



Kingdom Community Bank
Fair • Inclusive • Friendly • Ethical

Newsletter

February 2023



Sofia Dogan
Chief Executive Officer

I'd like to thank you for being a Member of KCB and we - the Board and full staff team - look forward to serving you during 2023.

Welcome from our CEO

I'm delighted to be reaching out to all of our Members through this newsletter. 2022 was a difficult and challenging year for many, including all credit unions and financial firms. Here at KCB, we worked hard to reduce our costs, streamline our processes and deliver the best services we could for Members.

We didn't manage to get in touch as often as we had hoped, but we're putting that right now, and we'll be reaching out a bit more during 2023. We're exploring some new project ideas and other opportunities this year, to grow Membership, introduce further improvements and benefit our Members in more ways.

Please take a few minutes to read all of this newsletter - there's some useful information for all Members.

Annual General Meeting



Wednesday 08 March 2023 at 6.00pm using Zoom

To attend the AGM, you'll need to book your place.
Instructions on how to use Zoom are available through the booking system.
To book your free place go to www.kingdomcb.org.uk/aggm

Our AGM is an important meeting for Members - it's your chance to have a direct say in the running of your Community Bank!

Members can connect from their computer, tablet or smartphone from anywhere, allowing, for example, those with caring commitments or health issues to participate.

The AGM is an opportunity for Members to hear from Directors, the CEO and our external auditor about our performance and future plans. Importantly, it's where Members can elect Directors to run the credit union and vote on certain matters like fees and dividends.

Director recruitment

Your credit union is run by volunteer Directors who appoint paid staff to carry out most of the day-to-day operations. Directors are elected by Members to oversee the running of the credit union, to set policy, oversee finances and ensure legal and regulatory compliance.

Directors have access to a range of training opportunities to help them to fulfil their role.

Crucially, Directors are Members, just like you! We're always looking for new Directors. If you'd like to find out more about becoming a Director please get in touch with us for an informal discussion.



You said it!

Complaints have plummeted . . .



. . . and compliments rocketed!

We're absolutely delighted that more Members than ever before are recognising the hard work that goes into running your credit union and serving our Members.

Here's just a few of the compliments we've had in the past couple of months.



I just wanted to send you all an e-mail to say a quick thanks.

You knew my loan was wanted for Christmas after my conversation yesterday.

Yesterday evening I applied and I want to thank you for how quickly it has been dealt with - I've already signed to accept it.

You're all wonderful.



I have to say the best thing I have ever done was join KCB - you are always happy to help me over the phone or by e-mail.

Wow - such efficient service.



OMG! Thank you so much, you have made a dream for us come true!!!!



The loan process was easy and when I called the staff were very helpful and professional - thanks for the help.

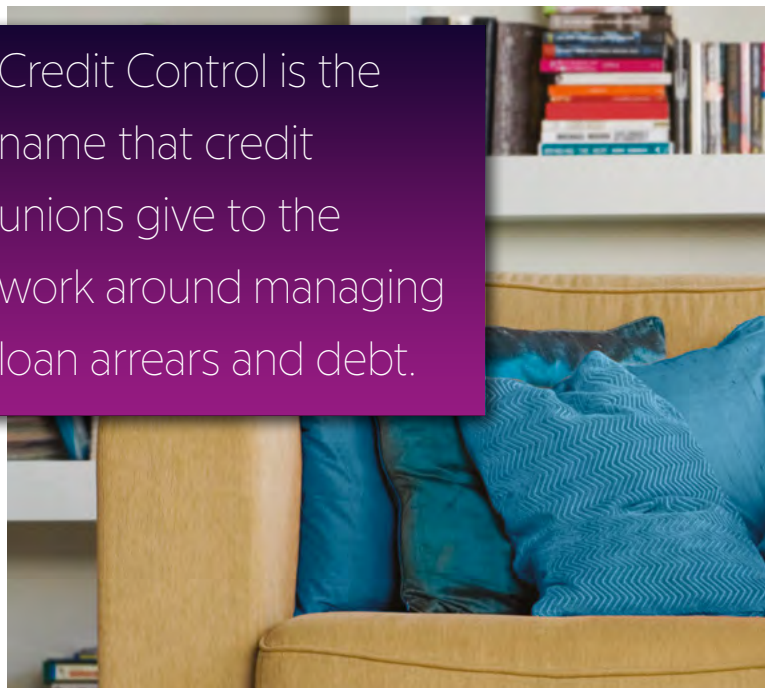


If you've had a bad experience then please do let us know - it gives us an opportunity to learn and improve: www.kingdomcb.org.uk/feedback

Please note that we won't look into complaints about loan decisions unless you can provide a specific reason why you believe that we've not adhered to our Lending Policy.

