

Faster loan decisions... or we pay you £10!

We understand that when something happens that you need a decision on your loan quickly. Many of our top up loans are agreed instantly, but even for our larger loans, we are now guaranteeing that you will have a decision by the close of the next working day. Or we will pay you £10 compensation.*

We have also extended our loans services and have increased the numbers of trained loan officers. Jason Haigh, Lending Services Manager, says 'my team and I are committed to making the loans service at Citysave the best available at any finance institution in Birmingham.'

Our loans are very competitive, with no fees, interest is accrued daily, and we offer free life cover to our borrowers.

We have now introduced rapid decisions, and enhanced our service to members. I can say we are truly here to serve our members, who need ethical and affordable finance in turbulent economic times.'

New products include:

- Home owner loan of up to £10,000
- Car loan of up to £5000
- Extended personal loans, payroll deduction scheme loans and loans for new members

Full details are on page 5.
*Only applies to existing members,
and all information must be supplied
with the application.

Citysave is your
community credit
union, run by
members for the
benefit of our
members.



Also in this issue

- Service Matters
 - Household and budget accounts
 - Longer opening hours
 - Understanding credit scoring
- Plus many more features



Carl Chinn MBE becomes a member and ambassador for Citysave

Carl says 'Credit unions have a long history of helping the working people of this country to save, borrow and plan for the future. They do so co-operatively and now more than ever it is vital that working people bond together in co-operation.'

Like so many Brummies, I was once a proud member of the Birmingham Municipal Bank, but since that bank ended there has been a real gap in banking which I believe that Citysave can fill.

Citysave has been operating in Birmingham for the last twenty five years and it provides an ethical and convenient way to save. I'm delighted to become both a member and an ambassador and believe that credit unions offer the best way forward for our community and for all our financial futures.'



Service matters...

We are constantly trying to improve our services to you, so here are some new measures that we hope will be of benefit to you.

Changes to our Member Services team

Our Member Services team is managed by Ian Fellows. Ian has substantial banking and operational experience and was appointed in November 2011 to develop the team.

Ian has already introduced:

- Scanning of all documents
- Swifter processing of new accounts
- A rolling programme of training in customer service

Your feedback is important to us, so please do get in touch to tell us how these changes are improving your experience with us.

New ways of accessing your Citysave account

In addition to our traditional banking hall counter service, we are constantly developing newer and better ways for you to access your account from home. Our telephone banking service has proved to be very popular and we are extending this during the first half of 2012 to allow you more control of your account.

We are going to be extending our website to not only allow you to sign up as a member and apply for a loan, but also to manage your account on-line. This means that you will be able to perform the majority of your requirements by phone or on line.



Household Budget Accounts and Bill Paying Service

More of our members than ever are juggling their household bills, and being faced with penal bank charges as well as higher utility costs if you can't pay on time. These costs just make it harder to catch up and we are providing more loans than ever to help catch up bills.

With rising fuel bills, more people may need help with budgeting and we see this as a major concern to our members.

We are therefore piloting a household budget account and bill paying service to pay all your main household bills – including rent / mortgage, council tax, insurances, utilities, TV licence and satellite/cable bills.

- We will spread the cost of the bills over the year, and help you to budget
- Negotiate payments with your suppliers and assist in reducing any additional costs being charged
- Arrange to make all the payments to your suppliers on time
- Provide monthly statements
- Carry out quarterly reviews with you to ensure you are getting the best deals and that you are in control of your household bills.

This account costs £2 per week with no penal costs. If this would be of benefit please register your interest by emailing enquiries@citysave.org.uk or call 0121 303 4013.

Saving with Citysave

Saving with Citysave is secure, easy and excellent value. We paid 1.5% dividend, which is one of the best returns on instant access savings accounts in Birmingham.

Savings can be made through having benefits paid in directly, direct debit or your payroll if you are employed by any of our sponsor employers.

All our members have an obligation to set up a savings plan, and we are happy to open additional savings accounts if you are also saving for a special occasion.

