



# Annual Consumer Duty Board Report and Assessment

SAG Credit Union Limited

July 2024

## Executive Summary

### Performance Against FCA Consumer Duty Outcomes:

*The Board of SAG Credit Union Limited conducted a review of the credit union's performance against the Financial Conduct Authority (FCA) Consumer Duty outcomes. The review encompassed various aspects of our operations, focusing on the four key outcomes outlined by the FCA:*

- *Outcome 1 – Member can access products and services that meet their needs,*
- *Outcome 2 – Members can expect products and services that are fit for purpose,*
- *Outcome 3 – Members can expect products and services that deliver fair value, and*
- *Outcome 4 – Consumers can expect an appropriate level of care and support from the credit union*

### Summary of Findings:

*Overall, our performance against the FCA Consumer Duty outcomes was found to be Satisfactory. We have demonstrated a commitment to ensuring that our products and services meet the needs of our members, are fit for purpose, deliver fair value, and are accompanied by an appropriate level of care and service.*

*However, the review also identified several areas where improvements could be made to further enhance our compliance with the FCA's expectations and better serve our members.*

### Key Issues Identified:

- **Product Suitability Assessment:** *Our processes for assessing the suitability of products and services for individual members needs refinement to ensure that offerings are aligned with members' financial circumstances, needs, and objectives.*

- **Value for Money:** Our savings products offer major benefits that our competitors do not, such as Savings Protection which builds up over the term that the shares are held. Where we need to improve is to ensure that members are aware of the Life Savings Insurance and of the benefits associated with having an Easy Save account alongside their main shareholding. In addition, Death Benefit Insurance is linked to a members' shares. We need to ensure that all members are aware of these benefits.
- **Complaints Handling:** The review highlighted opportunities to streamline and improve our complaints handling processes, ensuring that member concerns are addressed promptly, fairly, and transparently.
- **Data Collection & Monitoring:** The review highlighted the need to identify data sets and a monitoring framework.
- **Vulnerable Members:** Identifying, monitoring and collating vulnerable members on the system and helping Vulnerable Members achieve their financial goals whilst protecting and safeguarding their interests and the interests of the Credit Union as whole.
- **Specialised Training Needed:** The review identified the need for specialized training for staff, BOD and BOD champions, so that they are aware of their roles and responsibilities under the Principles of Consumer Duty, and the application of these principles in practice.

## **Proposed Recommendations:**

*In response to the findings of the review, the Board proposes the following recommendations:*

- Continue to enhance member education and communication efforts to improve transparency and understanding of product terms and conditions.

- *Implement robust procedures for assessing the suitability of products and services for individual members, incorporating comprehensive risk assessments and member needs analysis.*
- *Conduct a thorough review of all products, interest rates, and fees. (We currently have only two fees. 1. The **Annual affiliation fee** which is declared annually by the ILCU and is minimal and 2. **Death Benefit Insurance:** Members opt into this insurance scheme and the annual fee is decided by ECCU. Members can opt out of paying this fee at any time with no penalty.)*  
*The review is to ensure that our products deliver optimal value for money to members. Our loan products are currently being reviewed and assessed by our accountants.*
- *Revise and enhance our staff complaints handling procedures as a means of learning and improving our services.*
- *Agree and formalise a data collection set and monitoring framework (Appendix 20) against the 4 Consumer Duty Outcomes.*
- *Secure Specialised training from the ILCU for the Board Champion and staff on Consumer Duty and its implications for our members.*
- *Ensure staff have the skills to identify, monitor and deal with our Vulnerable members and review our policies to ensure that they are safeguarded*

## **Conclusion:**

*The Board is dedicated to maintaining proper member protection and service excellence. They plan to achieve this by following suggested recommendations and closely tracking their performance against the FCA Consumer Duty outcomes.*

# Consumer Duty Report

## 1 Purpose of this report

- 1.1 The purpose of this report is to provide documentary evidence of the Board's review and approval of the SAG Credit Union's Annual Consumer Duty Report.
- 1.2 The Board must ensure that the credit union's strategy, governance, leadership, processes, and people policies (including incentives at all levels) reflect the obligation to act to deliver good outcomes for members.
- 1.3 This report provides details of the Board's assessment of the Credit Union's compliance with the Consumer Duty rules.
- 1.4 The report highlights whether the Credit Union has achieved its stated objective of achieving good outcomes for its retail members and whether the firm's future business strategy is consistent with its obligations under Principle 12 and PRIN 2A of the FCA Handbook.<sup>1</sup>
- 1.4 The FCA has indicated that the "Consumer Duty" must be a top priority for Board and that ultimate accountability and responsibility for compliance will sit with boards and senior management. To this end, the FCA expects the Board to oversee and challenge the credit union's implementation and compliance with the Duty.

