

CRANHILL CREDIT UNION SOCIAL AUDIT

Social Accounts

October 2003 - March 2005

(without appendices)

**Cranhill Credit Union
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Glasgow G33 3PH
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Acknowledgements**

Acknowledgements

Founded in 1976, Cranhill Credit Union has worked and strived to continuously grow and improve its business for the people of the community. It has only managed to do this due to its great dedication from volunteers and workers of the organisation.

Cranhill Credit Union would like to thank all our stakeholders who responded so willingly to the consultations we carried out as part of the social accounting process and which has made it possible to prepare these social accounts.

We would like to thank:

Our friends Sally, Margaret, Danny and John from Carntyne and Riddrie, Parkhead and Carmyle credit unions who carried out interviews with some of our members;

Hazel Smith who planned the consultation with members and with our young people and trained the volunteers; she was helped by John Paul; Patricia Siegerson and Helen Downes who carried out the survey of people in the street, John and Danny;

Michelle McDonough who came to us as a student on placement and worked so hard analysing questionnaires, interviewing stakeholders and drafting a substantial portion of these social accounts;

Parveen Ajmal of the Greater Easterhouse Development Company and John Pearce of CBS Network for guiding and assisting us through the process and giving practical help so that the social accounts could be completed on time; and finally

The members of our social audit panel, Graham Waterhouse, Robert Calder, Kirk Outhwaite and Gerry Ryan who will examine/have examined our social accounts and discussed them with us.

We think the social accounting process has been valuable to us and that these social accounts demonstrate the strength and range of our contribution to the local community.

John Kerr
Chairman
May 2005

Social Audit Statement

Cranhill Credit Union

The Social Audit Panel has examined the draft Social Accounts submitted to us and discussed them in detail with John Kerr, Hazel Smith, Michelle McDonagh, Parveen Ajmal and John Pearce of Cranhill Credit Union (CCU) at the Social Audit Panel meeting held on 15 June 2005. I have examined the revised Social Accounts which were prepared following the Social Audit Panel meeting and which have taken into account various points identified in the notes of the Social Audit Panel Meeting*. We also examined a sample of the data and the sources of information on which the Social Accounts have been based.

We believe that the process outlined above has given us sufficient information on which to base our opinion.

We are satisfied that, given the scope of the social accounting explained in the revised draft and given the limitations of time available to us, the Social Accounts are free from material mis-statement and present a fair and balanced view of the performance and impact of Cranhill Credit Union as measured against its stated values, social, environmental and economic objectives and the views of the stakeholders who were consulted.

In the notes of the Social Audit Panel meeting we identified a number of important issues to be taken into consideration during the next social audit cycle. In particular we would refer to the following:

- i) A need to actively review the focus of Cranhill Credit Union's mission, objectives, values and activities
- ii) Make effective use of the interpretation elements of the social accounts to improve operational practices and procedures
- iii) Careful consideration be given to the nature and scope of the accounts, the management process and ways of embedding within the organisation

The members of the Social Audit Panel were:

- | | |
|----------------------|--|
| a) Graham Waterhouse | on behalf of the Social Audit Network |
| b) Alan Kay | on behalf of the Social Audit Network |
| c) Gerry Ryan | Greater Easterhouse Money Advice Project |
| d) Robert Calder | Scottish Enterprise |
| e) Kirk Outhwaite | independent Social Economy Researcher |

Signed:.....G Waterhouse
Chair of the Social Audit Panel

Dated:.....19 August 2005

* The notes of the Social Audit Panel meeting form part of the Social Accounting and Auditing process and may, by arrangement, be inspected at the offices of Cranhill Credit Union at 4, Crowlin Crescent, Glasgow, G33 3PH. Members of the Social Audit Panel have acted in an individual capacity.

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1: Introduction

Cranhill Credit Union (CCU) was invited to take part in a social accounting and audit pilot initiative sponsored by the Greater Easterhouse Development Company's Social Economy Team and delivered by CBS Network. Four local community organisations have taken part in this initiative which consisted of a series of training workshops, group meetings to discuss progress and share problems, and direct support from the CBS Network facilitators. The other organisations were: Greater Easterhouse Community Health Project, Easthall Residents Association and Greater Easterhouse Money Advice Project.

The workshops were held on 31st August and 1st September 2004.

CCU decided to join the social accounting and audit initiative because it wished to understand and highlight the impact the credit union has in the community and also to learn about negative as well as positive views. The Chair of the credit union, John Kerr, had some understanding of social accounting and audit from a previous job.

CCU's financial year runs to 30 September each year. These social accounts draw on the financial records for the year ended 30 September 2004, but where possible some updating to 31 March 2005 is provided. The consultation with stakeholders was undertaken between January and early April 2005. The social accounting period can therefore be considered to be October 2003 to 31 March 2005.

The social accounting work was co-ordinated by John Kerr, Chairman of CCU, with guidance and support from John Pearce (CBSN) and Parveen Ajmal (GEDC). Other persons assisted with aspects of the stakeholder consultation - please see Acknowledgments and the section on Scope and Methodology below.

The Accounting period for future years is hoped to be from 1st October 2005 - 30th September 2006.

Glossary

FSA	Financial Services Authority
SCUP	Scottish Credit Union Partnership
SLCU	Scottish League of Credit Unions
GEDC	Greater Easterhouse Development Company
CBSN	Community Business Scotland Network
CCU	Cranhill Credit Union

2: History and Background

Cranhill is an area within Greater Easterhouse within Glasgow. Many of the residents are long term unemployed and it is estimated that as many as 85% of people within Cranhill are in receipt of some form of income support. There is a declining young population as demonstrated by the reduced enrolment in primary schools within the area.

Cranhill Credit Union was founded in February 1976 after a connection had been made with what is now named Drumchapel Credit Union. For four years the Credit Union operated from the homes of different members but now runs from its premises in Crowlin Crescent which is owned by the Council. It is thought these premises are more than suitable, allowing for a meeting room, offices, kitchen and toilet with plenty of storage space within. The premises are easily accessible for members and volunteers.

The common bond area for Cranhill Credit Union comprises the area known as Cranhill within the west suburb of Greater Easterhouse, ("common bond" is the defined area from which people are allowed to join the credit union according to the credit union regulations of the Financial Services Authority (FSA)). The population of this area is circa 5,500. CCU is currently working to extend the common bond, this to include areas to the north-east including Millerston, Robroyston, Hogganfield, N E Barlornock, Auchenairston and Bishopbriggs. This extended common bond would give a population catchment of circa 75,000.

