

Kent Savers Credit Union: Tenth Annual General Meeting
Virtual Meeting hosted by the Association of British Credit Unions (ABCUL)
6:00 pm Wednesday 31st March 2021

AGM has been recorded and can be accessed via the link below along with the full statements and statutory accounts:

<https://www.kentsavers.co.uk/about/agm/>

Panel Present: Kathy Cox (KC), Lucy Swannell, Stephen Sidebottom (SS), Catherine Parker (CP), Gavin Richards (GR), Russell Heppleston (RH), John Stokes (JS)

Members present: c46 members joined the webinar

1. Apologies for absence

The following apologies were recorded: David Birmingham, Walter Davies, Sarah Cryer, Graham Card

Kathy Cox, Outgoing chair of Kent Savers' Board of Directors opened the meeting by welcoming everyone and thanking ABCUL for hosting the virtual meeting and advised that questions will be addressed at agenda point 8.

2. Minutes of 2019 AGM, matters arising

KC advised that 2020 meeting was not able to take place due to COVID. Due to age, not appropriate to go over matters arising; no comments or amendments were raised regarding the minutes of the 2019 AGM, which were therefore proposed by SS, seconded by CP and approved by all members attending.

3. Chairs' statements

Outgoing chair: KC presented her statement (see attached at Appendix A.)

Advised that AGM was final duty as Chair of board as after two years is stepping down but will continue to serve on the board as director.

KC outlined how during COVID19 KSCU worked with members to put extended payment options in place, maintained standards around affordability and drop in lending requirements. KC thanked CP and team for their swift response to the challenges experienced during this time. Also thanked team for empathy they showed with engaging with members experiencing difficulties. KC flagged that there has been a lot of work to secure grants and funding to help support the CU through the difficult time and allowing us to help members through such difficult time. COVID did give opportunity to review our system and we have made significant changes to digital options and implemented a new front end system which went live in Oct 2020. KC announced that we will go live with new

front end website this month, which is optimised for use on mobiles. KC thanked directors, staff and volunteers involved in the work. KC finished by thanking members for opportunity to serve as chair.

Incoming chair: Stephen Sidebottom introduced himself as the new chair and presented his statement (see attached at Appendix B).

SS extended thanks for KCs support and hard work during her time as Chair. Advised that we are facing externally challenging times and thankful to team and volunteers for all the work over the last difficult 12 months. We have new members on the board who bring range of experience and really strengthen the team. We've worked hard to review business strategy and forecasts and reaffirm KS commitment to fair loans and have a new mission statement and values.

KS has vital role to build financial strength and resilience within community; want to grow the support we can offer. Strategy – sustainability, Service, understanding & meeting needs of borrowers, building financial community resilience. Look to grow income and aim for capital ratio 4% over cycle. Opportunity to build stronger partnerships with local authorities and corporations.

4. CEO's Report

Catherine Parker presented her report (see attached at Appendix C).

CP set out how proud of effort made in supporting so many of CUs borrowers during a year that is unmatched, the team rose to the challenge of maintaining un-interrupted services through three lockdowns. A total of over 1300 new member applications have been processed, we received over 1100 loan applications in response to COVID and granted 115 temporary debt relief for members (over 10% of active loan book and over 30% of loans in arrears). We have seen deterioration of credit applications, have approved less than 50% and expect a long COVID impact into next year due to the quality. All team and board members gone over and above including the new member of team, Jane, who has been funded by grants to help support borrowers. CP explained the new child benefit loan - small loans repayable from child benefit, designed to attract young parents who are more likely to use high cost loan sharks. We have seen lots of interest from social media campaign and they generate a lot of repeat top up loans and outperform personal loans. CP flagged the positive feedback from members on new member journey, that the new mobile app is growing in usage along with the speedy online access. CP explained how we are adapting collection practices to ensure not adding stress or anxiety to those members who are experiencing financial difficulties, building relationships to recognise that unforeseen circumstances arise and are seeing evidence that this approach is having a positive impact on mutual trust and approach. CP thanked members that have supported with donations.