The Xmas savings plan is one that we would encourage all our members to save through the year, even small amounts so that in November you have a lump sum to cover the extra cost.

Members with personal loans will keep some of their shares on a Frozen balance account until the loan is repaid.

Child Trust Fund vouchers can still be presented, or you can transfer funds from your existing fund into a Child Trust Fund account with Citysave.

ISA's are saving plans on which you don't have to pay tax on your dividends. At the moment we have an instant access ISA available.



Peace of mind

One benefit of saving with Citysave, is that your savings are covered by the Financial Services Compensation Scheme, (FSCS) which we pay into in order to protect our members savings.



The FSCS can pay compensation to depositors if a credit union is unable to meet its financial obligations and all of our depositors are covered by the scheme.

In respect of deposits, an eligible depositor is entitled to claim up to £85,000. The £85,000 limit is not for each separate account but, relates to the combined amount in all the eligible depositor's accounts with the credit union, including their share of any joint account.

For further information about the scheme (including the amounts covered and eligibility to claim) please ask a member

of staff, refer to the FSCS website www.fscs.org.uk/ or call 0800 678 1100.



Survey

In the autumn we surveyed all of our Members and were delighted with the response – thank you to all of our members that took the time to complete it.

- 75% found it easy to save with us
- 40% joined for our loan service
- Over 93% of our members said that they would recommend Citysave to friends and family
- Over 77% were very satisfied with the loans team.

Some actions that we have / are taking as a result of your feedback are:

- Longer opening hours
- More staffed positions in office
- Increased Outreach Surgeries
- Increased Payroll deduction schemes
- New look Web site, including on line applications
- Speed up new Member Applications
- Speed up the loans process
- Increased use of email



Our Members views regarding the service we are providing are extremely important to us and help to shape our future developments, as well as providing useful input into our training programme. We do plan to hold further surveys in the future, and would be grateful of your continued participation and support.



HR Strategy

Training and development are key aspects of Citysave's performance. We aim to create, promote and foster individual, departmental and organisational development by introducing an array of innovative and diverse training initiatives.

Citysave recognises that long-term investment in its team is key to being able to continuously improve and sustain our performance in the future. We currently have eight members of staff working towards professional qualifications including Association of Accounting Technicians (AAT), Association of Certified Chartered Accountants (ACCA), Certificate of Mortgage Advice and Practice (CeMAP) and NVQ Level 3 in Frontline Management.



Recruitment

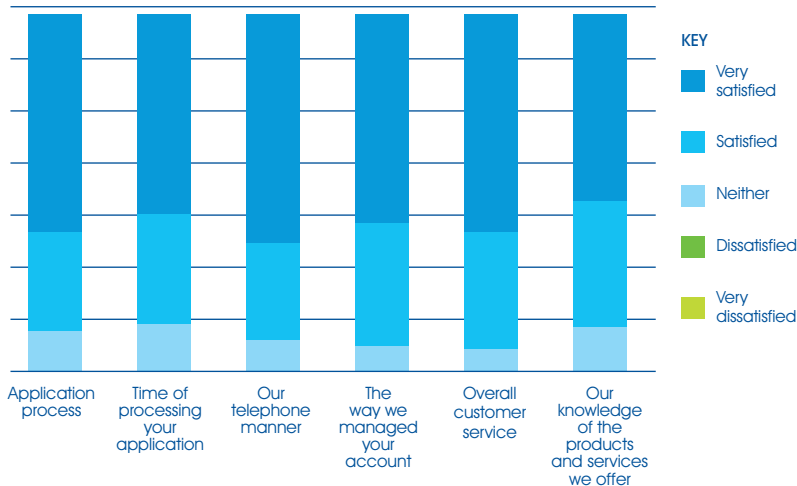
It is important for Citysave to appoint high calibre staff in every department within the organisation. Key to this will be raising the current skill level by introducing benchmark qualification levels which must be obtained prior to securing employment with Citysave. For example, GCSEs grade C or above or equivalent.