In view of the fact that Cranhill Credit Union are currently planning to expand the common bond out as far as Bishopbriggs, a student was taken into the company who carried out research on the proposed areas and devised a news letter explaining what a credit union is and its reason for being.

The credit union works very closely and passionately with the local community. It has operated a lunch club for the senior citizens of the area, although is not currently running, and provided resources to further and higher education as well as running a food co-operative in the past. Funds allocated by Lloyds TSB have initiated a mini debt redemption scheme (see later) for people in the community whose level of debt could not be resolved solely by the credit union.

Cranhill Credit Union has recently benefited from a 50% reduction in rent charges from the city council as part of a new Glasgow council policy. Cranhill Credit Union works closely with other neighbouring credit unions, providing support, advice and resources to not just those within the Glasgow area but throughout Scotland. It enjoys close links with the Scottish League of Credit Unions.

Cranhill Credit Union has shown steady growth over the twenty nine years since it was established even though there are low incomes and a falling population. It has helped multiple families in an area of deprivation where they may have difficulty getting any type of credit or saving schemes.

What is a Credit Union?

A credit union is 3 things (ref www.scottish.org/credit_unions/cranhill), these are stated below;

- A group of people who agree to save together and lend each other money at a reasonable interest rate
- It's a legal corporation, chartered under law as a non profit making organisation to serve members only
- It's a service that will help you in the practical ways that count most - making your money go further. It will stick by you in good times and bad and will never let you down.

3: Mission, Values, Objectives and Activities

At the start of the social accounting process CCU reviewed its Objectives and the Activities it undertakes to achieve them, agreed a Mission statement for the Credit Union and identified the Values which underpin the way it aims to operate and deal with people. The Mission, Values and revised Objectives and Activities were drawn up by John Kerr in discussion at the early social accounting workshops and approved by the CCU Board of directors in October 2004.

During this process it became clearer to the Credit Union exactly what their objectives and values include and the social accounting process has been a tool to remind the organisation exactly what it intended and needs to do along with its reason for being.

The mission statement reads:

"Cranhill Credit Union aims to promote equity and social justice and to alleviate poverty and disadvantage for the residents of the common bond area."

The 4 key values of Cranhill Credit Union have been stated as:

- To respect the dignity of the individual
- To be inclusive and offer a friendly, approachable service
- To respect confidentiality (adhering to all requirements of the FSMA regulations act 2000 and all other statutory requirements relating to credit union law)
- To be transparent in all our operations

The main Objectives of the Credit union are stated below along with explanations of exactly how they intend to carry them out (the Activities):

1. To enable members in an area of high unemployment and social disadvantage to save and borrow easily at affordable rates of interest, by:
 - Encouraging savings
 - Providing loans at an affordable rate of interest
 - Arranging debt consolidation
 - Arranging debt redemption
 - Providing a rent and repairs collection service
 - Providing access to the Death Benefit Trust Fund

2. To educate and inform the membership and potential membership of the benefits of CCU, by:
 - Managing a web site
 - Using SCUP promotional materials
 - Growing the junior membership
 - Developing working relationships with local schools

3. To operate on the democratic principles and within the ethos of the credit union movement as a not for profit, local enterprise co-operative, by:

- Actively involving members and encouraging their participation
 - Expanding the membership
 - Operating according to all statutory requirements
 - Working in partnership with SLCU, SCUP, Glasgow city strategy group and other partners
4. To give high quality management and support to the CU's people, by:
 - Providing opportunities for ongoing training and support for members and volunteers
 - Encouraging the personal and professional development of volunteers and members
 - Offering good terms and conditions to staff
 - Offering good terms for volunteers
 - Development of young persons trust (in the future)
 5. To grow the credit union movement within the wider Cranhill common bond area, by:
 - Formally extending the common bond area
 - Including people who work in the common bond area but are not resident
 - Purchasing and renovating the credit union premises
 6. To give other services to the community, by:
 - Providing information
 - Providing a listening service (to be reported on in future)
 - Signposting to other services (to be reported on in future)
 - Providing photocopying services
 - Countersigning passport applications
 - Supporting the recycling project
 - Purchasing local goods and services where possible

Of all the activities involved in the social accounting period the only one not carried out was the day book records, this activity is hoped to be done in the next accounting period.

4: Stakeholders

Cranhill Credit Union's stakeholders were identified by looking at the organisation's overall objectives and deciding who they are likely to have an affect on, or who may have an affect on them. The table which follows

gives the stakeholder analysis drawn up for the purposes of these social accounts, showing in the Key Stakeholder column those who were consulted.

Key Stakeholders	Other Stakeholders
Clients, Customers, beneficiaries Depositors (1200) Juvenile members (300)	
Staff: paid and voluntary 1 staff member (Ellen Kerr jnr) Volunteers (15)	
Board/committee members, trustees Board members (12)	
Partner organisations Cranhill Project Scottish League of Credit Unions Glasgow CU Strategy Group The new Housing Association The recycling project Scottish Credit Union Partnership	Community Transport Network Greater Easterhouse Development Co Local schools
Financial Lloyds TSB Bank	
Suppliers Glasgow City Council (premises)	The Web (printers) Kesho (software progs) Other suppliers
Local community/membership Prospective depositors/members	
Wider community	N/A
Regulatory Internal supervisor (1)	Financial Services Authority Registry of Friendly Societies External auditor

In the following additional table an explanation is given of what might be considered to be the expectations of some stakeholder groups, taken from word of mouth and previous questionnaires and interviews undertaken. (Please note that it was later decided not to consult Lloyds TSB on the grounds that the local branch are not really engaged with or understanding of the day to day work of the CU.)

Stakeholder	Reason
Members	This group expects reasonable interest rate, a friendly, approachable service and fair terms
Volunteers	This group hopes to be treated well and have general good working conditions
Bank (Lloyds TSB)	This is where the credit union holds its money, they look for regular money going into the business account and not becoming overdrawn. This stakeholder has no other arrangements with the credit union other than banking and is why they were not consulted during the social audit.
SLCU (Scottish League of Credit Unions)	Assurance of treating members well with fair conditions for saving and borrowing and a justifiable profit and loss account
SCUP (Scottish Credit Union Partnership)	This group wishes CCU to comply with all credit union regulations
Workers	Fair remuneration and good working conditions
Glasgow City Council	Hope the CU will try to meet all objectives and work together with other credit unions in order to become stronger
Local Community	The local community expect the credit union to work in close relationships with any community projects along with doing their utmost to provide the community with any available resources and financial advice

5: Scope and Methodology of the Social Audit

The full social accounting plan for CCU is attached as an appendix and this identifies what information it was hoped to gather and which stakeholders would be consulted. In the event all intended stakeholders were consulted with the exception of Lloyds TSB.