5. Treasurer's Report

Gavin Richards summarised his report (see attached at Appendix D).

Year of two halves, big increase in numbers at the beginning of the year and then second half impacted by COVID. Capital ratio 3.77% but remains above requirement of 3%. Loss predicted for this year and due to this and loss in 2020 we will not be recommending a dividend. GR thanked Mary Anum for support throughout the year.

6. Auditor's report and consideration of the accounts

GR Reference to the final accounts which have been made available to members.

7. Supervisory Committee Report (Poll Q2)

Russell Heppleston summarised his report (see attached at Appendix E).

RH explained the purpose of the Supervisory Committee and please to report two new members added to the committee and looking for ratification.

Asked for members to consider recommendation for auditors(see Poll Q2 details below).

RH set out how committee members have attended most board meetings to observe and engage and challenge where appropriate, board have been fully supportive as have CP and team and have completed / in-progress of completing 4 reviews. RH stated that there have been no issues to report and no challenges resolved at expensive of governance. RH explained that 2021 will be final year as chairman as will be rotating chair as per board process. RH thanked Martin, CP and board and formerly welcomed Muhitur and Nigel.

Poll Q2. 82% voted with 100% acceptance

8. Questions from Members

Q. Residents will be affected by COVID which could mean falling behind on debt and requiring survival borrowing. Those at risk of debt need to be made aware of KSCU, can you distribute a COVID relevant flyer about KS that can be printed, and I can include a copy in food parcels issued by organisations I am involved in. We can also provide a link to our new website on the sites of those foodbanks.

A. *to be confirmed*

Q. Raising capital – what prospect is there for more capital from KCC and housing associations this year and what can members do to support?

A. (SS) Rely on subordinated loans and supported by KCC, we are talking to them and borough and district councils for ongoing support. Significant form of support. Not had any substantive contribution from housing associations but have had support in the past. We have also had donations from members. What can members do – donations, be volunteers and advocates, save with the CU.

Q. Is there a strategy to encourage younger members to join?

A. (CP) valid observation and concur that younger are cohort who are statically more likely to use high interest lenders even those in relatively well paid jobs. We have made IT

improvements with investment in new systems and focus on mobile app which allows us to challenge with other creditors. The child benefit loans are targeted at young parents and we have increased the use of social media targeted message to digital younger generation. A lower priority is working with the school age and improving financial literacy in schools.

Q. Acceleration of bank branch closures and loss of cashpoints, how will Kent savers support businesses that rely on casual transactions?

A. (SS) advises we don't offer business services, everything is on an individual basis. We don't deal with cash and have no branches; we support individual members of that community through financial hardships.

Q. Is it possible to pay money into my account via the new website?

A. (CP) improvements are mainly to give accessibility and see balance of account along with faster payments of withdrawals. In terms of paying monies into savings accounts or loans repayments, the payment options haven't changed with the new platform.

Q. Can applications for lottery be submitted by email?

A. (JS) Yes but they need to be scanned and sent

9. Motions (poll votes 3 & 4)

A. This AGM permits the board to declare interim dividends and to establish differentiated dividend rates as it sees fit. 81% voted Yes 96%

B. This AGM agrees to the payment of a zero dividend for 2019-20 as recommended by the board of directors. 81% voted Yes 100%

10. Friends of Kent Savers Update

John Stokes outlined that main work is to run the monthly lottery in support of the CU. Thanks to Chris Hunt who has chaired since 2012 until 2020 and thanks to KC, CP & SS for input they have on committee. Currently have c21 players and average £70pm. Each prize is £42.50 and Friends donated £524 to CU. JS urged members to help KSCU by doing the Friends lottery, documents to enrol are on website under 'about us'. JS advised that if any members are member of organisations that require speakers, we can provide speakers so please contact us. JS thanked members and wished good luck to those who already support the lottery.

11. Elections (poll votes 5 & 6)

A. Board Directors

Approved 100%

B. Members of the Supervisory Committee

Approved 100%

12. Any other business

None raised.

