

SCOTWEST

where people count



AGM 2022

Our Vision

"Delivering better financial lives through caring about individual members and their happiness: growing together to become Scotland's leading credit union."

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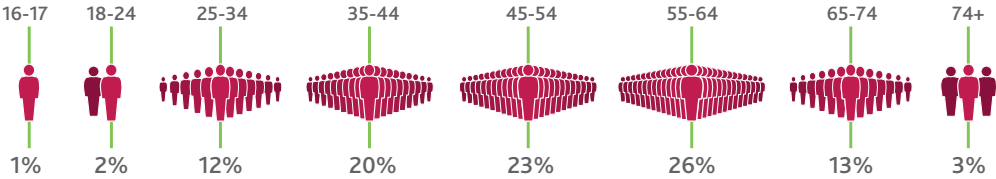
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Our Members

► THE NUMBERS ...



► AGE RANGE ...



Our Members (Continued)

total value of members savings



amount saved this year



► Christmas Savings Account



saved



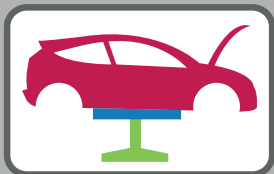
our lending increased by



► Reasons for Borrowing



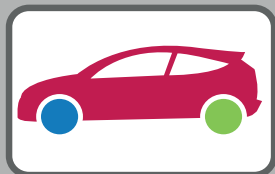
home improvements



car repairs



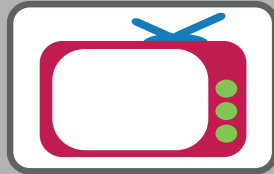
wedding



car purchase



consolidation



household items



bills



new baby



christmas



holiday



funeral



other

SCOTWEST

LOTTERY



► The Community Awards

HOW THE LOTTERY HELPED THIS YEAR ...



*given to these organisations
who were nominated by
Scotwest members:*



The **Irvine Youth Forum** aims to improve the life of young people across North Ayrshire through learning and social opportunities they undertake in their spare time. The Award funded their Truth on Teenage Sex programme which gives young people the opportunity to look after and care for a computer controlled baby recording how they did in responding to infant care needs.

The Community Awards (Continued)



Mull Native Woodlands Group raise awareness of local woodland habitats and the threats they face. They collect seeds from native trees on Mull growing them on a community nursery then sell the trees to local community woodlands and private land. The Award purchased root planters to help the group reach their goal of planting 30,000 each year.



Based in Glasgow the **Young Parents Support Base** supports parents up to the ages of 19 to continue with school and into further education and runs groups in local communities for young parents not within a learning environment and provides practical support and help for pregnant parents to be. The Community Award funded a summer programme of various activities for these young families from swimming, beach trips, soft play and much more.



ALLSORTS is a group set up by parents and carers to give their young people who live with learning disabilities a social life with their peers through days out, discos and events. The Community Award will fund a well earned 3 night break in The Rings in Fife in self-catering cabins for the families.



Dress For Success Scotland is a charity that supports women in their journey to financial independence by providing professional clothing, a network of support and personal skills to help them thrive in work as well as life. The Award purchased makeup and toiletry kits for clients.

Find out more about the Community Awards Winners at scotwest.co.uk/community-awards/winners/

Scotwest Directors Charity Awards

Every year a Scotwest Member is randomly chosen to select a charity to receive the £5,000 Scotwest Directors Charity Award.



This year Macmillan Cancer Support, who offer vital support to people living with cancer across Scotland. They were nominated by Scotwest Member Danielle Anderson who said "I've chosen this charity for the Scotwest Charity Award as they offered amazing support to my uncle throughout his treatment and I hope that this money can help them do the same for another person and their family."

SCOTWEST
where communities count



**32nd Annual General Meeting
to be held on Monday, 5 December 2022
at 6.30pm**

1. Ascertainment of quorum
2. Minute of previous Annual General Meeting – Monday 29 November 2021
3. Chairperson's Report
4. Chief Executive's Report
5. Questions from the meeting on Chairperson's and CEO's Reports
6. Election of Directors
7. Financial Statements and Auditors' Report
8. Questions on Financial Statements from the meeting
9. Appointment of Auditors
10. Rule Book – proposal for amendment to Scotwest Rule Book
11. Close of meeting

Chairperson's Report 2021/2022

Introduction

On behalf of the Board of Directors, I would like to extend a warm welcome to members for Scotwest Credit Union's 32nd Annual General Meeting.