Methodology

A number of different methods of stakeholder consultation were used as detailed below. Service users, and young people were selected through random sampling. Copies of all questionnaires and an analysis of the surveys used may be found in the appendices.

Credit Union members: 90 members completed a questionnaire, some doing it themselves and some in the course of interviews conducted by impartial volunteers from Carntyne & Riddrie, Parkhead and Carmyle credit unions. The volunteers were given a training briefing session by Hazel Smith, an independent consultant. The questionnaire had a high focus on how much they have saved and borrowed with the credit union and how this has helped with their life on the whole. The questionnaire also gave the opportunity to explain how CCU can improve on any part of its service. The members surveyed were those who attended the office on the two Thursdays in the second half of February when the survey was conducted and who were willing to be surveyed.

The sample of 90 represents 7% of the 1250 active members at 31 March 2005. The questionnaires were analysed by Michelle McDonough. Of the 90 members consulted there was a 100% response; they were randomly chosen when entering CCU offices and none refused.

Juvenile CU members: a questionnaire was devised which was short and to the point along easily completed post-cards with single questions. These questions had a focus on how much they had saved and borrowed in the last year and the opportunity to explain how the credit union can do better for young members. Hazel Smith also conducted an informal

discussion with some young members who attended the office on 17 February. In total 8 young people (randomly selected as they entered CCU) gave their views. These represent 3% of the membership.

Staff member: the sole employee of the credit union completed a questionnaire asking for views on the credit union's performance and on terms and conditions as an employee. She was also interviewed by John Pearce on 8 April 2005.

Volunteers: CCU has 15 regular volunteers of whom 12 are also Directors. All 15 were given a questionnaire seeking their views on the credit union's performance and about conditions for volunteers. The Board members were also asked about the working of the Board. Eleven questionnaires were completed of whom ten are Board members. The questionnaires were analysed by Parveen Ajmal of GEDC. It had been intended to hold a group interview with Directors at a Board meeting but it proved impossible to arrange this in the time after Board members had completed their questionnaires.

Partners: four of the partner organisations with whom CCU works were consulted. Two persons completed and returned a questionnaire themselves and two were completed at an interview with Michelle McDonough who also analysed them.

Glasgow City Council: GCC property services department was consulted in their capacity as the CCU's landlord. Consultation was by questionnaire and letter. They were asked both about CCU's performance as a credit union, about it as a tenant and about the future of the CU premises. The questions regarding tenancy and the premises were answered but not those relating to performance as a credit union. It is not clear why these questions were unanswered.

Local community members: a questionnaire was devised for members of the public to ascertain how many were members or not, and of those who were not how much they knew about credit unions generally and about CCU specifically. The survey was undertaken by two members of the Women's Forum who interviewed 78 people selected by chance outside the Lamlash Crescent shops during the week of 11 April 2005.

Internal Supervisor: CCU's internal supervisor completed a questionnaire as a volunteer/board member but was also interviewed by John Pearce.

In the following section all the comments given by consulted partners are reported verbatim and a selection of comments from other stakeholders are given.

6: The Report on Performance, Analysis of the Social Accounts

6.1 Values

CCU partners, volunteers and board members and member of staff were all asked about how well the credit unions lives up to its values. All volunteers, board members and the staff member thought that CCU very much lives up to its values. Partners were also positive but with some slight hesitancy by one or two (it is felt there was hesitancy as they did not want to commit to saying the credit union was working extremely well so wished to respond safely) - see table below (Figures taken from partners interviews and questionnaires as seen in appendix B).

Value	1 - very much	4	3	2	5 not at all
To respect the dignity of the individual	4				
To be inclusive and offer a friendly approachable service	2	1	1		
To respect confidentiality	4				
To be transparent in all our operations	2	1	1		

All comments from partners

- My understanding of the CCU is through contact with John Kerr on Cranhill Strategic Issues and I find him a most diligent and

enthusiastic person with the care and consideration of all local residents, particularly in relation to poverty

- Very high regard
- The credit union is a valuable tool to have with helping social exclusion - great job

Comments from the other stakeholders

- The dignity of the individual is vital and must be supported at all costs.
- CCU established for 30 yrs, maintained a very high standard of service and we endeavour to keep that going.
- As a bank for the people of the community I think these values are basic to the success that has been achieved. Personally I relate to them.

Commentary on Values

We believe that the Values as stated are appropriate for the credit union and that opinion is that CCU generally adheres to them in its day to day work. From the table it can be concluded that some partners are a little hesitant with regard to two of the values and *this should be followed up*. However the majority of responses of all stakeholders was: "very much so".

In a future social audit cycle:

- We would aim to discuss these in more depth with our members.

6.2 Objective One -

To enable members in an area of high unemployment and social deprivation to save and borrow easily at affordable rates of interest, by:

- **Encouraging savings**

Credit Union members are encouraged to save regularly, even when repaying a loan. At 30 September 2004 the total of adult members'

savings was £683,223 with an average member's share balance of £564. During the year a total of £190,701 had been saved. At the same time young members' savings totalled £19,754. By March 31 2005 adult members savings had risen to £703,783 while juvenile savings had reached £24,423.

Of the 90 members surveyed 29.7% reported that they had saved more than £500 in the previous year and a further 43% reported that they had saved between £100 and £500.

Of the 78 members surveyed 35 members of the general public were members of the credit union and 22 of them, (63%) said that they saved regularly.

Stakeholder views

[Partners, board and volunteers and the staff member were asked to score CCU's performance on this activity, and all subsequent Activities, using a 1-5 scale where 5 means very successful and 1 means very unsuccessful. DK means "don't know and NA means no answer was given.]

	5	4	3	2	1	DK	NA
Partners	1	2	1				
Board members/volunteers	5	5	1				
Staff member		1					
Total	6	8	2				

- **Providing loans at an affordable rate of interest**

A new member of the credit union must be proposed and seconded by existing members and pay a £2 membership fee and buy a £1 share (ie save £1). The member then has the right to apply for a loan, although usually members build up some saving before seeking a loan.

Loan applications are dealt with by the Credit Union's Credit Committee consisting of three Board members. For a first loan a member would be interviewed on a confidential one-to-one basis but once a member borrower is known then no interview is needed, only their track record. Typically it takes two weeks to process a loan application but in an emergency it can be (and has been!) done within

24 hours providing funds are available. Every effort is made to help members and so the loan refusal rate is low, less than five a year, showing most people requiring a loan who is a member will get it. The interest rate on loans is 1% per month on the reducing balance (the cost of borrowing from the credit union on a 30 day, month basis, which works out at 12.68 APR).

