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Wakefield-based Credit Union shows excellent growth

Flying in the face of a disastrous year for banks and financial lenders globally, the White Rose Credit Union (WRCU) has reported a year of excellent growth and success.

At its AGM held on 1 March 2010, WRCU announced growth in turnover of 10%, a 33% increase in staffing levels and a significant improvement in the operating surplus.

Despite reduced earnings from members' cash held on deposit which has generated very little in interest from the bank, the Credit Union has been able to announce an improved surplus which has enabled it to increase the dividend paid to members to 1%.

How have they done it?

A contributory factor to this increase in dividend and overall size is its partnership with Wakefield and District Housing (WDH), where the WRCU has been attending WDH's groundbreaking "Money Matters" sessions.

At these sessions, WRCU has been able to offer much-needed financial services for people and families who don't have access to services many of us take for granted, such as savings, low cost loans and a current bank account.

For many tenants, these services are not available to them via mainstream financial services.

Indeed, without this partnership service, many residents and tenants would have to rely on high cost credit and loans from high-interest operators such as doorstep lenders and, subsequently, borrowers are inevitably left with little to pay for everyday goods or utilities.

An example of high interest...

WDH is aware that there are many doorstep lenders operating on its estates who are charging large amounts of interest.

For example, a £300 loan over 52 weeks from Provident or Shopcheck costs £10.50 per week and the total cost of the loan is **£546.00**.

Compare this to a loan from WRCU where the weekly payments can be as low as £6.15 per week making the total cost of the loan **£319.86**.

Significantly, the extra interest is not only taken away from the individual, but also from the local economy.

Jacqui Ward, WRCU President, says the implications of WRCU's success are significant for the Wakefield area.



“Up to 30 September 2009 the loans issued by the WRCU has saved the local economy over £400,000 in interest charges and this is just the tip of the iceberg,” says Ms Ward. “Consider this, together with our work in Money Matters sessions with WDH where we help people manage and take responsibility for their finances, it means money is staying in the local economy.

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Wakefield and District Housing

“Often residents and tenants are unaware that a loan from WRCU is a better option. We aim to change this.”

More about WRCU...

The WRCU is a not-for-profit financial organisation that works in partnership with other local organisations including WDH, Wakefield Metropolitan District Council (WMDC) and the NHS. Unlike banks and building societies the credit union doesn't have highly paid directors, and all the profits (after running costs) are returned to the members as an annual dividend.

The WRCU is managed and controlled by a volunteer Board of Directors. These are a mixture of Managers from WDH, WMDC and independent people who are interested in helping people.

For more information phone Jacqui Ward (President) on 01977 724495 or 07702 449589.

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Notes To News Editors

1. Photo caption:
2. WDH was established in April 2005 and became the largest single transfer housing organisation in the country when it took ownership of homes from Wakefield Council. It manages 31,000 properties occupied by 100,000 tenants and has a workforce of over 1,400 people, making it one of the largest local employers. WDH became the first housing organisation in the north, and the third in the UK to achieve the top rating of three stars from the Audit Commission in October 2007. The rating was awarded in particular for WDH's progress in delivering major repairs, the range of ways tenants can access services, and the high standards of customer care. WDH were also commended for their clear focus on delivering value for money services, catering for vulnerable people and impacting on the regeneration of the area.
3. WDH has been awarded Silver Band status by Sustainable Homes Index For Tomorrow (SHIFT), which recognises housing organisations' environmental sustainability and commitment to preventing climate change.

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