Focus on: Credit Control

Credit Control is the name that credit unions give to the work around managing loan arrears and debt.



Credit unions need to have loans repaid in order to keep trading and helping Members. If Members don't repay loans, credit unions have to close.

Inevitably, some Members get into extreme difficulties and need support and/or time to get back on track. Credit control seeks to work with those Members to understand the issues and come up with solutions, and ultimately an agreement on how to move beyond the challenges.

When Members work with us in this way, and talk to us, we almost always end up with an agreed solution that helps them to move forward positively.

When Members don't talk to us and ignore us, we're left with difficult decisions to take around protecting Members' money.



The less pleasant, but necessary, part of credit control is taking formal action to recover monies from Members - including taking people to court. We don't want to do that because it costs money and increases stress, so we always seek to work with Members first.



If you receive contact from Credit Control, please don't ignore us, engage with us and we'll do what we can to work with you.

During this past year, we recovered more than £70k through credit control measures - helping to protect Members' money and keep interest rates affordable and make dividends more likely.

we've been delighted that some Members have really appreciated us reminding them [they've stopped meeting their repayments,] reaching out to offer support and helping them to find ways of getting back on track

Although some Members are not keen to be contacted when they stop meeting their loan repayment terms, we've been delighted that some Members have really appreciated us reminding them, reaching out to offer support and helping them to find ways of getting back on track: *"I will honestly continue to work with you guys, I know I can always turn to you when I am looking for help".*

Here's another couple of examples where we've helped Members through credit control:

A Member experienced issues when she was switched over from legacy benefits to Universal Credit. Due to family issues affecting her mental health she did not initially maintain contact, however once she did engage she kept in regular contact with Credit Control to update us on the progress of redirecting her benefit, and set up a repayment plan to clear arrears and continue with payments.

Member's account is now back on track. Because of this, we can take this into consideration when she applies for future loans. The Member told us multiple times that "Christmas is covered" because she always comes to KCB for a loan at Christmas time. Had she not engaged with credit control to resolve issues on her account, this may not have been possible in the future.

We had a member recently contact us after receiving a text reminder that her payment had been missed:

She explained that she was very grateful for the reminder as she was unaware the Standing Order had been missed due to a bank holiday. Member expanded that she is very conscious of her credit profile as she is making efforts to improve this and had we not issued her with the reminder she may not have noticed the missed payment and her credit rating would have been negatively impacted.

Member who we had to contact about their child benefit amount reducing to a level that did not cover full agreed loan repayments:

This in turn led to conversation about what benefits they may be entitled to, and we noticed that she could also get the Scottish Child Payment, increasing her income.

Member came into branch to clear a historic balance after we contacted him:

He hadn't realised the outstanding balance was causing him issues when applying for a mortgage.

We don't want to take legal action, but if we have to, we will. We need to protect Members' money and will take action against those who do not work with us in good faith.

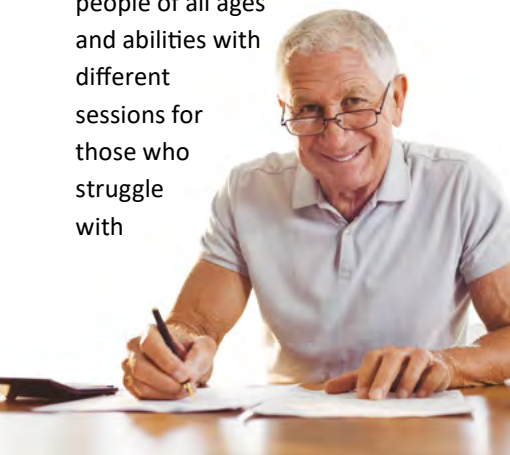


Budgeting with Confidence

With high inflation and a cost-of-living crisis, it is more important than ever to have good number skills to be able to budget better. Some people find this tricky, for lots of different reasons.