Highlights

At the end of the financial year CCU had given 547 loans with the outstanding amount being £464,363.00. Tables in the appendices analyse these by type, by value and by length. It can be seen that loans for holidays (158) and at Christmas time (106) are the most common, followed by loans for household goods (88), cars and car repairs (46) and household bills (35). 433 loans (79%) are for amounts under £1000 and only 5 are over £5000, the largest being just under £7000. Nearly half the loans (250) are for a term of between 31 and 36 months and all but 31 of the remainder are for terms less than 30 months. Only 27 are really short-term (up to six months).

All 90 members who were surveyed had taken loans during the previous year:

How much have you borrowed over the last 12 months	£50 or under	£50+	£100+	£200+	£300+	£500+
	19	1	1	4	8	57 (63%)

Of the credit union members surveyed in the street just over half had been borrowers as well as savers:

How many loans have you taken from the Credit Union	0	1	2	3	4	5	9	20	Too many to remember
	16 (46%)	3	4	4	1	3	1	2	1

When persons surveyed on the street, who were not credit union members, were asked about where they borrow from 17 (39%) quoted the Provident with interest rates which appear to be never less than 50%. That compares with the effective credit union's interest rate of 6% per annum.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	2	1				1	
Board members/volunteers	7	4					
Staff member		1					
total	9	6				1	

- **Arranging debt consolidation**

One of the services offered by CCU is to offer a loan to a member so that s/he can pay off a series of other debts consolidating them into one debt with the credit union. This can be a risky service as a large loan may be required for someone who has near uncontrollable debt so in the social accounting period less than 5 such loans have been agreed.

Stakeholder's views

	5	4	3	2	1	DK	NA
Partners		1		1		2	
Board members/volunteers	2	2	4			3	
Staff member			1				
total	2	3	5	1		5	

- **Arranging debt redemption**

CCU has received grants from various trust funds (totalling £15,000) including the Lloyds TSB Foundation for Scotland which allow them to pay off people's debts in very serious situations so as, for example, to avoid an eviction. In the social accounting period CCU has made 10 such advances. In the past year CCU has introduced a contract with the person helped which sets down their repayment schedule. The staff member noted that arranging debt redemption could not happen on a large scale as it also was a risky business and debts to be redeemed were often

considerable. The Chairman of CCU noted that people who have been helped generally do repay their debt to the credit union.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners		1		1		2	
Board members/volunteers	1	2	3	1		3	1
Staff member				1			
Total	1	3	3	3		5	1

The staff member scored low in this area as she felt there was not enough previous cases of using the debt redemption scheme to comment on.

- **Providing a rent and repairs collection service**

CCU provides for two service members payment of their housing rent and/or their contribution to repairs. This used to be a much more used service but is less used now that electronic collection of payments has been introduced.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	1		1	1	1		
Board members/volunteers	5	1	2	1		2	
Staff member			1				
Total	6	1	4	2	1	2	

- **Providing access to the Death Benefit Trust Fund**

The Scottish League of Credit Unions (SLCU) has a special trust fund to which its member credit unions may apply in the event of the death of a member. The fund will clear any loan owing to the credit union and may pay up to 50% of the value of the deceased member's share capital to the named next of kin.

In the social accounting period CCU has made 8 applications to the death benefit trust fund totalling £14,717.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners		1				2	1
Board members/volunteers	5	1					5
Staff member							1
Total	5	2				2	7

There was one comment which was from the Board member stating "Death benefit trust fund has been excellent in past year"

Other feedback received from the consultations

CCU members were asked "How much of a positive difference has being part of CCU made to you" and to score on a scale 1-10. 87 (out of 90) scored 8 or over and 69 (76%) scored 10.

The following are the reasons given by members about why the credit union is so valuable to them:

Financial peace of mind

- I can borrow money with a low interest
- Keeps me financially independent
- Can budget finances
- I can save and invest in the community
- I know I can borrow when needed and necessary
- Solved debt problems by consolidating
- Gave up using provident vouchers
- Previously used shopcheck and got in heavy debt, CCU helped
- Can borrow when stuck
- Peace of mind
- Borrow with a low interest rate
- Solved financial problems
- Keeps us out of debt
- Cant get a loan from anywhere else
- Family can maintain a budget
- Can lead a normal life without worry
- Provides peace of mind
- Better than a bank for borrowing power

Services and Staff

- The CU can relate to your needs and respond quickly
- Handy, near by
- Helps in financial emergencies
- Excellence service, quick and efficient
- Fantastic service and superb people
- People help one another
- Staff very good
- Unique organisation
- Little paperwork compared to banks
- Great support to my family and the community for a long time
- There when you need them most
- A caring service, bend over backwards to help with my disability
- Enjoy friendliness and helpfulness of staff
- Staff considerate of needs
- Good service
- Bank would not give money to help with mobility but the credit union did
- CU always there for my family when necessary
- Can always turn to CCU
- Warm and friendly place - almost like a family
- This is the only place my family will borrow from

Luxuries

- Able to refurbish house
- Helped buy luxuries
- Helps with Christmas
- Without the CU there would be no life luxuries
- Can provide for my children
- I can afford things I never would have before
- I'm a single parent so has made a real difference to the family at Christmas and birthdays
- Could visit family overseas
- Helped pay for daughters wedding
- Better standard of living for the family
- Helps financially - daughter a student
- Helped buy my house
- Whole family members so enables us all to go on holiday

Now Saving

- Great way of saving
- Can borrow and save at the same time
- Ability to save for the future
- Have savings now I would have never had without the CU
- Saving on a weekly basis
- Access to my savings any time
- Can save money I wouldn't have and good interest rate
- Can save now as there are no banks in Cranhill
- Have saved more than ever for my family

Other

- Learn the kids to value money
- Its not been of value yet but am confident it will be in the future

From the above comments it can be concluded that the Credit union is greatly valued by service users, the comments speak for themselves.

Members were also asked about how the credit union could improve its services in the community:

Information

- Inform more people about the credit union
- Advertise
- More Advertising
- Adverts through doors
- Advise members not to lift shares
- Word of mouth

Services

- Better interest rate for regular savers
- Late night openings
- More for ethnic minorities
- Set up child trust funds
- Would like a Wednesday opening
- Direct debit would be helpful
- Access - cant get double pram through door
- Encourage growth
- Better disabled access
- If the CU had more money it could make more of a difference
- Open 5 days a week

- Late night opening
- Be more private with loans etc
- I disagree with policy on death shares of 50%, should come to an arrangement to bring back double shares on death
- Look at service providers in the community, allow them to advertise at the CU if they give a discount to CCU members
- Pay point would be an advantage
- Try to become more like a bank
- Open on Saturdays

Can't Improve

- The Cu has improved the quality of life in the community
- Good job
- Happy with things as they are
- It's perfect
- Keep up the good work
- Wouldn't be so bold
- Excellent, tremendously great support
- Couldn't be more helpful
- I wish the credit union well
- More than satisfied

As shown in the above comments there is always room for improvement but it is felt all comments are relatively minor changes and still people seem very happy with the service provided.