Stephen Sidebottom thanked all attendees and closed the meeting at 19.10

Appendix A - Chairman's Report to – Kathy Cox.

Kent Savers Credit Union Limited – outgoing Chair's statement – 31 March 2021

I am pleased to address you, my final duty as Chair of the Board ahead of handing over to Stephen Sidebottom. Rotation of key positions within the Board is a healthy discipline and Stephen brings a wealth of experience from his tenure as vice chair in the last two years and in his prior career. I look forward to continuing to serve on the Board alongside him and other colleagues.

This evening, it is no surprise that we will touch on the effect of the Covid pandemic on Kent Savers in the last year. From March 2020, we saw an immediate and obvious change to our business dynamic, an 'imperfect storm' of:

- members needing to put extended loan repayment arrangements in place,
- our rate of new lending reducing as a result of changed demand and our duty to maintain standards

of affordability checking, and

- increased operational servicing costs that needed to be managed.

I hugely thank our CEO, Catherine Parker, and her team for their swift and agile response to the issues arising from the pandemic and for their dedication in keeping our services going throughout the many challenges of the past year. In her report, Catherine will cover some statistics on the number and type of 'forbearance' arrangements we put in place since March 2020, as an indication of the scale of how many members we have helped to adapt to the economic challenges caused by Covid-19.

I also thank our team wholeheartedly for the empathy that they showed in their engagement with our members who found themselves in financial difficulty. While it comes at a cost to the credit union, which our Treasurer Gavin Richards, will explain, it is absolutely the right thing to do.

In response to these challenges, I am also very grateful to Gavin, Catherine, Mary Anum and others for their hard work to secure vital grants, subordinated loans and donations that helped us navigate through these challenging times. I thank Kent County Council, Orbit Housing, Gravesend Churches Housing Associations and many individual members who supported and enabled us to help so many members in need during this past year. Financial challenges remain, though, and capital raising will be a key objective going forward.

Despite Covid, we have done some amazing work in the last year, to improve our ability to assist our members through digital channels. We have almost 3,000 active users a month visiting our web site, of which more than 75% do so from a mobile phone. It is vital that we present our members with a website that allows them to easily complete the transaction that they require.

To that end, we have spent the last year building a new system for members to apply to join, apply for a loan and to manage their accounts, which went live in October 2020. This was a huge piece of work and I would like to thank Sarah Cryer and Brendan McLoone for the amount of time and skill that they volunteered, as well as Catherine and her team, to make this happen.

I am also pleased to confirm that we will go live with a new front end website in April 2021, a key feature of which will be its optimisation for use on mobile devices and its functional-led design. My sincere thanks to Cameron Bissett whose time and skills as a volunteer were pivotal to getting this project off the ground.

As reported last year, we devoted significant time and effort in 2019 and 2020 to ensuring that governance was well embedded in our credit union, giving a robust framework for decision making, risk mitigation, financial oversight and appropriate member account treatments. As a result, we were well prepared for the PRA's requirements as they set out in September 2019 and September 2020, which Russell will cover in his Supervisory Committee report.

As I leave my Chair duties behind, I am very grateful to the dedication and talent that our largely increased and voluntary board directors provide. Stephen will cover that in his report as Incoming Chair. I look forward to continuing to serve with the Board as a director.

Appendix B Incoming Chair's statement – March 2021 – Stephen Sidebottom

I joined the Board in November 2019 and am pleased to have the privilege of standing as Chair for the coming period. I would like to start by expressing the Board's thanks and appreciation for the hard work and dedication of Kathy Cox during her tenure as Chair, and look forward very much to continuing to work with her during her continuing service on the Board.

We are facing extremely challenging times and I am focused, along with the CEO and Board, on steering Kent Savers through these challenges at the same time as delivering value to our members and contributing to the financial resilience of our community. Our lending business is weighted towards people who have experienced severe financial impact as a result of the pandemic and we have worked hard to make contact with members in need and put appropriate arrangements in place. I am grateful to the Kent Savers team and volunteers for the incredible work they have done over the last twelve months.

