

NEWSLETTER

March 2012

Hastings & Rother Credit Union Ltd

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A Savings and Loans Mutual Society



ANNUAL GENERAL MEETING

The AGM for the 2010-11 year will take place on **Monday 26th March** in the Training Room at the Community Information Centre, 16 Silchester Road, St Leonards. It will begin at 7.30pm with light refreshments available. The annual accounts will be available at the meeting.

This is your once-a-year chance to hear what your board of directors has been doing and to influence the future of the credit union. We look forward to seeing you.

It is very important that enough members attend the AGM for the meeting to go ahead so please make every effort to be there. If you are likely to have difficulty getting there, please contact the office and we will try and arrange transport for you.

Corporate Membership

Following recent rule changes, we can now accept corporate members and have already had some interest and signed up our first even before advertising the fact. If you are involved in a Residents' Association, Parish Council, Parent Teacher Association or any other small group that has funds it could place with the Credit Union to help us provide our services to the community, please contact us. Corporate members can take out loans in the same way as individuals.

Dividend

Once again, thanks to very careful management of our limited resources, we have made a small surplus during the financial year to 30 September 2011. However your directors have decided not to propose a dividend in the light of the continuing uncertainty about future funding.

Payroll Deductions

Staff at East Sussex County Council are about to be encouraged to join the credit union and will be able to pay into their account directly from their pay. Staff at Hastings Borough Council and AmicusHorizon can already do this. If you work for a large employer, why not suggest they contact us and start a similar scheme.

ARE MY SAVINGS SECURE?

Important information about compensation arrangements

We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to depositors if a credit union is unable to meet its financial obligations. Most depositors – including most individuals and small businesses – are covered by the scheme.

In respect of deposits, an eligible depositor is entitled to claim up to £85,000. For joint accounts each account holder is treated as having a claim in respect of their share so, for a joint account held by two eligible depositors, the maximum amount that could be claimed would be £85,000 each (making a total of £170,000). The £85,000 limit relates to the combined amount in all the eligible depositor's accounts with the credit union, including their share of any joint account, and not to each separate account.

For further information about the scheme (including the amounts covered and eligibility to claim) please call us on 01424 202651 or ask at our office, refer to the FSCS website <http://www.fscs.org.uk/> or call 0800 678 1100.

Main Supporters: East Sussex County Council, Magdalen & Lasher Charity, Sussex Community Foundation, Orbit South Housing Association, AmicusHorizon, St Vincent's Family Housing Association and Hastings Trust.

Authorised and regulated by the Financial Services Authority. FSA Ref. No. 213644

OFT launches review into payday lending

After a lot of campaigning by credit unions, MPs and others concerned about the damaging effect of payday loan companies, the Office of Fair Trading has decided to investigate them. The review will focus on giving loans without first checking that the borrower can afford to repay the loan; targeting particular groups of people with clearly unsuitable or unaffordable credit; rolling over loans so that charges escalate and the loans become unaffordable; not treating borrowers that get into financial difficulties fairly.

This is very welcome news as these companies offer what may appear a very attractive service but which, on many occasions, leads to massive debt as people struggle to repay the loan by payday.

Credit union urges payday loan rate cap

The director of 6 Towns Credit Union in West Bromwich, has called on the government to cap the maximum interest rate levied by high-cost credit providers. Martin Treadgold, said some of the rates were "unethical". "What I'd like to see is rates capped at a reasonable level in line with many of other European countries," said Mr Treadgold.

"Frankly 4,000 odd per cent isn't reasonable, isn't necessary and isn't ethical."

There has not been a cap in the UK since 1974 when a 48% upper limit on interest was scrapped.

Britain remains one of the few places in Europe without a legal cap. In many European countries maximum rate caps are between 15% and 22%.

Website

Our website has been completely updated and now includes full information about all our services including all the forms you may require which can be



downloaded. You can print them off, complete them and return in the usual way or by email if you have access to a scanner. Please take a look at www.hrcu.org.uk.

Payday lender MiniCredit apologises over 'threats'

A payday lender has apologised to customers who received emails threatening to contact their employers if they did not settle their debts. The National Debtline says it heard of numerous cases where MiniCredit acted in an overly aggressive manner. MiniCredit says it has taken steps to ensure it does not happen again.

27-year-old Emma Burgess from Manchester took out several payday loans last year when she had to move out of a shared flat and needed money to cover the cost of new accommodation. When she found herself unable to pay back her first payday loan she borrowed more cash from another lender to pay it off. Miss Burgess says MiniCredit was the only creditor to refuse to help her manage her debts. Instead, she received a reply saying they might contact her employer and start legal action against her.

"It was quite worrying being sat at work and wondering whether, when the phone rings, it's going to be them speaking to your boss about your financial problems"

But her debt soon spiralled until she owed money to seven payday loan providers.

INFORMATION POINTS

AmicusHorizon

45-51 Chiltern Drive, Broomgrove
Mondays 10-11am

Community Information Centre

16 Silchester Road
Tuesdays 11am to 12 noon

Tile Kiln Community Café

Tilebarn Road
First Wednesday 10am to 11am

Hollington Youth & Community Centre

1 Wishing Tree Road North
Thursdays + Fridays 8pm to 9pm

Isabel Blackman Café

Winding Street, Hastings Old Town
Last Tuesday in month 11am-12 noon

Hastings Trust

35 Robertson Street,
Fridays 10am to 12 noon