Commentary on Objective One

There is much which CCU can celebrate in the performance of its first and main Objective and there is firm evidence that the credit union meets an important need for a significant number of people in the community, and provides a good atmosphere in the credit union offices.

Issues which the credit union will consider/has considered are:

- The need to make the credit union better known through more and well-placed advertising;
- The wish that opening hours might be extended - although this is problematic as CCU depends on voluntary staff for its existing opening hours and finding and training more volunteer staff;

- Improving disabled and pram/pushchair access - CCU is already consulting an architect with this in view;
- The credit union is now able to accept child trust fund cheques and open accounts for families with no bank account.

6.3 Objective Two:

To educate and inform the membership and potential membership of the benefits of the credit union, this will be done by:

- **Managing a web site**

The CCU website was set up some four years ago and although it may be visited it is currently dormant. CCU plans to review it shortly.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners			2			2	
Board members/volunteers	4		1			2	4
Staff member			1				
total	4		4			4	4

- **Using SCUP promotional materials**

CCU is an active member of the Scottish Credit Union Partnership (SCUP) which provides a range of marketing materials (4 leaflets) paid for by the Scottish Executive for use by credit unions. CCU uses these to give to inquirers and to hand out at meetings.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners		2	1			1	
Board members/volunteers	4	1	2			2	2
Staff member			1				
total	4	3	4			3	2

- **Growing the junior membership**

At March 2005 CCU had 281 junior members (under 18 years) and was holding juvenile deposits of £24,423. There is a declining young population in Cranhill which affects the slow junior growth in CCU but it is still growing. CCU hopes to maintain this by keeping in touch with the schools of the area and educating through that source. A significant number of junior members stay on to become adult members of the credit union.

As part of the stakeholder consultations 8 young members were interviewed or completed a questionnaire. Below are the main questions asked of the 8 young members of the credit union, along with the findings.

How long have you been using the credit union	0-6 m	7-12 ms	1-2 yrs	2-3 yrs	3+ yrs
	1				7

How much have you saved over the last 12 months	£50 or under	£50+	£100+	£150+	£200+
	2	2	3		1

How much have you borrowed over the last 12 months	£50 or under	£50+	£100+	£150+	£200+
	2				1

(No answer = not borrowed in last year)

How much of a positive difference has being part of Cranhill credit union made to you	1	2	3	4	5	6	7	8	9	10
							3	1	3	1

How affective do you think we <u>could be</u> in helping young people	1	2	3	4	5	6	7	8	9	10
									3	

What can we do to get there? (Ie be more effective)

- Need to promote the credit union to children from young age to help prevent debt
- Young people don't know enough about the credit union
- Help children think about what they could do to save money
- Encourage young people to save

Four of the young members (those who were interviewed) were asked a series of questions in relation to the credit union and how it affects them; all answers to the three questions are stated below:

If there is one thing which has made a difference to you by being a member of the credit union, what would you say it was?

- Has been a very reliable source in which to save my money, you can track how much you have saved and it encourages me to save more, it encouraged me to save and pay for my own holiday
- It has enabled me on many occasions to consolidate all of my bills into one to make money matters more manageable
- I have got more money now

If there is one thing which Cranhill Credit Union could do better for young people, what would it be?

- More could be done to promote the credit union to young people as it is a positive project
- Make young people more aware of the credit union and its benefits

- Encourage people to save their pocket money and put it into the credit union

For the future CCU hopes to develop better communication links with the young people in the community in partnership with schools.

If there is one thing which Cranhill Credit Union does really well, what would you say it was?

- The credit union does a lot to maintain the essence of the community, members know that in a time of struggle or need they can turn to the credit union and it will help them as best they can
- when applying for a loan it is dealt with quickly and efficiently
- Helping people think of different ways to save their money
- Helping others

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	1	1	1			1	
Board members/volunteers	4	3	2			1	1
Staff member			1				
total	5	4	3			2	1

- **Developing working relationships with local schools**

Over the years CCU has worked closely with two local primary schools, Lamlash and Millerscroft. These contacts have involved going into the schools to tell children and young people about credit unions and the value of saving, and even collecting money for their savings accounts with the credit union. These two schools are now merged as Cranhill Primary school and CCU has presently lost its involvement with the new merged school. It has never been able to establish a working relationship with the Catholic primary schools, formerly two but also now reduced to one, St Maria Goretti. This is due to 5 schools in the community being demolished although 2 new schools are currently being built and it is hoped to have access to these in the future.

CCU has also from time to time taken young people on work experience in the credit union office from Eastbank School and during the school holidays children from primary school often come to help doing such jobs

as opening the door. This gives the children of Cranhill a taste of what it is like to work outside school with the community.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	1	1	1			1	
Board members/volunteers	4	1	2	1		1	2
Staff member			1				
total	5	2	4	1		2	2

Comments from Stakeholders

- School work urgent - must get Head Teacher on our side
- Must advertise more

Commentary on Objective Two

We are pleased with the responses from our young members but it would be good to *speak with more of them the next time*. Most of our young members go on to become adult members of the credit union.

Other issues to follow up are:

- Make sure we get the website reviewed and active again;
- Find the time to re-establish working links with Cranhill School and try again to build links with St Maria Goretti - but that extra work also means finding new volunteers.

6.4 Objective Three -

To operate on the democratic principles and within the ethos of the credit union movement as a not for profit, local enterprise co-operative, this will be done by:

- **Expanding the membership**

At the end of the financial year 30 September 2004 CCU had 1,220 active adult members and 310 juveniles. 87 new members had joined during the year. During the same period 52 people had left the credit union or died. Thus there had been a net increase of 35 during the year. At the end of March 2005 active membership stood at 1250 showing a

continuing increase. CCU has set itself a target of achieving an active adult membership of 1560 by 2006.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	1	2				1	
Board members/volunteers	6	1	3			1	
Staff member			1				
total	7	3	4			2	

- **Actively involving members and encouraging their participation**

CCU depends on the active involvement of volunteers to sustain itself and has a core group of 15 active volunteers.