We have recently recruited a number of new members to the Board. Between them they bring significant experience of financial services, technology, compliance and communication and further strengthen the capability of the team.

The Board has worked hard over the last three months to review Kent Savers' business strategy and commercial forecasts in the light of the challenges of 2020 and the ongoing impact of the pandemic.

We have reaffirmed Kent Savers' commitment to fair loans, safe savings, and the long-term benefits of membership. This Purpose is articulated in the Credit Union's newly adopted mission statement:

Kent Savers is a community financial organisation owned and controlled by members for their benefit that operates with care, efficiency, and integrity.

We aim to build lifelong relationships with our members by meeting their financial needs and supporting their financial well-being. We encourage saving and wise use of credit.

We aspire to grow our membership to support the needs of more people and build community financial resilience, while maintaining our long-term financial stability.

We have identified four key values that underpin how we behave with members and other stakeholders:

- ***Caring:*** we look after our members
- ***Responsive:*** we listen to our members and respond promptly to them
- ***Ethical:*** we support our communities by helping the most disadvantaged
- ***Trustworthy:*** we offer high levels of integrity and professionalism which inspires

trust

Kent Savers has a vital role to play in building financial strength and resilience in our community and addressing the risk of growing and persistent problem debt. There is an unmet need for fair and affordable borrowing, particularly among low-income workers, many of whom are experiencing problem debt for the first time.

Our aspiration is to grow the support Kent Savers offers to members and to achieve a business surplus over the next five years underpinned by increased funding and capital.

The Board has adopted a strategy that is based on four areas of focus:

- Meeting the needs of our members and borrowers
- Delivering effective products and services
- Building Community Financial Resilience
- Consolidating sound business foundations

We aim to grow income through increasing lending, reducing bad debts, maintaining a tight focus on cost management, and increasing capital to reach an average capital ratio of around 4% over the cycle.

We aim to achieve this through a focus on:

Governance: ensuring our governance, controls, risk management frameworks, and policies and procedures follow good practice, meet regulatory requirements, and will help us build a stronger sustainable Credit Union.

Financials: ensuring we are financially sound, making good credit decisions, reducing bad debts, and achieving higher returns. We will also develop and launch a capital and fundraising plan, including seeking grants for operating expenditure support linked to our Covid response and inviting expressions of interest from members in deferred shares.

Service: continuing to develop our systems and processes to ensure efficiency, resilience, good data management, and excellent service.

Members: engaging members and potential members by understanding and responding to their changing customer needs. We aim to identify any form of vulnerability and to support those members in a way that is consistent with their situation.

Community: building stronger partnerships with key stakeholders across the community, including local authorities, corporate members, and other organisations working to respond to the financial needs of our members and potential members.

We are conducting an assessment of the financial resilience and social impact benefits of our business so we can track and report on both financial and community outcomes to our members and key stakeholders and partners.

We look forward to continuing to serve members over the coming year.

Appendix C – CEO Report – Catherine Parker

Chief Executive Officer’s Report – 31 March 2021

“Unprecedented” is a word we’re all over-familiar with, and I’ve come to hate. So for Kent Savers I’ll say last year was definitely unparalleled. We rose to the challenges of maintaining uninterrupted services through all three lockdowns, with all staff set up and rotating remote and office-based working, and I’m proud of the effort we’ve made in supporting so many of our borrowers whose financial circumstances suddenly and shockingly deteriorated.

In the last 12 months we processed 1,385 new member applications – that’s an average of 115 per month, and in December it peaked at over 230. In the same period, we received 1,172 loan applications – the highest in November was 172 loan requests processed in the month. In response to Covid, Over the year we have awarded 115 temporary debt relief arrangements for borrowers impacted by the lockdowns, suspending either interest or capital repayments for period from 3 months to up to 12 months, depending on their current circumstances and affordability and future likely wages or benefits entitlements. Each temporary voluntary arrangement is individually discussed and documented.