Having adopted video meetings during the pandemic, we have decided to continue with this approach given our large geographic common bond. This extends access to the AGM regardless of a member's locality and in particular to those in our recently extended common bond, who live or work in the Highland, Perth and Kinross, Stirling and Dumfries and Galloway local authority areas.

Strategy and Business Plan

It cannot be underestimated just how turbulent the last twelve months have been for us all, from emerging post-pandemic to leaving the European union, then finding ourselves in the midst of a fuel crisis, in addition to global food shortages as a result of climate change. All of these factors, with the additional layer of political uncertainty and changing fiscal policy, has all led to a level of inflation not seen in the last 40 years.

The main focus of the Board during this extended period of economic uncertainty is to maintain a credit union that continues to serve the needs of its membership whilst ensuring ongoing financial resilience. We do this by creating a robust strategy, business plan and budget which we then monitor, review and adapt as the year evolves. The Board's aim is to maintain a prudential balance between savings, loans, member benefits and other costs, whilst working with our members and our communities to deliver on our purpose. In the shorter-term, this will require close monitoring and adjustment if required, given the prevailing situation.

In the longer term, in addition to the continued maintenance of the prudential objectives, the Board focusses on its commitment to supporting financial inclusion and building financial resilience in our communities; developing our digital services as well as ongoing social enterprise loan funding projects. At the heart of everything, however, is a commitment to ensuring Scotwest's continued sustainability, both in financial and ethical terms while doing everything we can to support members through these difficult times.

Governance

Scotwest continues to be governed by a voluntary Board of up to nine directors on behalf of its members. This year we have operated with a full complement of Directors until recently. Unfortunately, two members of the Board – Barry Douglas and Paul Leonard – have had to step down due to personal reasons. They have both made valuable contributions to the Credit Union during their terms, and the Board and I would like to thank them both and wish them all the very best for the future.

Chairperson's Report (Continued)

Governance (Continued)

Moving forward, this means we have two open vacancies for which we have candidates standing for tonight. The Nominations Committee has identified and worked with one member through the Directors' Academy, as well as re-engaged with a former Vice Chair of the Credit Union, both of whom I'm happy to say are standing for election tonight. In addition, we have four positions where we are looking to re-appoint the incumbents for various terms over the next three years in accordance with Rule 60.1. These re-appointments will assist the Board with its ongoing succession planning strategy. Biographies for all of the candidates can be found in the relevant section of the tonight's meeting papers pack.

It is also worth mentioning at this point that Scotwest's governance is strengthened by new Directors joining and passing through the Directors' Academy. As noted, we do have an ongoing succession plan in place to maintain the Board's strength and resilience. I would therefore encourage any member interested in joining a diverse, forward thinking governing body to take a look at the Credit Union's website and get in touch as soon as possible.

Dividend

The Credit Union's members are its owners, which means they receive a share of surpluses by way of a dividend. However, dividends are not guaranteed and are considered by the Board ahead of every quarter, carefully balancing the prudential and operating requirements of the Credit Union with the desire to reward members for saving what they can whenever possible.

The Board's approach to dividend has been cautious during these last few years of uncertainty and, having stopped paying this for a period of time during the pandemic, was happy to be in a position to reintroduce a small dividend payment from April 2021. Since then a dividend of 0.1% has been maintained this year. However, I am happy to say that the Board identified a further amount of £56k that it intends to distribute amongst members by way of a bonus dividend. Please look out for this going into your Scotwest accounts in December.

Supporting our communities

Over the last few years, the Board is proud that Scotwest has stayed true to its values and continued to promote a vision of the Credit Union that has a tangible positive impact on our communities as well as on wider society. The current cost of living issues facing us means that this is now more important than ever.

Following ratification at last year's AGM, our common bond extension means we can offer our affordable credit and payroll savings to more people than ever before, not only in west and central Scotland, but also as far as the Highlands.

We have also launched our first 'green' product this year, a car loan, with one of the most competitive interest rates on the market. We plan to develop a range of green loan products for members, in order to provide options for those who want them, so watch this space!

Chairperson's Report (Continued)

Supporting our communities (Continued)

The Credit Union has also continued to support a wide range of community organisations, who are similarly finding times tough, via our Community Awards scheme. Awarded quarterly, members can nominate a community organisation close to their heart for funding of up to £2,000 for a specific project. Members who are interested in this scheme should check the website for full details on how to apply.