The annual general meeting in 2005 was attended by 28 members, the 2004 AGM by 17 members.

In the past CCU has held quite successful open evenings/social events for credit union members and other interested community members but none of these took place during the social accounting period. The last major one was to celebrate 25 years of the credit union in 2001 and 200 people attended. The next is planned for next year to celebrate 30 years.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	4						
Board members/volunteers	5	1	4			1	
Staff member			1				
total	9	1	5			1	

- **Operating according to all statutory requirements**

A credit union is very closely regulated by the Financial Services Authority and CCU has satisfactorily complied with these requirements by submitting satisfactory returns.

At the 2004 AGM CCU adopted the new red rule book developed by the Scottish League of Credit Unions as the new rules for CCU.

A credit union also has an internal supervisory committee whose duties are to ensure that all aspects of the credit union operate according to the rules of the credit union and comply with the statutory requirements to ensure that the members' rights and savings are protected. The Committee submitted a satisfactory report to the AGM held on 6 April 2005. As part of the stakeholder consultations for these social accounts the internal supervisor was interviewed and she confirmed that CCU complies fully with all required procedures and that the system of checking is regular and thorough.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	1	1	1			1	
Board members/volunteers	6	2	1			1	1
Staff member			1				
total	7	3	3			2	1

- **Working in partnership with SLCU, SCUP, Glasgow city strategy group and other partners**

CCU aims to play an active role both in the local community and within the Scottish community of credit unions. John Kerr serves as Chair of the Scottish League. For the purposes of these social accounts four partner organisations were consulted: Credit Union Strategy Group (Glasgow CC), Cranhill Project, The new Housing Association and the Scottish League of Credit Unions.

These partners were asked about their partnership relationship with CCU:

The partners were asked if they agreed or disagreed with the following questions, 1 = strongly agree, 5 = strongly disagree. These questions and results are shown overleaf:

	1	2	3	4	5	Don't Know
We have worked in close collaboration with the credit union	2		1			1
Our collaboration/partnership has been useful to us	2	1	1			
The credit union has probably benefited more from our collaboration/partnership than we have		1	2		1	
The credit union has been an efficient organisation to work with	2	2				
We have been able to agree clear objectives for our collaboration/partnership	2		2			
We shall willingly continue our collaboration/partnership in the future	3		1			

Partners' other comments:

- Provides a valuable service for the community
- Want the credit union to strengthen and develop and become full participants in the community

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	1	2				1	
Board members/volunteers	4	2	3			1	1
Staff member			1				
total	5	4	4			2	1

[One partner from Glasgow city council replied "Don't know" it is felt he either did not understand the question or only had a distant working relationship with CCU.]

Commentary on Objective Three

In general CCU is seen to be performing well on all aspects of this Objective but at the same time some believe performance could be better. In particular:

- CCU would like to involve more members more actively as volunteers and will continually seek to do this.
- When CCU begins to work in its extended common bond it will require significantly more resources.
- A closer engagement and collaboration with partners could be explored.

6.5 Objective Four -

To give high quality management and support to the CU's people, this will be done by:

CCU depends on its 15 volunteers, twelve of whom are Board members. Of these nine work regularly at the credit union, at least two days per week. One is the internal supervisor and eight volunteers act as tellers, dealing with customer members and taking money. Other jobs identified by the volunteers include: doorman, greeting members, tidying, tea-making, answering the phone, "any jobs that are required"!

Of the ten volunteers who completed a questionnaire and revealed their age only one is under 40, the rest being in their sixties and seventies. Three are male.

CCU has one paid member of staff who acts as *General Manager/Treasurer* working 30 hours a week. Although she has only been employed since March 2004, taking over from the previous *GM/T* who retired after 28 years service, the present *GM/T* has been involved with the credit union since childhood and was actively involved as a volunteer before becoming employed.

- **Providing opportunities for ongoing training and support for members and volunteers**

Through the Scottish credit union movement there are regular opportunities for training for members and volunteers in use of computers, working with the public and cash handling. In the year ended one volunteer director reported having attended more than 5 days of training and two others either a half or a one day session. Ten report positively that they have received the training they need over the years and that it has all been worthwhile. The member of staff commented on

how the volunteer directors all have years of experience and are always there to give guidance.

Stakeholder comments

- Plenty of hands on training/Days away at Stirling & Pitlochry
- I have had all my training over past 25 years.
- Enjoyed my training, other members of staff very helpful and patient, showing me how to do things over & over until I could do it on my own.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	2	2					
Board members/volunteers	6	3	2				
Staff member			1				
Total	8	5	5				

- **Encouraging the personal and professional development of volunteers and members**

CCU encourages members, and especially volunteers, to build on their involvement with the credit union and do other things. As a consequence of involvement with CCU a number of people have gone on to training and new careers for which they previously would not have had the confidence.

Stakeholder comment

- Good track record for women returners with hands on participation and building confidence with them.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	2	2					
Board members/volunteers	6	3	2				
Staff member			3				
Total	8	5	5				

Partners	2	2					
Board members/volunteers	6	3	2				
Staff member			1				
total	8	5	3				

Staff and volunteers were also asked about communications in the credit union and morale. Generally responses were very positive with people thinking communications good, speaking highly of CCU to others and being proud to work for it. A small minority expressed some uncertainty about their understanding of all aspects of the credit union and noted that morale could "ebb and flow" during "hellish" weeks.

One person commented on "good vibrations", while another reflected on CCU going through something of a transitional period, needing to recruit new and younger volunteers for the future and expressing concern about the pool of volunteers available for an increasing workload.

Commentary on Objective Four

CCU strives to care for its workers, paid and volunteer, for without them the credit union simply could not function. An application is currently being made to try and raise funds which would allow CCU to employ additional paid staff. Meantime CCU has to continue to work at maintaining the right balance between being a professionally run financial institution and at the same time a vibrant community organisation. Specific issues which CCU will be following up are:

- Seeking to increase the number of trained volunteers available to the credit union;
- Aiming to recruit more younger people to serve as the next generation of committed staff;
- Continuing to work to ensure best possible team-working;
- How to reduce its reliance on volunteers;
- Reporting fully on the work of the Young Persons Trust established to give grants for educational purposes;
- Using case-studies to illustrate the personal development achievements of some people who have been helped through their association with the credit union.