These numbers show the work volumes that the team has been managing. The additional Covid impact, which has involved addressing non-payments, assessing borrowers claims for relief and following up on reduced payment plans, has been very significant. Another major Covid impact is the deterioration in the credit quality of loan applications, so we’ve been approving less than 50% of the requests we receive. Poor quality credit and increasing non-payments will continue as a “long Covid” impact on our business well into next year.

Team and Directors

The officers and managers have all gone above and beyond this year – the teamwork and support for each other had been invaluable. We’ve also welcomed Jane to the team as a part-time Arrears Management Officer – her post is funded by generous grant funding from KCC and Canterbury Council in response to our specific request for extra resources to address our increasing delinquency rate and support borrowers in genuine financial hardship.

There are also many new faces on the Board and Supervisory Committee this year – their commitment and belief in the Credit Union cause, and willingness to volunteer their time and expertise, is very reassuring and motivating for me in particular, and the rest of the team.

Lending Products

A major portion of our loan book has been issued from the underwritten Housing Loan Fund that we continue to operate for Bexley Council. We are in regular contact with their Housing and Senior Management teams about their future plans for welfare loans in general and the Loan Fund with us from next year. It’s an important part of our business and we are hopeful we can reach an agreeable basis to extend and increase the Loan Fund scheme with them.

Child Benefit Loans is a new product that we started last year, these are small loans repayable directly from HMRC Child Benefit payments over a maximum 1 year term. They're designed to attract young parents who are most vulnerable to using the high-interest payday or home loans, so we apply slightly lower credit scoring requirements than our standard personal loans. They have proved very popular, with lots of interest being created from our social media ad campaign funded by a grant from Kent Community Foundation. They generate a lot of repeat Top-Up loans and analysis has shown they also outperform our personal loans in terms of non-payment and defaults, so we have plans to promote this product more widely.

IT and online systems

We have received some very positive feedback from members on our new improved online access to joining forms, account information, and loan applications. With our new Systems Partner incuto, we have transformed the member onboarding journey which is now fit for modern day customer expectations. The new Mobile App is growing in usage, and other system improvements include speedy Open Banking access to bank statements integrated into the new TransUnion credit check service, improved online ID checks, digital signing of credit agreements, and improved mass email communications. Our next exciting milestone will be our new Website launching next month – it will be a more user-friendly tool for existing and prospective members, as well as an updated “shop-window” for our other interested partners and stakeholders.

A final note on Covid

I already mentioned the volume of voluntary debt arrangements we have been managing for our most financially vulnerable borrowers. As part of this exercise, we have also been adapting and bedding in revised collections and recovery practices to ensure as much as possible we're not adding additional stress or anxiety to individuals and families who are struggling to make ends meet. As a Credit Union we differentiate ourselves from the commercial lenders in treating our customers as people not numbers, and in building relationships that recognise when unforeseen circumstances arise. Whilst our repayment forbearance policy is impacting the Credit Union's financials in the current period, we are already seeing evidence that the time and effort the team is spending listening to and responding to those borrowers' situations is positively influencing their attitudes to us, improving the relationship of mutual trust and ultimately securing positive repayment commitments when circumstances improve.

So, thank you again to the Kent Savers team, to all our members, in particular those who have supported us with donations from their savings accounts, and to all the Board.

The year ahead will be another busy one. I'm sure we'll be successful in continuing to demonstrate to increasing numbers of individuals, organisations and importantly the local councils across our common bond, the role we play in supporting financial resilience in our communities is more important now than ever.

Appendix D – Treasurer’s Report – Gavin Richards

In my second report as Treasurer, I had been hoping to report an improved performance following on from the changes we had made to Kent Savers to raise awareness and improve our credit control processes with the appointment of our Revenue Manager.

The financial year ending in September 2020 was very much a year of two halves with growth in our gross lending, share deposits and membership all increasing to record levels by March 2020.

In the second half of the year the unprecedented times resulting from the Covid pandemic was felt immediately with an impact on the performance of our loans in view of some of our lending to the most vulnerable in society. Impact from loss of temporary work or placement on furlough placed a significant stain on finances of our customers, however we have been able to work with those impacted putting in place arrangements with deferral of interest and repayments where necessary.