We're delighted to announce that we've just secured a grant from the UK Shared Prosperity Fund - Multiply to develop a new programme to help Members who want to improve their confidence around using numbers and budgeting. The programme is aimed at

people of all ages and abilities with different sessions for those who struggle with



it is more important than ever to have good number skills

and Improving Number Skills

numbers, those who need a refresher and those who haven't used number skills since they left school. The household budgeting sessions and support are for all Members, regardless of number skills and confidence. All sessions and support are free, some activity will take place face-to-face in community venues near you and others will be done online. We can offer one-to-one support in some cases too.

We will get in touch when we have more details to share. In the meantime, to register your interest (with no commitment) please go to www.kingdomcb.org.uk/numbers

Member Information Sessions for 2023

- Staying safe online and avoiding scams
- Keeping home energy bills down
- Understanding and lowering your credit rating
- Understanding Council Tax, including discounts, exemptions and managing any potential arrears
- Managing a household budget

Make sure we have your e-mail address - we'll let you know more about these sessions and other information about your credit union by e-mail during the year.

Special Offer for 2023!



Christmas Savings Club

We're delighted to be re-launching our Christmas Savings Club. To encourage you to save for Christmas, this savings account can be paid into throughout the year, but savings can only be withdrawn/transferred from October each year. To help sweeten the deal, each month in 2023, KCB will credit one randomly selected Christmas Savings Club account with £10*. To find out more about our Christmas Savings Club please visit www.kingdomcb.org.uk/Christmas



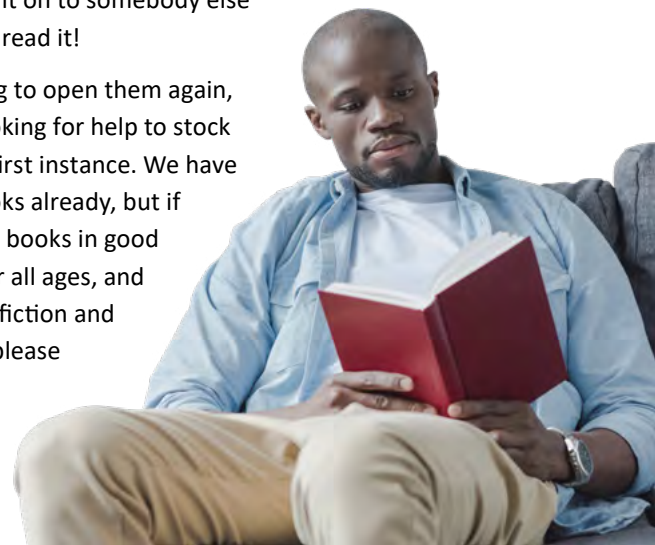
*Terms and conditions apply, please see www.kingdomcb.org.uk/Christmas for full details and terms.

Free Little Libraries - seeking book donations

Just before the pandemic started, we announced our plans to open Free Little Libraries in our branches. These allow you to come and help yourself to a book, with no commitment to return it. You can pass it on to somebody else when you've read it!

We're looking to open them again, but we're looking for help to stock them in the first instance. We have over 100 books already, but if you have any books in good condition, for all ages, and all subjects - fiction and non-fiction, please hand them in to a branch.

Thank you!



New public internet access computer in Glenrothes



We've just installed a computer in our Glenrothes branch for free use by Members. You can log in to your KCB account, apply for a loan, login to myworldofwork, your DWP account or any other website including online shopping so that you can access discounts and compare prices. We know that not all Members have access to a computer device and some rely on

phones which can offer a poor experience, and completing some online forms can be very difficult on a mobile device. Our staff can help with basic use of the computer, but unfortunately we cannot help you to complete online forms other than KCB forms.

free to use!
staff can help with basic use of the computer

easier to complete forms than on a mobile

use the computer to access eg price comparison sites

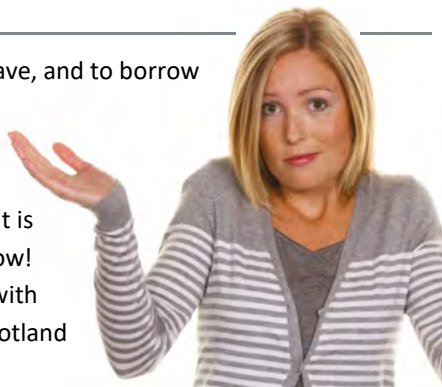
Get your benefits paid into your KCB account?