6.6 Objective Five -

To grow the credit union movement within the wider Cranhill common bond area by:

- **Formally extending the common bond area**

CCU is seeking to extend its common bond area to include areas to the north-east of Cranhill including Millerston, Robroyston, Hogganfield, N E Barlornock, Auchenairst and Bishopbriggs. This extended common bond would give a population catchment of circa 75,000. Work is in hand to present the case to the Financial Services Authority and CCU hopes to be successful with this during the next year.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners		1		1		2	
Board members/volunteers	5	1	3	1			1
Staff member			1				
total	5	2	4	2		2	1

- **Including people who work in the common bond area but are not resident**

Part of the case for extending the common bond area will include extending membership not only to those who live within the bond area but also to people who work within it. This will substantially increase the potential membership of the credit union and especially will include people in work.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	1	1				2	
Board members/volunteers	6	1	3		1`		
Staff member			1				
Total	7	2	4		1	2	

[It is thought that one of the bored members/volunteers did not understand this question which is why they scored so low in this area.]

- **Purchasing and renovating the credit union premises**

CCU rents its premises at 4 Crowlin Crescent from Glasgow City Council. The premises were formerly a park-keepers house and are adjacent to an area of green open space. The premises consist of four offices (apartments) plus kitchen and bathroom and a loft conversion giving a meeting room and an additional office and storage space.

Some years ago CCU sought to purchase the premises from GCC but this was turned down. The current rent level is £2800 per annum (after a 50% rebate) and the credit union has a full repairing and insuring lease. The CCU has tried negotiating with the local authority - Glasgow City Council - but have so far been unsuccessful but remain optimistic in the long term and will keep trying.

As part of the consultations for the social accounts the GCC Development and Regeneration Services Department was asked if the Council might be willing to sell the premises to CCU at this time. This is apparently not possible "owing to the fact that the property is held within Cranhill Park which is currently an operational facility. Also sale of parkland is largely not possible due to Title conditions which preclude the disposal of any area of ground".

The Council also explained that were any other suitable Council-owned premises to be put on the market CCU would have to bid on the open market along with other potential purchasers. The Council also confirmed that although a development review is underway in Cranhill "with a view to undertake regeneration in the area" it is not known if proposals might affect the CCU's premises.

Comments of stakeholders

- Owning the property presently occupied by CCU would be a great achievement for people of CCU and security of tenure.
- We can but try and hope for the best.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	1			2	1		
Board members/volunteers	6	1	2		1	1	
Staff member						1	
Total	7	1	2	2	2	2	

Commentary on Objective Five

Over the coming year CCU aim:

- To successfully extend the common bond area; and
- To continue to explore ways in which they can safeguard their tenure at Crowlin Crescent for the long-term.

6.7 Objective Six -

To give other services to the community, by:

- **Providing information**

During each week an average of 300 to 400 accounts are active with pass books often being brought in by family members and neighbours. It is the policy and practice of the credit union to act as an informal information centre relating to money advice.

Providing information includes not only matters credit union related but the volunteers and workers of CCU are constantly willing to help and advise anyone who enters or calls the premises. It is clear that this area should not be taken lightly as it is, as thought by the members, one of the organisations main and most helpful features.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	2	2					
Board members/volunteers	6	1	3				1
Staff member			1				
total	8	3	4				1

- **Providing photocopying services**

CCU makes its photocopying facility available to local residents. In the past this was given as a free service but now a charge of 5p a copy is made. Usage is in the main occasional and ad hoc except for one regular weekly customer.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	1					3	
Board members/volunteers	6	3	2				
Staff member			1				
total	7	3	3			3	

- **Countersigning passport applications**

Credit Union officials are entitled to countersign passport applications and CCU offers this service free of charge to local residents, unlike other authorised persons who often make a charge of, say, £10. In the social accounting period it is estimated that CCU has signed 15 passport applications.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	1					3	
Board members/volunteers	5	2	3				1
Staff member			1				
total	6	2	4			3	1

- **Supporting the recycling project**

CCU has been instrumental in establishing a recycling project which is based in the rear of the Crowlin Crescent premises. This project collects mainly items of furniture and second-hand clothing which it sells for a donation rather than a fixed price to local residents.

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	1	1				2	
Board members/volunteers	6	1	3				1
Staff member			1				
total	7	2	4			2	1

- **Purchasing local goods and services where possible**

It is CCU policy to purchase goods from local (Easterhouse) suppliers whenever possible. Thus tea, coffee, biscuits, cleaning materials etc are all purchased from the local shop, a local stationery company is used and a local company fitted the computer system.

In the past CCU has encouraged local traders to advertise through the credit union and a butcher, now closed, used to offer discounts to credit union members.

Stakeholder comments

- Service is our work
- The community benefits greatly from these services

Stakeholder views

	5	4	3	2	1	DK	NA
Partners	3	1					
Board members/volunteers	5	2	3				1
Staff member			1				
Total	8	3	4				1

There are other ways in which CCU works and helps in the community. These include taking young men on community service orders to work on projects arranged by the credit union and the recycling project. During the social accounting period two such young men have worked with the credit union.

Commentary on Objective Six

Playing an active role in the community is an important dimension to the work of the credit union and CCU will continue to be a focus for community service and action. In particular:

- CCU will consider reporting more fully in future on its information and sign-posting work; and
- Will report in more detail on its work with CSOs and the recycling project.

7 Other views of Stakeholders

7.1 Volunteer directors were asked if there were any other Objectives or Activities CCU might consider taking on and the following were suggested:

- More direct supplies for the members
- Help with holiday arrangements
- Direct links with traders
- Accessing soft loans from any bank to generate more income to serve members.

7.2 Stakeholders were also invited to rank the credit union's Objectives in order of priority. From this exercise came a very clear consensus amongst volunteer directors and staff that Objective One was clearly most important: *To provide accessible financial services to our members*. Next in priority were operating on democratic principles and according to the ethos of the credit union movement (Objective Three) and educating people about credit unions (Objective Two).

7.3 Directors were asked a series of questions about the role and operation of the Board. All considered the remit of the Board to be clear and had had clear sense of their responsibilities and role: "Most members of the Board know what they are responsible for and all have copies of rulebooks and statutory papers".

A small minority did imply that papers are not circulated in sufficiently good time before meetings, or minutes afterwards.

7.4 Members of the public surveyed were asked if they had a bank account and if what sources of lending they took, and what interest rates are charged. The following are the results:

Do you have a bank account	
Y = 22	N = 21

Have you take a loan from:	Bank	Provident	Private lender	Other
	6	17	0	3

		(39%)		
Interest Rate paid	<ul style="list-style-type: none"> • 7% • 8% 	<ul style="list-style-type: none"> • £300 pay £460 back • 55% • Quarter over what I got • Double amount • £300 pay back £525 • Less than half of what borrowed • 80% • 50% • 55% • £1000 pay £1650 		<ul style="list-style-type: none"> • 7.9%

Commentary

Unsurprisingly there is clear consensus that CCU's first Objective is clearly the most important - encouraging people to save, making loans and helping with financial management. One issue raised which will be pursued is:

- To ensure that Board papers are timeously circulated.