Staffing Structure

In addition to our core staff and management team Citysave has recently recruited three apprentices on the Advanced Customer Service apprenticeship scheme through Babington College. Each placement will last for 18 months. The apprenticeship scheme will give our new recruits the chance to gain a nationally recognised qualification whilst at the same time gaining practical experience. Internal training programs have been designed to ensure that each apprentice gains the skills and knowledge to carry out their role confidently and competently. The training framework will help Citysave to train the apprentices in a holistic way that will meet the future needs of our organisation. This is an excellent way for Citysave to ensure we maintain and develop a highly skilled workforce.

Citysave continues to work with external organisations such as BVSC and Aspire to recruit and train volunteers within the office. Our volunteers work in a variety of departments including Member Services, Finance, Outreach and Administration.

Overall, how satisfied you are with the following:



Loans update

Our product range is always under constant review to ensure they meet the needs of our members. A summary of our revised products are shown below.

The quick top up loan application has proven to be extremely popular and to improve upon this service we will shortly be implementing a 'loans top up update' on a monthly basis. This email update will confirm your existing loan balance and when you are next eligible for a top up. To register your interest for this new service, please provide us with your email address.

To ensure your loan is processed as quickly as possible, please remember the following:

- Applying online will ensure your application is processed quicker
- Ensure all questions have been fully answered
- Provide your latest one month's bank statement and two months payslips
- Provide details relating to any defaults, ccjs and debt management arrangements in place
- Emailing or faxing the above information will enable us to provide you with a more efficient service
- Ensure we are always kept up to date with any changes relating to mobile numbers and email addresses.

Please note we will now text updates at each stage of the loan process and will email (or post if we do not have an email address) your credit agreement for completion and return to our office.



Summary of our loan products

Homeowner Loan - 1.25% per month (16.1% APR) <ul style="list-style-type: none"> ✓ Maximum loan is £10000 (minimum £3000) ✓ Maximum term is 60 months ✓ Must be a homeowner ✓ Exemplary credit history is required ✓ Available to both new and existing members 	Payroll Flexiloan - 1.75% per month (23.1% APR) <ul style="list-style-type: none"> ✓ Maximum loan is £1500 ✓ Maximum term is 24 months ✓ Good credit history is required ✓ Only available to members who save through payroll deduction
Personal Loan - 1.5% per month (19.6% APR) <ul style="list-style-type: none"> ✓ Available to members with a minimum of 3 months regular savings ✓ Maximum loan is £10000 or 3 times your regular savings, whichever is the lower. ✓ Your savings to the value of a 1/3 of your loan will be frozen for the period of the loan 	Rainy Day Loan - 2% per month (26.8% APR) <ul style="list-style-type: none"> ✓ Maximum loan is £300 ✓ Maximum term is 36 months ✓ Only available to members with either a personal loan or payroll handloan
Car Loan - 1.5% per month (19.6% APR) <ul style="list-style-type: none"> ✓ Maximum loan is £5000 (minimum £2000) ✓ Maximum term is 48 months ✓ Exemplary credit history is required ✓ Available to both new and existing members 	Handloan - 2% per month (26.8% APR) <ul style="list-style-type: none"> ✓ Maximum loan is £3000 (restricted to £500 for members who are benefit dependent) ✓ Maximum term is 36 months (restricted to 12 months for loans up to £500) ✓ Excellent credit history is required for loans over £1000 ✓ Available to both new and existing members
Payroll Handloan - 1.75% per month (23.1% APR) <ul style="list-style-type: none"> ✓ Maximum loan is £5000 ✓ Maximum term is 36 months (restricted to 24 months up to £1500) ✓ Excellent credit history is required ✓ Only available to members who save through payroll deduction 	Premium Service (Personal loans only) <p>Members who have been saving on a regular basis for over 12 months, have an excellent credit history with no evidence of financial pressure will be considered for a loan 5 times their savings.</p>



Understanding Credit Scoring - how it works and how to improve it

Credit scoring was traditionally the reserve of banks and credit cards, but now we all share data including utility companies too. Most now either already share details of missed payments or defaults, or reserve the right to in future.