Regulatory Disclosures

Scotwest is dual regulated by the Financial Conduct Authority and the Prudential Regulation Authority (PRA). The PRA requires that each credit union's Board will report to the members at the annual general meeting in respect of compliance with; Depositor Protection, Insurance and Additional Activities. Please see the attached appendix for further information.

Summary

In my first year as Chair of Scotwest, I am happy to say that 2021/2022 has seen a return to 'relative' normality following the worst effects of the pandemic. We recognise the need for ongoing and sustainable change; geographically, environmentally and technologically, and more and more members throughout Scotland are now able to take advantage of all the benefits they expect from a modern financial services organisation that has members interests at heart and not profit. Nevertheless, we now face new challenges in the year. It is crucial, therefore that we continue providing reputable financial options to our members, now and in the future. I would therefore urge all of our members, to consider Scotwest for your saving and borrowing needs and tell your family and friends about us and encourage them to look at how we can support them in their financial lives.

I would like to finish by taking the opportunity to thank everyone at Scotwest – both fellow Directors and staff – for their hard work and dedication shown to the Credit Union over this last year. It is to you, however, the members, that I extend a particularly heartfelt thanks for continuing to engage with and support Scotwest. Without an involved membership, the Credit Union would be unable to continue to provide the invaluable service that it does, and for that I am grateful to you all.

Cathy Jamieson, Chair

December 2022



Regulatory Disclosures

Depositor Protection

Scotwest members are protected by the Financial Services Compensation Scheme. This means we are required to comply with various regulatory requirements in respect of the deposits we hold. In accordance with the PRA Credit Union Rule Book Part 10.1 we can confirm that we are compliant with the requirements of Depositor Protection 11 and 49 to 51.

Policy of Insurance

The PRA Credit Union Rule Book Part 2.10 requires us to maintain insurance to protect against any loss suffered or liability incurred by reason of the fraud or other dishonesty of any of our officers or employees. In accordance with the PRA Credit Union Rule Book Part 10.1, we can confirm that we have complied with those requirements.

Additional Activities

The PRA Credit Union Rule Book Part 4 allows a credit union to carry out “additional activities” and provides additional compliance requirements. In accordance with the PRA Credit Union Rule Book Part 10.1, we can confirm that we have carried out the additional activities of “additional investments”, “additional lending” and “mortgages” and that we are compliant with the additional requirements thereon.

Chief Executive's Report 2021/2022

As the end of 2022 approaches, I can't help but reflect that we appear to be moving from one crisis to another and this is undoubtedly a very worrying time for many of our members and their families. It is therefore more important than ever, to say that Scotwest is here to support you; to provide you with the best financial help and advice possible, so that you can navigate your way through these difficult times and take control of your financial life.

Our dedicated 'Take Control of Your Financial Life' and 'Struggling With Debt?' sections of the Scotwest website contain a wealth of up to date information from the Money and Pension Service's Money Helper team on subjects such as living on a budget, paying bills, dealing with debt and looking after your mental health. There are also links to a variety of organisations who provide financial help and advice, as well as guidance on what benefits might be available to you. All of this is available to members for free, so I would encourage anyone worried about the present climate to take a look.

Scotwest is built on co-operative values, and we believe strongly in equity and sustainability; it's in our DNA. We also know that access to financial services is essential for dignity and a decent life, and our purpose is to broaden financial inclusion and promote members' financial stability, security and wellbeing. Just as we have done for over 30 years, we continue to utilise the strength of our wideranging partnerships to support and strengthen both our members' financial lives, and our communities across Scotland.

One thing that sets us apart from mainstream lenders, is that we are not inextricably tied to the Bank of England base rate. This means that the recent interest rate rises have had no immediate impact on our borrowing rates. Scotwest is therefore able to continue to offer straightforward, accessible and fair savings and loan products at extremely competitive prices. This includes our mortgages, so if you are currently looking to buy, move or just switch your mortgage, please get in touch to see how we can help you.

Performance

Savings

Members have continued to save regularly throughout the year, but following unprecedented growth over the previous two years, we have seen this slow with a savings net increase of £670k (0.75%) this year, the lowest level we have experienced in over five years, unsurprisingly this is due to members starting to dip into their savings more often in the second half of the year. This being said, our savings book still sits at the highest level it has ever been, finishing the year just under £89.7m with the majority of our deposits continuing to come via our excellent payroll service, supported by over one hundred Select Employer Partners across Scotland.

