



# Special General Meeting 14 October 2020

**Presented by the Board of Directors**

Chair – Bindu Varkey

# Welcome

- Thank you for attending this evening's meeting
- Confirmation of attendees
- Process
  - SGM Meeting 1
  - SGM Meeting 2 - subject to outcome of today

# Agenda

- Confirmation of Quorum (minimum 15 members present)
- Summary of the proposals
- Questions on Proposal 2
- Vote on Proposal 2
- Questions on Proposal 1
- Vote on Proposal 1
- Summary of decisions
- Close of meeting

# Proposal 1 & 2

- **Proposal 1**

The Directors are recommending that there be a transfer of undertakings of OCU's assets to another Credit Union called Swan Credit Union, which trades as Swan Community Bank.

- **Proposal 2**

The Directors recommend that the Oxfordshire Credit Union common bond be increased to include South Oxfordshire Housing Association (SOHA) and that rule 7c. and 7d. be changed as per below with the addition of the words in italics.

**c. An individual who is employed by the following employers:**

- i) South Oxfordshire and the Vale of White Horse District Council
- ii) Oxford University Hospitals Trust
- iii) Oxford Bus Company
- iv) *South Oxfordshire Housing Association*

**d. An individual who is otherwise associated with other individuals through being a tenant of the above Housing Associations.**

# Merging with another Credit Union

- The OCU Board have been discussing a strategic future for over a year
- Credit Union Solutions (service provider) contract comes up for renewal in 2021
- Looked at other options
- Looked at other credit unions
- Spoke to ABCUL
- Spoke to our regulator, the PRA
- Considered what would be best for OCU members

# Merging with Swan Credit Union

Members will still have the same access to their account:

- Withdrawing funds
- Adding funds
- Borrowing funds through loan products
- Savings
- Debit Cards
- Online access
- Telephone access

# Merging with Swan Credit Union

Members will benefit from:

- Continued Oxfordshire brand
- Enhanced online offering
- 24/7 access – through an app for a smartphone and/or through website
- New tailored products
- Tailored messages to members
- Banking facilities – in the near future

# Merging with Swan Credit Union

Members will benefit from:

- Focused activity by OCU Board members who continue after the merger
- Enhanced reporting for the combined Board to identify risks more quickly
- Diverse skill-set on combined Board
- Potential for membership growth in Oxfordshire through:
  - Education
  - Pop-Ups
  - More 'payroll deduction' companies
  - More partnerships
- Banking facilities – in the near future
- Consolidated operational costs



# Finances – Actual/Forecast

Key financial data	2017/18		2018/19		2019/20 est base Aug		2020/21 forecast			2021/22 Forecast	
	Swan	OCU	Swan	OCU	Swan	OCU	Swan	OCU	Merged	Merged	
<b>Income</b>	106,090	60,233	116,439	62,124	175,000	73,000	190,000	73,000	263,000	280,000	
<b>Net surplus/deficit</b>	(3,356)	(12,556)	5,770	4,597	(8,000)	8,000	20,000	8,000	28,000	68,000	
<b>loan book</b>	466,452	301,185	444,351	336,631	590,000	330,000	650,000	330,000	980,000	1,100,000	
<b>Capital</b>	89,208	44,736	94,978	44,934	87,000	48,000	107,000	56,000	163,000	231,000	
<b>Capital ratio</b>	7.90%	6.30%	8.10%	6.30%	6.96%	6.00%	8.00%	6.00%	7.60%	20%	

# Finances – Test Scenario

Key financial data	2017/18		2018/19		2019/20 est base June		2020/21 forecast			2021/22 Forecast	
	Swan	OCU	Swan	OCU	Swan	OCU	Swan	OCU	Merged	Merged	
Income	106,090	60,233	116,439	62,124	145,000	73,000	145,000	73,000	218,000	218,000	
Net surplus/deficit	(3,356)	(12,556)	5,770	4,597	(8,000)	8,000	0	8,000	8,000	28,000	
loan book	466,452	301,185	444,351	336,631	579,000	330,000	579,000	330,000	909,000	909,000	
Capital	89,208	44,736	94,978	44,934	87,000	48,000	87,000	56,000	143,000	171,000	
Capital ratio	7.90%	6.30%	8.10%	6.30%	7.63%	6.00%	7.63%	6.00%	6.80%	10%	

# Mitigating Risks

- In any change there will be risks raised, but with a detailed project plan, these will be mitigated
- We will be working closely with CUS, SWAN and our Regulator throughout
- SWAN has experienced this change before
- OCU Board are proposing a 9 month merger plan which will be shared with members
- Actual physical changes will happen in Summer of 2021
- We will keep members updated on progress

# Extending the OCU Common Bond

- OCU is setting up a partnership with South Oxfordshire Housing Association (SOHA)
- Tenants wherever they live and/or work can become a member
- Employees wherever they live and/or work are based can become a member
- Develop specific products for tenants



**Oxfordshire**  
**Credit Union**

**THANK YOU**