We're happy to continue to receive benefits from those Members who are saving or borrowing through KCB.

If you're just having benefits paid in, and then transferring the full amount out of your account, we're going to introduce changes to either charge for this, or close the account.

KCB is for Members - to save, and to borrow - when they need to.

Also, we'd ask you not to contact us to ask when your next benefit payment is due because we don't know! We have no relationship with DWP or Social Security Scotland that means they tell us in advance. All benefit recipients will have been told when their benefits will be paid, and if you're not sure you need to contact the provider, not us. We simply can't answer that question and so it frustrates Members and wastes our time.



please don't ask us when your benefit payment is due because we don't know!

You Own KCB!

It's true - as a community-owned co-operative, our Members are shareholders who own a part of KCB.

That means we really are here to work for you, not faceless corporate or private investors.

The decisions we take are designed to benefit our Members, nobody else.

If you've got any suggestions on how we can further improve our services, please do get in touch.



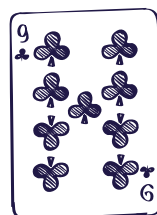
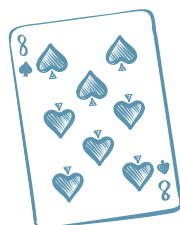
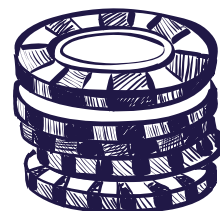
Gambling - help is available



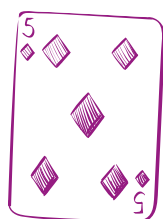
Winning money can feel good, especially when money is tight, but the chances of winning money can be very low indeed, with many people spending a lot more money than they win.

More importantly, it can be addictive and soon spiral out of control as you chase the next big win.

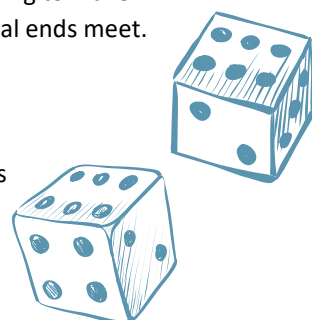
Gambling affects more than your loan approval chances - evidence shows it can break up families, lead to homelessness, serious health issues and worse. We see evidence of some of our Members trying to win money as a way to manage through the current financial climate.



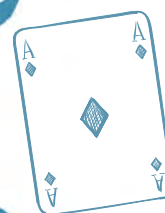
Gambling is rarely an answer and causes more harm if you are already struggling to make financial ends meet.



Please talk to your GP or established charities like Gamblers Anonymous Scotland for support.



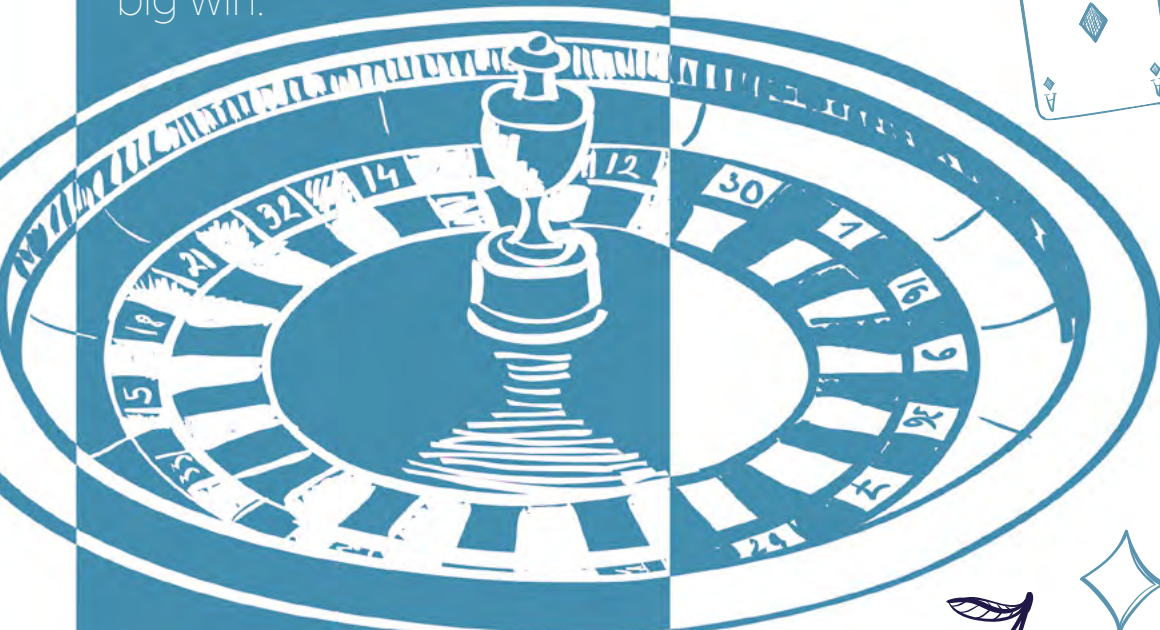
GA Scotland has meetings in Dunfermline, Kirkcaldy and Broughty Ferry www.gascotland.org