Our Christmas savings account continues to be hugely popular, this year again paying out a record breaking amount to members in November – well over £3.2m. These accounts are a fantastic way to help budget for Christmas each year, so if you do not already have one and want access to an easy way to save for the festive season, please do get in touch to find out more information.

Chief Executive's Report 2021/2022 (Continued)

Loans

The Rule Book amendments were included in the AGM pack available on the website.

We have continued to experience a healthy demand for loans from members, with the loan book showing a steady growth across the year, finishing year end at the highest level it has ever been, £51m. That's an increase of £2.4m (5%) for the year. It's great to see our members continue to turn to the credit union and to continue to benefit from fair finance.

As we enter the new year with a lot of uncertainty around rising living costs for everyone, we recognise that there will be particularly difficult times ahead for some members. Please remember though, that this is your Credit Union and we care about your financial lives. If you do find yourself in need of extra support at any stage, please do get in touch with us as soon as possible and we will do whatever we can to help.

Capital

As an authorised UK deposit taker, Scotwest is regulated in a similar way to banks and building societies and is required to meet extremely high standards of prudence in order to protect members' savings. One of these standards is the Capital Ratio. Capital is the equivalent of 'rainy day savings' for the credit union, and in times of stress it helps to ensure we continue to be here to serve the members of today as well as the members of tomorrow.

People

It takes a lot of different people to keep Scotwest headed in the right direction – Directors, staff, and members – but all of them are at the very heart of the Credit Union.

Each of our Directors are volunteers, as well as members themselves, who freely contribute their time to the running of the Credit Union so that Scotwest can continue to help its members enjoy the benefits of being part of one of the most successful co-operatives in the country. The role played by the directors is invaluable to the continued success and resilience of Scotwest I would therefore like to extend to them my personal thanks for their support and dedication to the credit union and our members.

I would particularly like to mention two of our outgoing directors, Barry Douglas and Paul Leonard, who regretfully have had to take the decision to step down this year due to unforeseen circumstances. I would like to thank them for their respective contributions to Scotwest and wish them well for the future.

The team at Scotwest has also continued to play a vital role in helping reach where we are today. It is the operational team and support staff who keep the credit union running day to day, helping and supporting members and providing the real member value that you experience as a credit union member. They all work extremely hard and are dedicated to putting members first and I would like to say 'Thank You' to and every one of them as they carry on doing a fantastic job for us all.

Chief Executive's Report 2021/2022 (Continued)

People (Continued)

Finally, a heartfelt thanks goes to each and every one of you, our members. Without members, the Credit Union would not exist. We have built a community of likeminded people, passionate about doing the right thing. So whether you save, borrow, or do a bit of both, please always keep in mind that by doing so you continue to play a part in what we do and what we achieve.

On behalf of myself and the staff, I would like to take this opportunity to extend our best wishes for the festive period ahead and to thank you for your ongoing membership and for being part of our Scotwest family.

Thank you.

Frances McCann, CEO

December 2022



Scotwest Credit Union Director Election 2022

Biographies

Justine Carter

Justine joined Scotwest in 2021 and is a graduate of the Directors' Training Academy. If elected, this will be her first term serving on the Board of Directors.

She has enjoyed a long career in IT and project management in both the aviation and financial sectors, including a spell working and living in New Zealand. In recent years she has also taken up a range of voluntary opportunities with organisations including Citizens Advice, as well as taken part in Natwest's MoneySense programme delivering financial education in schools.

Justine hopes to be able to use the knowledge and skills that she has gained throughout her career in supporting a financial services organisation that puts fairness, inclusion and individual wellbeing at the heart of its model. Through her previous roles, she has become very aware of the importance of financial education and providing simple, transparent products that help people make smarter financial choices and would like the opportunity to contribute to Scotwest's work in this area. She also hopes that she'll learn more about the sector in general, be able to explore new opportunities and make some friends along the way!

Stephen Wood

Stephen has been a dedicated member of Scotwest since 2014 and previously served as Vice Chair of the Board of Directors. Having completed his second three year term in early 2021, Stephen was coopted by the other members of the Board to re-join when a casual vacancy arose in April this year. He now hopes to be re-elected as a full member.