Our lending policy at Citysave is different to most other lenders; we have a duty to lend responsibly in order to protect our members money, and so we rarely lend to any members who are already struggling to pay their debts. We also check your credit rating, as part of our process.

There are some simple ways to improve your credit rating and make it easier and cheaper to obtain credit.

- 1 Get on the electoral roll
- 2 Never miss payments
- 3 Get a landline
- 4 Update or cancel old accounts
- 5 Reduce your debts
- 6 Don't pay anyone to help you pay your debts – debt arrangements do not address the defaulted positions so your credit rating stays low
- 7 Avoid insolvency if at all possible – i.e. Debt relief order, bankruptcy and IVA's have a significant impact on your credit rating for some years.



Longer opening hours



In order to help our Members that were finding it difficult to pop into our main office or any of the outreach sites, due to their working patterns, we have extended our opening hours.

Our normal opening hours are now:
Monday & Tuesday 9.00am - 5.30pm
Wednesday 10.00am - 5.30pm
Thursday & Friday 9.00am - 5.30pm
Saturday 9.30am - 12.30pm

Top tip: if you have trouble making payments on an existing debt, ask them to restructure it. This is a sign of responsible borrowing and means you don't show in arrears, whereas paying token payments will mean you are in default and your credit rating goes down.

Pay-day loans. Don't get caught out!

We are seeing a rise in loan applications from members wanting to re-finance pay day loans.

We would urge members to be mindful of the high interest rates being charged by some lenders.

We are always prepared to consider smaller emergency loans or to re-finance members struggling to repay high cost debt.



Members' news

Citysave is a vibrant and rapidly growing Credit Union and our strength comes from you, our members. The more members there are, the stronger we are.

We are on target to reach the milestone figure of 10,000 active members of Citysave during the early part of 2012, which is a tremendous achievement. We are rightly proud of this and it is a testament to the hard-work that our staff and volunteers have put in and also to the fantastic reputation for our service that you have shared with your friends and colleagues.

This is why member service will always be our number one priority. We rely upon our reputation and thank you for passing on your good news stories about us.





Update from the Chair

Annette King, Chair of Citysave advises "We have been recruiting directors for our Board, with a view to guiding and managing our organisation in a responsible and well governed manner. This is a period of exciting change with new legislation and new opportunities. I am delighted to welcome six new board directors and a Treasurer. Following approval at the AGM we will be working with our regulators to update our rule book for the benefit of all our members. We will keep you fully informed of all new initiatives. My board and I look forward to being of service, and thank you for your on-going support."

Lucy Hales - she recently started working for Nehemiah UCHA, who provide social housing for people across the West Midlands, as a Director of Houses and Care. Lucy has been working with Citysave for over four years delivering financial housing initiatives, during this time, Lucy has helped to develop the furniture loan and conduct mystery shops.

Ricky Joseph - he is a research fellow for Centre on Household Assets and Savings Management (CHASM) at Birmingham University where he leads on financial inclusion and is currently developing links with Credit Unions in both the UK and US. Outside of work he is a director at Trinity Housing and also a trustee of BVSC.

Nana Otu Turkson - Nana has worked for Birmingham City Council as a Chartered Surveyor for over five years and has in-depth knowledge of property. Nana has considerable experience including property surveying, legal knowledge and IT experience.

Byron Batten - Byron has worked for Birmingham City Council for 17 years as a HR professional responsible for employee recognition and core values, supporting over 5000 members of staff. He currently volunteers with YouSpeak, a theatre group, giving young people a voice whilst helping to build their confidence and self-esteem.

Members update

We have recently waived the joining fee, in addition to having already abolished the annual membership fee.