## 2 Governance arrangements

### Board of Directors:

- 2.1 The Board of Directors plays the central role in setting the strategic direction of the credit union and overseeing its operations to ensure alignment with FCA regulations and consumer protection principles.

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<sup>1</sup> Principle 12 reflects a general expectation by the FCA that firms should conduct their business to a standard which ensures an appropriate level of protection for retail customers. The FCA summarises the key new detailed conduct rules and guidance in PRIN 2A which support Principle 12.

## **FCA Consumer Duty Champion**

- 2.2 The Board has appointed an FCA Consumer Duty Champion. The primary role of the Board champion is to support the Chair and CEO in raising the Duty regularly in all relevant discussions and challenging the credit union's governing body/management on how it is embedding the Consumer Duty and focusing on member outcomes.

## **Senior Management Oversight**

- 2.3 Under the guidance of the Board, senior management is responsible for implementing policies, procedures, and controls to uphold FCA Consumer Duty requirements across all aspects of the credit union's operations. To this end SAG Credit Union has established a Consumer Duty Committee, comprising, the Consumer Duty Board Champion, the General Manager, Assistant Managers, Risk Manager, Marketing Executive and Credit Controller.

## **Training and Development:**

- 2.4 To equip directors, executives, and staff with the necessary knowledge and skills to fulfill their consumer duty obligations effectively, the credit union invests in ongoing training and development initiatives. Training programs cover topics such as:
- Anti-money laundering and terrorist financing
  - Fraud prevention
  - Complaints handling
  - Loan protection and life savings
  - Cyber security
  - Data protection (GDPR)
  - Ethical behavior
  - Lending practices
  - Health and safety

However, the review has identified the need of more specialized training for Staff, Board Members to ensure a greater understanding of the Consumer Duty, and its effective application.

### Stakeholder Engagement:

- 2.5 The credit union actively engages with stakeholders, including members, regulators, community organisations, and peers, to solicit feedback, share best practices, and foster collaboration in advancing consumer protection goals.
- 2.6 We have just conducted a sample survey of our members and anticipate doing so on an annual basis going forward. Please see responses below.

Why did you choose to borrow from us?

|  |    |
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| Competitive interest rates                                 | 0  |
| Easy loan application process                              | 70 |
| Different repayment options (weekly, fortnightly, monthly) | 10 |
| Free Life Savings Insurance                                | 0  |
| No penalties for early repayment                           | 5  |
| Interest is charged on the reducing balance                | 8  |
| Interest rebate  | 7  |
| Other  | 0  |

How did you find the application process? Please provide comments:

Comments included:

- Application process is straightforward
- Staff take time to explain things
- I don't feel judged by staff
- The secured loan option is great
- I like being able to pay my loan off quicker if I can
- I like being able to come into the office to speak to someone
- Applying for a loan online is handy

**Did you visit our office? If yes, please rate your level of agreement with the following statements.**

**1 being 'strongly disagree with' and 5 being 'strongly agree with'.**

|  | 1 | 2 | 3 | 4 | 5  |
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| Staff were friendly                                      |   |   |   | 2 | 98 |
| Staff listened to me and understood my needs             |   |   |   | 3 | 97 |
| Staff took time to explain the various repayment options |   |   | 1 | 4 | 95 |
| I was seen promptly by staff                             |   |   |   | 4 | 96 |
| The office was clean and comfortable                     |   |   |   | 2 | 98 |

- 2.7 Through transparent communication and dialogue, the credit union seeks to build trust and credibility while promoting a culture of accountability and transparency.