If someone you know is a gambler and their gambling is affecting your life, you may wish to visit the website of Gam-Anon.

Gam-Anon supports partners, family and friends where someone else's gambling is causing issues for them. For more information see

www.gamanonscotland.org



Payday lenders and loan sharks

There are companies and people out there who prey on vulnerable people, and a financial crisis presents an opportunity for them to make a lot of profit from those in our communities who can least afford it.

Offers of instant cash to pay bills can seem attractive, but research shows that many of those loans can take years to pay back, the interest payable is many times more than the amount borrowed and financial problems worsen rather than improve, often resulting in stress and other health issues.

Some of these lenders are known as loan sharks - these are illegal money lenders who target vulnerable people, charge horrific interest rates and can often be very threatening and intimidating when collecting payments. You are not in trouble if you have borrowed cash or have been paying back a loan from an illegal money lender - they are the one committing a crime, not you. You should report any illegal money lenders to stop them preying on more vulnerable people in our community by calling the **Scottish Illegal Money Lending Unit's confidential helpline on 0800 074 0878** (it's open 24 hours, 7 days per week).

At KCB, our loans are much more affordable, we support our Members who get into difficulty and we're properly regulated to ensure we treat all Members fairly and responsibly. We can't pay out loans instantly upon application, but we can payout loans to eligible Members within 1 working day (that's our new average loan payout time throughout most of the year).

Don't wait until you are absolutely desperate for money before considering options - seek help as soon as possible

Consider getting some independent, free advice. Produce a household budget to help you to see where your money goes and consider options to reduce outgoings where possible. KCB staff can only provide information about our savings and loan products, we're not able to give independent financial advice. We will always do what we reasonably can to help our Members to manage their money and any debt they may have.



Struggling to repay your KCB loan?

Please get in touch with us just as soon as you think you'll struggle.

We really will do what we can to help.

We understand that circumstances change and at times it can be difficult to make ends meet. We don't want our Members to fall behind on their loans and end up with an impacted credit rating, penalties and legal implications. Please get in touch with us just as soon as you think you'll struggle. We really will do what we can to help. We can do more if you talk to us. When we reach out to Members they often ignore our attempts to contact them - of course we want to see loan repayments but we want to talk to you to understand the situation and consider options to try and help and reach an agreement that avoids negative consequences.

A Member had moved away from Fife and forgot about her loan. She thanked us for getting in touch to remind her and can now start improving her credit score.

Please remember
- **struggling? Talk to us,**
we're here to support
our Members.



Some facts and figures about KCB

The loan approval rate is just under

90%

The staff team processed just over

19,000

Member requests made through our online request system

Around

1/3

of Members took out a loan over the last year

Over

850

people applied to join during the last year

Capital-to-asset ratio has gone up from

11.64% to 13.7%

a key measure of the strength of a credit union

We processed more than

4,000

loan applications over the last year

Are you receiving the Benefits you are entitled to?

Fife Council has a new online tool to help Fifers to identify benefits they may be entitled to.

It's a confidential, anonymous, free tool and can be accessed through the our.fife.scot/gethelp website. There's lots of other information and support there too, so please do take a look for ideas on reducing costs and accessing support in your community.