Demand for new loans also reduced in the second half of the year as people stayed home and there was limited opportunity to spend money other than on essentials. New loans for the whole year were £453,000 down from £819,000 the prior year. The reduction of new loans and the increased impairments on existing loans has resulted in the loans net of impairments reducing from £1,225,000 to £892,000.

The double impact of reduced income and increased impairments had a detrimental effect on the performance in the year resulting in a loss of £62,000, this would have been much worse if it had not been for the support Kent County Council and Orbit Housing converting existing subordinated loans into unrestricted grants, grants and donations from Gravesend Churches Housing Association, the Friends of Kent Savers and our ordinary members. In total this supported provided over £100,000 of additional income. I would like to take this opportunity to personally thank those involved in providing financial support in the year.

In light of the loss our capital ratio reduced to 3.77%, but this remains above the regulatory requirement of 3%.

Looking forward with the country still in the grips of the pandemic and continued financial hardship of many of our members a loss is predicted for the current financial year, however since our new membership portal was launched, we have seen a return to growth in our loans which will help rebuild our finances over time.

In view of the loss in 2020 and the expected loss in the current financial year reluctantly I will not be recommending payment of a dividend this year.

Finally, as I did last year, I would like to thank our Head of Finance for her diligence and hard work in preparing our financial reporting throughout the whole year and for our year end reporting.

Appendix E – Supervisory Report – Russell Heppleston

Purpose

The Supervisory Committee is an independent Committee designed to monitor the operation of Kent Savers CU to ensure that agreed policies and procedures are followed. The Committee provides the Board with a continuous appraisal of the Credit Union's systems of internal control, governance, and risk management.

We work on behalf of the Members to provide objective challenge and to assess the effectiveness of the controls operating throughout the Credit Union. Principally this is achieved through delivery of internal audit checks, which include the review of documentation, systems and processes, and through attendance of Board meetings to observe the decision making and governance arrangements in practice.

The purpose of this report is to provide Members with a summary our activity for the year and to evidence that we have discharged our duties and responsibilities in accordance with our Terms of Reference (*appendix a*)

Composition

We aim to have **three** members of the Supervisory Committee to ensure a good mix of skills, experience, and resilience to undertake our role. For much of 2019/20 the Committee has comprised 2 voluntary Members, as such, a key objective this year was for us to recruit additional members. We ran active recruitment through the Autumn in collaboration with the Board of Directors and we are pleased to report that we were successful to recruit into the vacant posts.

Russell Heppleston, who was elected to the Supervisory Committee in 2016, and became Chairman of the Committee in January 2018, has continued to Chair the Committee over the course of year. In accordance with the Terms of Reference for the Committee, and common practice, this will be his last year as Chairman. Active rotation of Members is useful, especially in a compliance / oversight role, as it allows objectivity to be reset and for new and fresh ideas to be brought to the work programme.

In January 2021, **Muhitur Rahman** joined the Committee. A short statement of his skills and experience is set out below:

Muhitur is a seasoned Risk Manager with substantial experience in Credit Risk Portfolio Management for Wholesale and Retail banking, multiple asset classes and globally diverse portfolios. He was born and raised in the Medway Towns, and is where he continues to live. Muhitur is ethically minded with a keen interest in philanthropy and impact investing to address social and environmental issues.

In March 2021, **Nigel Clibbens** joined the Committee. A short statement of his skills and experience is set out below:

Nigel has over 35 years of leadership experience in the financial services industry, particularly in the disciplines of finance, risk, operations, and auditing. He has worked in both large and small regulated lending organisations at Board level. More recently Nigel has used his vast experience to

advice business across a range of industries on strategic issues. Nigel is champion of financial inclusion and treating customers fairly. Nigel has lived in Kent for 20 years

Recommendation 1:

Members are asked to formally support both appointments to the Supervisory Committee as part of the Annual General Meeting

2021 & beyond

Regarding membership, our focus for the year ahead will be on succession. During the year the process will commence to handover Chairmanship of the Committee in time for the 2021 Annual General Meeting.