## General areas for testing for compliance with consumer duty

| Test area  | Findings  | Key metrics  | RAG rating | Risks and issues   | Corrective actions  |
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| <b>Alignment of culture within credit union with Consumer Duty</b> | <p>SAG Credit Union Limited's purpose is aligned with the achievement of good member outcomes.</p> <p>SAG Credit Union Limited's purpose is outlined in the Business Strategy and Plan 2024-2026. (see appendix 1)</p> <p>The vision and mission statement of the credit union is member focused, focusing on member wellbeing and good member outcomes. This aligns with the spirit of Consumer Duty.</p> <p>Putting members first is embedded in the credit union's suite of policies designed to adhere to PRA/FCA guidelines, to protect member interests and assets, and the credit union from unforeseeable harm.</p> | <p>It is important to define what 'culture' is before outlining the metrics to measure it.</p> <p>The credit union's culture is the essential elements of how the credit union and its employees behave, as well as its governing beliefs and principals. (Campbell, 2023, <a href="#">How to Measure Company Culture (lattice.com)</a>).</p> <p><b>Key metrics and areas of focus.</b></p> <ul style="list-style-type: none"> <li><b>1. Shared Core Values, Mission, and Purpose</b></li> <li><b>Employee Survey Results</b> – are staff focused on achieving the best outcomes for members?</li> <li><b>Performance metrics</b> – are staff delivering for members? What areas of concern are there? Are there training gaps?</li> <li><b>Turnover</b> – is there a high turnover that would indicate</li> </ul> |            | <p>Per Fraraccio, 2024 "measuring company culture metrics highlights how satisfied employees are and what your company is doing right to create a positive company culture. It also sheds light on areas in your organization where employees may feel unsupported." (<a href="#">Company Culture Metrics You Need to Be Tracking (business.com)</a>)</p> <p>A toxic culture that is not aligned to the Consumer Duty outcomes can lead to.</p> <ol style="list-style-type: none"> <li>Poor member outcomes.</li> <li>Loss in member confidence.</li> <li>Loss of membership.</li> <li>Demoralized employees.</li> <li>Reduced productivity.</li> <li>Poor performances.</li> <li>Regulatory fines and penalties.</li> </ol> | <p>While there are no corrective actions to note. There must be ongoing monitoring of SAG Credit Union's culture. This is the responsibility of the governing body, the Board of Directors.</p> |

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|  |  | <p>an issue with staff, culture, and the credit union ethos?</p> <p><b>2. Employee sentiment</b></p> <ul style="list-style-type: none"> <li>• <b>Employee engagement surveys</b> – how satisfied are employees in their roles? Do they feel supported to deliver good outcomes for members?</li> <li>• Employee net promoter score – using 1-10 ratings scales gauge employees.</li> </ul>  |  |  |  |
|  |  | <p><b>3. Trust and transparency</b></p> <ul style="list-style-type: none"> <li>• <b>Employee surveys</b> – do employees feel open to discuss issues? Is there a feedback system? Are employees able to contribute ideas to better the outcomes for members?</li> </ul> <p><b>4. High performance</b></p> <ul style="list-style-type: none"> <li>• <b>Average Performance Ratings:</b> A score of how employee performance compares with expectations.</li> <li>• <b>Top Performer Retention Rate:</b> A measure of the credit union and its ability to keep its best talent.</li> <li>• <b>Success Stories:</b> Examples of how the credit union's culture has led to positive outcomes.</li> </ul> |  |  |  |