It is clear from the rates interest that some people have to pay that the role of a credit union is essential to local people.

8 Environmental impact

8.1 CCU does not currently have a formal environmental policy. However the credit union is aware of its environmental responsibilities and re-uses, repairs and recycles whenever possible. The recycling project is an example of this in action. For the future CCU will consider stating and reporting on its environmental practices more clearly.

9 Economic impacts

- 9.1 The economic impact of CCU in the local community has been described under Objective One above. Above all CCU is about encouraging savings and wise use of money, keeping rates of interest low and affordable and contributing as it can to the local economy. All volunteers and staff members are trained in keeping records through use of computers, working with people and cash handling which gives them the ability to transfer these skills into other jobs. CCU is aware that it could report more fully on these aspects of its local economic impact in future social accounts.

10 Compliance

- 10.1 CCU is required to comply with FSA regulations and the statutory rules governing credit unions and does so satisfactorily. As reported above (Objective Three) CCU has an internal supervisory structure also. The accounts of CCU are audited annually by Aird Sakol and the most recent were put to the AGM on 6 April 2005.

11 Financial information

- 11.1 The audited accounts of CCU for the financial year ended 30 September 2004 show total capital and share balances of £775,883, up £76,894 from the previous year. This is made up of a general reserve of £92,660 and members' share balances of £683,223. Revenue income for the year (previous year in brackets) was £73,049 (£64,566) and revenue expenditure £52,068 (£44,019) giving a profit of £20,981 (£20,540)

12 Main issues and achievements, conclusions and recommendations

The following are the main issues identified by the social accounts:

12.1 Values

We believe that the Values as stated are appropriate for the credit union and that opinion is that CCU generally adheres to them in its day to day work. From the table it can be concluded that some partners are a little hesitant with regard to two of the values and *this should be followed up*. However the majority of responses of all stakeholders was: "very much so".

In a future social audit cycle:

- We would aim to discuss these in more depth with our members.

12.2 Objective 1

There is much which CCU can celebrate in the performance of its first and main Objective and there is firm evidence that the credit union meets an important need for a significant number of people in the community, and provides a good atmosphere in the credit union offices.

Issues which the credit union will consider/has considered are:

- The need to make the credit union better known through more and well-placed advertising;
- The wish that opening hours might be extended - although this is problematic as CCU depends on voluntary staff for its existing opening hours and finding and training more volunteer staff;
- Improving disabled and pram/pushchair access - CCU is already consulting an architect with this in view;
- The credit union is now able to accept child trust fund cheques and open accounts for families with no bank account.

12.3 Objective 2

We are pleased with the responses from our young members but it would be good to *speak with more of them the next time*. Most of our young members go on to become adult members of the credit union.

Other issues to follow up are:

- Make sure we get the website reviewed and active again;
- Find the time to re-establish working links with Cranhill School and try again to build links with St Maria Goretti - but that extra work also means finding new volunteers.

12.4 Objective 3

In general CCU is seen to be performing well on all aspects of this Objective but at the same time some believe performance could be better. In particular:

- CCU would like to involve more members more actively as volunteers and will continually seek to do this.
- When CCU begins to work in its extended common bond it will require significantly more resources.
- A closer engagement and collaboration with partners could be explored.

12.5 Objective 4

CCU strives to care for its workers, paid and volunteer, for without them the credit union simply could not function. An application is currently being made to try and raise funds which would allow CCU to employ additional paid staff. Meantime CCU has to continue to work at maintaining the right balance between being a professionally run financial institution and at the same time a vibrant community organisation.

Specific issues which CCU will be following up are:

- Seeking to increase the number of trained volunteers available to the credit union;
- Aiming to recruit more younger people to serve as the next generation of committed staff;
- Continuing to work to ensure best possible team-working;
- How to reduce its reliance on volunteers;
- Reporting fully on the work of the Young Persons Trust established to give grants for educational purposes;
- Using case-studies to illustrate the personal development achievements of some people who have been helped through their association with the credit union.

12.6 Objective 5

Over the coming year CCU aim:

- To successfully extend the common bond area; and
- To continue to explore ways in which they can safeguard their tenure at Crowlin Crescent for the long-term.

12.7 Objective 6

Playing an active role in the community is an important dimension to the work of the credit union and CCU will continue to be a focus for community service and action. In particular:

- CCU will consider reporting more fully in future on its information and sign-posting work; and
- Will report in more detail on its work with CSOs and the recycling project.

12.8 CCU also noted the following action point regarding the operation of Board meetings:

- To ensure that Board papers are timeously circulated.

13 Strengths and weaknesses of the Social Accounting Process

13.1 CCU has been pleased with several aspects of the social accounting process:

- Clarifying Values, agreeing Objectives and Activities and writing a Mission statement was a useful and constructive exercise;
- Likewise, identifying stakeholders and their expectations helped understand the potential impact of the credit union;
- Engaging stakeholders in the process has been quite successful, especially getting volunteers from other credit unions to do interviews, the street survey and talking to young members.

13.2 However it is also clear that the social accounts could not have been prepared without considerable external assistance and this raises questions for the credit union being able to go through the exercise again. The hope is that, now a model exists, a combination of volunteers and students on placement might manage to help CCU keep the process going.

14 Future plans for the next Social Accounting Cycle

- 14.1 As stated above CCU would in principle like to continue with social accounting but it will depend on finding the resources to do it. Were a social accounting programme to continue in Easterhouse, CCU would seek to be part of that and benefit from continued support. An alternative approach which might be considered is to introduce social accounting to other credit unions in Scotland and seek some resources to give support to them, along with CCU, to both produce social accounts and to build the capacity for mutual support and guidance.

15 Dialogue and disclosure

- 15.1 CCU intends to report the findings of the social accounts to its stakeholders and to members in particular. For some it will be appropriate to send the full version of the social accounts but for the majority CCU would like, resources permitting, to produce a summary version which can be widely circulated. In particular CCU wishes to explain and promote social accounting to other credit unions. On the agenda for the next social accounts. it is hoped to include the national body, Scottish League of Credit Unions, in order to increase awareness of the benefits of social accounting.

Cranhill Credit Union believes that social accounting is extremely beneficial to the organisation and hopes to continue the practice, although they won't have access to specialist resources they feel they should be able to carry out the work but professional help would be beneficial and also the aid of a student as for these social accounts.

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