We are committed to making sure that our members receive value for money at all times. We do regret that we have to charge for some of our services and we constantly negotiate to obtain cheaper facilities for our members. Our full list of ancillary charges are below:

Standard services		Loans	
Joining fee	Free	Arrangement fee	Free
Annual membership	Free	Redemption penalty	Free
Statements	Free	Lump sum or additional repayments	Free
Text balance	Free	Delinquent loans	
Membership card	Free	Default notice	£10
Replacement membership card	£1	Solicitors letter	£10
Paying in to your account		Court action	- All costs and disbursements will be charged in full
At office or through post	Free	Withdrawal of savings	
Paypoint card	£1 for card	By bank transfer	Free
Pay in via Paypoint	£1	Next day faster payment	£2
Benefits transfer	Free	Alto card*	
Payroll deduction	Free	New card	Free
Direct debit	Free	Replacement card (within 3 years)	£6
Unpaid direct debit	£5	Load of funds onto Alto card	50p
Foreign currency cheque	We will pass on our bank costs	ATM withdrawal via Alto card	£1

*For more information please refer to the website

Dianne Beddows - Dianne recently took retirement from Waterloo Housing as a group health and safety manager for 550 employees where she was required to incorporate 'best practice' from across the group to enable compliance and has over 20 years experience within her sector.

David Hall - David is a Senior Associate at Anthony Collins with over 10 years experience in his field. Areas of expertise include: commercial law; contracts; regulatory law, data protection; ICT law; privacy law and freedom of information law. David is a non-executive on several Board of Directors.

Treasurer

In addition to our new directors we have also recruited a treasurer.

Chris Kehoe - Chris is a qualified Chartered Accountant with over 25 years experience. He has worked for several leading organisations, such as, British Rail, Deloitte, Lasercare Clinics and DHL Limited. Outside of work Chris has volunteered as a Treasurer for a challenge adventure group and also runs his own badminton club.

Apprenticeship Scheme

We are investing in developing our staff team of the future, and we currently have three apprentices working in our office:

Harry Ferris Day, 19, joined our loans team in September 2011. He is responsible for dealing with enquiries from our members regarding their loans.

Harry says 'Its great working here because it is a good experience and there are training opportunities available, it is well organised and everyone is friendly'.

Samina Hafiz, 17, and Bethan Williams, 19, joined our member services in November and June 2011, respectively. They are responsible for giving our members excellent customer service.

Samina says 'I am grateful for the opportunity Citysave has given me to be able to work for them and be able to share and enhance my skills'.

Bethan says 'I really enjoy working for Citysave. I especially enjoy helping members with any queries'.

Finance report

Citysave Finance Manager Scharlie Grindy presents our balance sheet as at 30th September 2011, and as agreed at the AGM on 3rd December.



The balance sheet is a statement of the credit unions assets and liabilities, which is independently verified by a highly respected firm of auditors. A full set of our accounts is available for any member who wants this.

As a membership organisation, you may be aware that our members save with us to enable us to make loans to other members. The interest on these loans finances the running of the organisation and any surplus funds are reinvested for the future benefit and sustainability of the credit union or returned to members as a dividend.

During the year, the contract with DWP was concluded and therefore the capital became part of the credit unions reserves. This ensures that the credit union is sustainable for future years as well as having funds to continue to loan to members.

Our income this year rose against our costs, and I am pleased to report that we made a surplus profit of £123,173. Most of this was returned to our members, and we were pleased to pay a dividend of 1.5%, one of the highest saving rates available on instance access savings. This was paid on 5th December into your share accounts.

We also put some of our surplus aside for property reserve, as our current lease expires in 2015.

Costs associated with bad debts continue to increase and this is a difficult area for us. We are aware of members being in reduced circumstances and wherever possible we will assist with a restructured loan. We do accept temporary reductions in payment though we make it clear at all times that we cannot write off loans and we will never do so.

We have recruited a debt collection officer with paralegal experience, and we use a debt collection company and a firm of lawyers to assist with pursuing through the courts. All bad debts result in a CCJ and wherever possible we will pursue attachment of earnings for those who work, or for those who are benefit dependent, we ask for benefits to be deducted at source.

