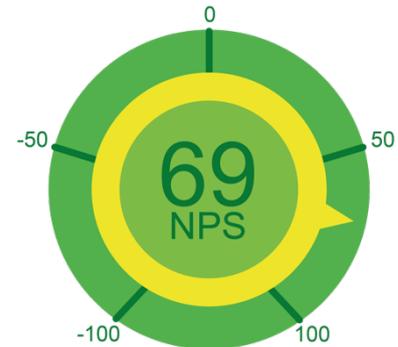
What do members think of our service?

For some time we have regularly run a survey of new members in the month after they joined, to find out about their joining experience.

This year, for the first time, we ran a survey across a sample of all members, to find out how we meet members' needs and maintain our relationship.

How well are we doing?

We used the Net Promoter Score® a standard way to measure customer loyalty and satisfaction. In 'professional services' industries, the average score is +43. The bottom quartile of organisations score +19 and the top quartile score +73.



We scored 69. This gives us a base line: a pretty good score, very much better than average, with scope for improvement.

The key point of the survey was not to find out how well we scored, it was to find out why members gave us a particular score, and how they thought we could improve.

We found out that:

- we keep in touch about the right amount and members generally prefer to hear from us by email;
- some members use our banking app, but most have never heard of it;
- our website is easy to use, and staff are helpful.

How should we improve?

While quite a few members said words like 'nothing needs changing' we also learnt ways we could improve. Perhaps we will be able to nudge our Net Promoter Score up, into the top quartile.

The main suggestions were:

- Be more accessible. The pandemic forced us to shut collection points, and we need new and better ways to provide our service
- Put more effort into providing financial education, hints & tips
- Simplify our loan agreements, especially for secured loans

Clearly our app is a convenient way to be accessible, but only if members use it. In 2021 we need to be more effective at telling members the app exists, and encourage them to use it.

Providing a financial education programme will also get us closer to members. Members can expect to see helpful personal finance ideas appear regularly on our website, and as society re-opens after the pandemic, we will test other approaches.

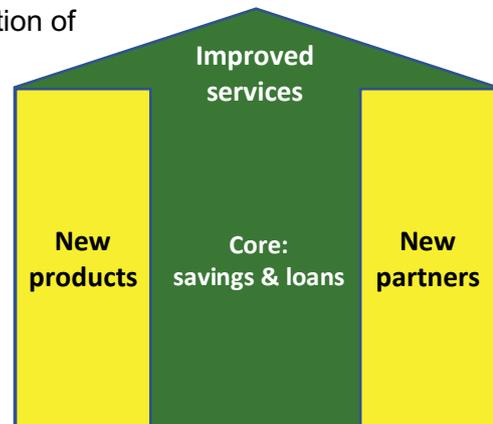
We try to communicate clearly: the website and helpful staff that members mentioned in survey answers are part of this effort. Loan agreements are contracts, with rules and regulations about what they say. Even so, we should not hide behind that: we need to try to make straight-forward contracts part of our straight-forward approach to lending money. In the survey, members made it clear there is scope for improvement.

Initiatives for 2021

“Wiltshire & Swindon Credit Union aims to improve the financial well-being of the people we serve. So we offer convenient savings schemes, fair value loans and advice, to help our members manage their finances and achieve their financial goals.”

The board spent some time defining this short description of what we try to do as it worked on a strategic plan. The survey gave us members’ assessment of how well we deliver on that promise, and how we could do better.

It is clear that the economic fallout from the Covid-19 pandemic is likely to last a number of years and provide a continuing need for our services: demand for our loans generally increases during recessions and we are well placed to help. With the vaccination program gradually bringing our lives back to normal, we will try to grow in three ways:



A combination of new products service improvements and new partnerships supports membership growth in 2021

1. New products for a wider audience

As a foundation for growth we need to develop our core savings and loan services with new products like the Family Loan launched in 2020.



We recently announced the ‘Start Saving’ bonus account: this offers a reward to give an incentive to start saving to people paid up to £30,000. It’s a straight forward offer: save at least £10 for 10 months and get a £10 bonus. It’s supported by the Illegal Money Lending Team, using proceeds of crime funds.

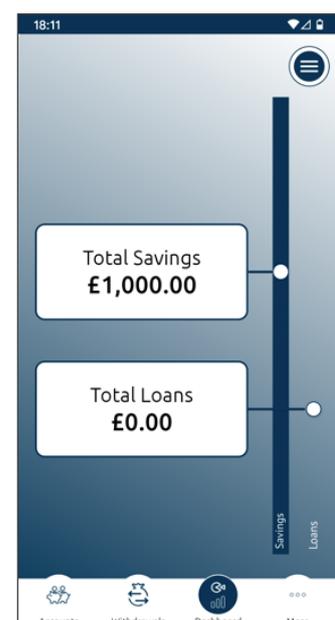
We know the Family Loan is well liked, because new members taking the loan tell us they heard about it from a friend. Growing through personal recommendation is key to our success, so we will try to develop new products that give members something to talk about.

2. Helpful new services

We will also improve the personal finance education we offer. Expect a mix of hints & tips on the website, individual help and workshop sessions. Our approach will be experimental. Guided by members’ feedback, we will do more of the things that work, and drop those that don’t. While there will be bumps on the way, this part of our service will evolve to provide more of the more popular elements that members say work well.

We should be able to add other finance service improvements through our banking system provider, Incuto. Their app is already there for members to use today. Other useful functions will follow, like faster payments and debit cards – again our priority will be guided by member feedback.

The Incuto app showing a member’s savings and loans on its dashboard page. Other pages let you request withdrawals, apply for a loan send messages, share documents and contact our office.



3. Partnerships to extend our reach

The third element in our growth strategy is to build on partnerships. Establish new payroll deduction partnerships with employers, and then work to grow the number of employees taking advantage of each partnership. As this rolls out, we will be able to use payroll deduction schemes to offer more people convenient savings, and lower loan rates.

We also plan to develop partnerships with charities and not-for-profit organisations. This will serve two purposes:

First, they can deposit the reserves they need to hold in our new corporate account. For example, the Government recommends Parish Councils keep 3-12 months planned expenditure in a general reserve; charities also need reserves to operate in a responsive and flexible way. While reserves are required, they do not have to simply be kept safely and serve no purpose. Reserves deposited in our corporate account gives the credit union funds to lend, so we provide a home for reserves where they are available if needed, and meanwhile serve a social purpose.

Secondly, these organisations, especially charities, offer a natural route to more potential members and show them the advantages our ethical approach to personal finance can offer.

Towards a fairer future for more people

We grew our membership by over 25% in 2021. Even so, our members make up only around 2% of the households who could benefit from our services.

We earned the right to use the FairLife quality mark from the FairLife Charity at the end of 2020. The mark was created to ensure that financial products are well designed, from the customer perspective. For loans, its focus is on helping customers to manage & repay their debts, promoting a competitive loan market and protecting customers who find themselves in financial difficulties.



The values that let us use the FairLife mark is an important part of our plan to grow our membership: relevant new loan and saving offers; helpful new financial services; complemented by more extensive partnerships, should help Wiltshire & Swindon Credit Union grow by another 25% in 2021.