Having worked outdoors for North Lanarkshire Council for several years, Stephen has also used his spare time volunteering with the Children's Panel, Independent Custody Visiting, and also during the Glasgow Commonwealth Games. This has given him a good balance between taking part in both manual and mindful activities. Stephen believes that, as a Director, he has the opportunity to continue to develop his knowledge of financial matters and be able to help the Credit Union's members as a result. He has already gained good insight into the sector, as well as having been able to build his own confidence in a variety of different settings, and hopes to have the opportunity to continue representing Scotwest for many more years to come.

Cathy Jamieson

Cathy is one of Scotwest's longest standing members having joined in 1991, and has served as Chair of the Board since earlier this year. She was first appointed as a Director in 2017 and is seeking reelection to help guide the Credit Union in this position over the next three years.

Scotwest Credit Union Director Election 2022 (Continued)

Biographies (Continued)

Having graduated from Glasgow School of Art, Cathy has had a varied career, most notably in politics. She was one of the original cohort of MSPs elected to the inaugural modern Scottish Parliament in 1999, and spent the best part of the following 20 years representing her Ayrshire constituents at both Holyrood and Westminster. This included a spell as Scottish Minister for Education and Young People, followed by a stint as Minister for Justice, in addition to serving as Shadow Financial Secretary to the Treasury while an MP. Either side of this, Cathy has worked in social work settings at a senior level, and is also a Director of the Killie Trust, representing the body on Kilmarnock FC's main Board.

Cathy is a passionate believer in the mutual approach to banking and financial services, and has been involved in the Co-operative movement for many years. Having used Scotwest as both a saver and a borrower, she wants to continue giving the Credit Union's members a voice to help shape the future and assist it in continuing to grow for years to come.

Ian Turner

Ian is another longstanding member of the Credit Union, also having joined in 1991. Ian was first elected to the Board of Directors in 2017 and currently serves as Vice Chair. He is seeking re-election to help move Scotwest forward over the next three years.

The majority of Ian's career has been spent in social work, in both the local authority and voluntary sectors. He has also served both on the front line as well as in management positions. Ian is a steadfast believer in the principle of mutuals and wishes to be able to continue helping Scotwest develop and flourish. He believes that being part of the team at Scotwest striving to work for its members and moving forward in a difficult financial climate has given him a greater understanding of the workings of the sector in general, and the experience and skills he has gained have already provided the Credit Union with a great deal of expertise. If re-elected, Ian is committed to continuing to contribute in the same way as he has over the last 6 years.

John Begg

John is an experienced finance manager who previously worked in the same capacity at Scotwest between 2016 and 2017. He has been a Director since 2018, firstly being co-opted before being elected to fully sit the following year. John is looking to be re-elected for a period of twelve months to assist the Board with its succession plan.

John feels he has been able to contribute meaningfully to the Board via his financial expertise, while at the same time assimilating well with the other Directors in pursuit of the valuable service the Credit Union provides to its members. His time on the Board so far has given John an understanding of the good work that Scotwest does in encouraging savings of all levels and offering financial support to people when they need it. In being re-elected he hopes to continue playing a part in delivering this important support and service.

Scotwest Credit Union Director Election 2022 (Continued)

Biographies (Continued)

Alex Ibe

Alex has been a member of the Scotwest Board since November 2015, having joined the Credit Union earlier that year. He is the longest continuous serving current member of the Board, and while presently completing a one year term of office, is now seeking election for a further two years to also assist the Board with its succession plan.

Alex has many years' experience in the financial sector as a senior consultant and business development director. He originally joined the Scotwest Board in order to help further represent the African and other minority ethnic communities in Scotland by using his industry experience. He hopes to continue to use his platform as a Director to make a difference in helping the Credit Union improve its members' financial stability and further develop Scotwest's network amongst its Directors.

Thank You

We would like to extend our thanks to all of the stakeholders that we have collaborated with throughout the year.

- The Financial Inclusion Centre
- National Credit Union Forum (NCUF)
- The Building Societies Association (BSA)
- Scottish League of Credit Unions (SLCU)
- Association of British Credit Unions (ABCUL)
- Social Investment Scotland (SIS)
- Work and Save
- Action for Financial Inclusion



Action for Financial Inclusion

Loans ► Savings ► Mortgages



call
0141 227 2390
or...

...online at
scotwest.co.uk
or...

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**13 Elmbank
Street, Glasgow
G2 4PB**



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