I would add that all those who work with us to reduce and sort their debt do not see their credit rating impacted, and we regularly lend again to those who have put their accounts in order.

Our cash reserves have grown this year, though we have launched new loan products and extended our lending team so we hope that in 2012 we can lend more funds safely and carefully.

All in all, I am pleased with another good year, and see that we continue to use members' money wisely and build a strong credit union for the benefit of all our members.

All figures in £	2011	2010
Fixed Assets	52,193	50,466
Members Loans	3,730,664	3,911,007
Current Assets		
Debtors	38,035	27,894
Cash at bank	2,605,183	2,208,763
Creditors falling due within 1 year	(122,648)	(132,139)
Total assets less current liabilities	6,303,427	6,065,991
Creditors – DWP Grant funding		(438,557)
Capital and Reserves		
Members shares	5,325,207	5,332,217
Junior Savers	67,873	59,015
General Reserve	865,347	236,202
Property Reserve	45,000	
Members Funds	6,303,427	5,627,434

Reducing posting costs

It is very important to us to be able to contact you efficiently, however our postage costs have risen considerably to over £20,000 last year. Most of this post is spent in communication with our members.

We send statements, updates, newsletters to all our members, as well as responding and acknowledging requests. We are trying to make this more efficient wherever possible, and over half of our members have now signed up to receive information via email, and we are asking all our members if we may email you instead of posting.

This will stop any delays in the post, and help us serve you more effectively.

From 2012, for those signed up on email, you will receive monthly updates of your account and any relevant information. We cannot afford to do this where we have to post, but those who don't have email available, will continue to receive newsletters and statements every 6 months as you currently do.

Thank you very much for all those who can help us in this way.



Outreach

Citysave is committed to making our service more accessible for everyone.

Debbie Kinghorne, Development Officer, is working with all our payroll sponsor employers, and runs monthly outreach surgeries in most.

Koyelia Sirkar, Community Liaison Officer, has extended our work with libraries, community centres and particularly childrens centres, and now runs regular on-site surgeries in many locations throughout our city.

To find if we are near you, please check our social media sites or our website. If you want us in your workplace or community centre, please email enquiries@citysave.org.uk.

	Online/app	Outreach	Text	Telephone	Post	Branch
Open account	✓	✓			✓	✓
Apply for a loan	✓	✓			✓	✓
Check balance	✓	✓	✓	✓	✓	✓
Request statement	✓	✓	✓	✓	✓	✓
Transfer money to main account	✓	✓	✓	✓	✓	✓
Load your ALTO card	✓	✓	✓	✓	✓	✓
Info on products/services	✓	✓	✓	✓	✓	✓
Change your saving plan	✓	✓			✓	✓
Pay in cash or cheques					✓	✓



Find us at:

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www.twitter.com/#1/Citysave_Ltd
www.linkedin.com/company/citysave-credit-union-ltd
www.tumblr.com/blog/citysavecreditunion
www.citysavecreditunion.blogspot.com
www.citysavecreditunion.wordpress.com

Scan the QR code for your smart phone:



Would you like to be a Citysave Representative?



Our survey showed us that most members have joined through personal recommendation, and most of our members are happy to recommend us.

In September we held a forum for some of our current workplace and community volunteers, and Sean Lynch (Resource Officer) and Shauna Rollason (HR and Training Officer) have developed the Citysave Rep programme.

We will be offering certified training, personnel support, better guidance, and employment references for our Reps. We hope this will allow more of our members to be more involved in and engaged in our work.

The 4 training sessions will be available on line:

- Anti Money Laundering training
- Data Protection Act training
- Products and services training
- Best practice training

Sean will ensure that anyone who wants to be a Citysave Rep has access to the training at a convenient time to suit you, including lunch times, Saturday and evenings. He will also make sure you have up to date information and everything you need to be comfortable in representing Citysave at work events, fun days or just in the work place environment.

We have an active outreach programme, and with the support of local Reps we could support more activity across our City.

If anyone is interested in being more involved, please email Sean on sean.lynch@citysave.org.uk