The structure for the Supervisory Committee as it stands in March 2021 is:

Chairman – Russell Heppleston

Member – Martin Kingman

Member – Muhitur Rhaman (joined Jan 21)

Member – Nigel Clibbens (joined Mar 21)

External audit provision

In accordance with our Terms of Reference the supervisory Committee will:

Undertake the procurement and appointment of suitable External Audit for KSCU, and provide oversight and support where necessary

In February 2017 we conducted a competitive tender and procurement exercise which resulted in the appointment of Alexander Sloan. This appointment was ratified by the Board and Members during the Annual General Meeting on the 25 April 2017. The contract was for 2 years with an optional to extend for an additional year if both parties agreed. (Y1: 2018, Y2: 2019, Y3: 2020)

The option to extend for the third year was agreed by the Board and applied to the most recent set of accounts. As this was the third and final year, invitations to tender were published in January 2021 and submissions were collated for evaluation in late February early March.

We received 5 responses which were independently evaluated and assessed against the scope of required works and scored based on the following criteria:

- 60 marks were made available for **price**
- 40 marks were made available for **quality**

The outcome of this exercise forms the following recommendation to Members:

Recommendation 2:

Alexander Sloan be re-appointed as external auditors for Kent Savers Credit Union for the accounts from 30 September 2021 and 30 September 2022.

Attendance at Board Meetings

The Terms of Reference for the Supervisory Committee sets a commitment for us to have regular attendance at Kent Savers board meetings. These are generally held monthly. Our role at these meetings is as follows:

Maintain a regular presence at monthly Board meetings to provide challenge, oversight and ensure that the Credit Union is being governed in accordance with the regulations and the agreed Policy and Procedures Manual

Our attendance record is set out below:

Please refer to full report available on KSCU website

The Board meet monthly and met 12 times in in the year. The Supervisory Committee, either as a group or individually, have been present at the majority meetings. For those that were not attended, the papers were made available. During meetings, the Committee has provided oversight and challenge where it was felt necessary.

The Supervisory Committee has met independently three times. The purpose of these meetings was to discuss and agree our work plan (**appendix b**) for the year and consider how to further develop and enhance the Committee. Our plan was presented to the Board for comments in October 2020 and sets out our priorities, duties, and key projects for delivery over the next 12 months.

In July 2020 Committee members attended a virtual briefing and training session focussed on compliance and oversight, areas of which were incorporated into the work plan. In addition, the Committee attended sessions at the ABCUL Annual Conference in March 2021.

Our current work includes the annual PRA audit review (for 2019 and 2020) and revised process mapping in advance of re-commencing regular compliance checks. This work was halted in the year due to Covid-19 and to enable us to align with the implementation of the Incuto project.

Duties & Responsibilities

The remainder of this report sets out how we have discharged our duties and responsibilities, in accordance with our Terms of Reference:

Please refer to full report available on KSCU website

Report on specific other regulatory items

We are required by the Prudential Regulatory Authority (“PRA”) to report on the following items:

Key Requirement
<i>Kent Saver’s compliance, or otherwise, with PRA rules concerning Depositor Protection: Rules 11, 12, 14, 15 Protection 49 to 51, as applicable</i>
<i>Whether Kent Savers has always maintained a policy of insurance complying with PRA rule 2.10</i>

Any additional activities as described in PRA rules 3.3, 3.5, Chapter 4, 6.4 or Chapter 7 that Kent Savers is carrying out and whether these are in compliance with any requirement of the PRA rules applicable to those additional activities

Conclusion

Based on the work undertaken during the year, it is our conclusion that we have progressed and demonstrated work in accordance with our Terms of Reference. The development of a refreshed work plan has enabled us to re-prioritise our areas of focus for the Committee including our own development. Successful recruitment during the year has increased the skills, experience and knowledge within the Committee and will strengthen our succession for the future.