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|  |  | <p><b>5. Fair compensation</b></p> <ul style="list-style-type: none"> <li>• <b>Market Ratio:</b> How competitive salary is compared to the labor market.</li> </ul> <p><b>6. Recognition and appreciation</b></p> <ul style="list-style-type: none"> <li>• <b>Employee pulse survey</b> – do staff feel recognised for their efforts? Is there a culture where employees are appreciated for delivering good member outcomes?</li> </ul> <p><b>7. Employee wellbeing</b></p> <ul style="list-style-type: none"> <li>• <b>% Uptake:</b> How many employees are currently taking advantage of your wellbeing offerings.</li> <li>• <b>Absenteeism:</b> Number of employees absent from work at any given time.</li> </ul> |  |  |
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| <p><b>FCA Champion</b></p> | <p>Responsibility for overseeing implementation of the new Consumer Duty has been allocated to someone sufficiently senior.</p> | <ul style="list-style-type: none"> <li>• The Board have put in place a Consumer Duty implementation plan. (appendix 7)</li> <li>• There is a Board appointed Consumer Duty champion.</li> <li>• There is a cross-cutting Consumer Duty team focused on delivering in accordance with the four outcomes and cross cutting rules. The team will comprise of the Consumer Duty Champion, the Risk and Compliance Officer, the Marketing Officer, and the Credit Controller.</li> <li>• Consumer Duty will be an item on the monthly Board agenda.</li> </ul> <p><b>Key metrics the Consumer Duty champion and cross cutting team will report on;</b></p> <ol style="list-style-type: none"> <li>1. Products and service reports compiled monthly for the Board.</li> <li>2. Marketing reports compiled monthly for the Board covering all communications with members.</li> <li>3. Findings from staff and member feedback reported monthly to the Board.</li> </ol> |  | <p>There must be continuous and ongoing monitoring of the Consumer Duty outcomes and cross cutting rules.</p> <p>As part of ongoing monitoring the Board will adapt a monitoring framework to ensure members are receiving good outcomes.</p> <p>A key aspect of ongoing compliance with the Duty is outcomes monitoring PRIN 2A. 9 requires firms to continually monitor whether members are receiving good outcomes with PRIN 2A. 8 setting out the governance requirements.</p> <p>As part of the ongoing monitoring of member outcomes the Board will review and approve a monitoring framework.</p> <p>The framework will outline what is to be monitored, what data methods will be used, who is responsible, and the timeframes for reporting.</p> |
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|                       |   | <p>4. The Risk and Compliance Officer will provide the Board with a monthly risk report and inform the Board of changes in Consumer Duty legislation.</p>  |  |  |   |
| <b>Staff training</b> | <p><i>All member facing staff received adequate training in the following areas:</i></p> <ul style="list-style-type: none"><li>- CUCPD Anti-Money Laundering - Vigilance and Prevention (NI)</li><li>- CUCPD Ethical Behaviour for Credit Unions E-Learning (NI)</li><li>- CUCPD Fraud Prevention for Credit Unions (NI)</li><li>- CUCPD GDPR for Credit Unions (NI)</li><li>- CUCPD Handling Member Complaints E-Learning (NI)</li><li>- CUCPD Loan Protection and Life Savings (LP/LS) Insurance (NI)</li></ul> | <p><b>There is several metrics to ensure staff training is monitored including.</b></p> <ol style="list-style-type: none"><li>1. Board appointed training officer.</li><li>2. Training Standards Policy – the Board alongside the training officer will review all training needs, policies, and procedures at least annually or sooner.</li><li>3. There is a Training Standards Policy that sets out the guidelines around staff training and compliance.</li><li>4. Training register – records are kept of all staff training.</li><li>5. Management oversight – regular performance reviews take place.</li></ol> <p><b>Key training metrics include:</b></p> |  | <p>There must be ongoing management oversight of performance related issues. Training gaps must be addressed.</p> <p>The Board and training officer will need to monitor changing member needs, legislation, product offering, and services to ensure training is relevant and meets compliance requirements.</p> <p>Examples of a proactive Board and training officer is the inhouse training delivered recently on loans and loan products. In addition, recent inhouse training focused on the roll out of DocuSign and the impact on members.</p> | <p>There must be an annual review (or sooner) of the policies and training register to ensure compliance with legislation and the Duty obligations.</p> <p>In addition, there must be ongoing monitoring of products and services to address training gaps.</p> <p>More specialized training will be provided to Board members also to ensure that they know their role and responsibilities under Consumer Duty.</p> |

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|                   | <p>-Health and Safety Essentials E-Learning (ROI &amp; NI)</p> <p>-CUCPD: Cyber Security for Credit Unions (NI)</p>   | <ol style="list-style-type: none"> <li>1. Course completion rate.</li> <li>2. Pass rate.</li> <li>3. Participant engagement.</li> <li>4. Training cost per employee.</li> <li>5. Training return on investment – what value was added for the credit union and members?</li> <li>6. Performance metrics – is there an increase/decrease in performance?</li> <li>7. Member satisfaction survey – how satisfied are members with the outcomes of the services they receive?</li> </ol> |  |  |   |
| <b>Complaints</b> | <p>There is a Complaints Handling Officer and Board approved Complaints Handling Policy. All member complaints are recorded on the complaints register.</p> <p>Where further action is necessary per policy guidelines the credit union will communicate with the regulating authority and ombudsman.</p> | <p><b>Key metrics in monitoring complaints.</b></p> <ol style="list-style-type: none"> <li>1. Number of complaints received</li> <li>2. Complaint trends and patterns</li> <li>3. Complaints resolved</li> <li>4. Complaints escalated to the ombudsman</li> <li>5. Complaints upheld by the ombudsman where wrongdoing on the part of the credit union was found</li> </ol>  |  | <p>Complaints are closely monitored by the Complaints Handling Officer in accordance with the Complaints Policy.</p> <p>There Complaints Handling Officer reports all incidents as soon as possible to the Board.</p> <p>Where trends and patterns have been found a root cause analysis is undertaken to address the underlying issues.</p> | <p>Although there is no corrective action noted, complaints are to be monitored on an ongoing basis and reported to the Board and where appropriate the regulating authority.</p> |

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| <p><b>Vulnerable member assessment</b></p> | <p>The Board has determined that the credit union has adapted its communications to support members displaying signs of vulnerability.</p> <p>The credit union encounters vulnerable adults through lending, share withdrawals and death claims. In addition, we can encounter them over the telephone, in person and through emails and online.</p> <p>It is vital that all employees can identify and communicate with vulnerable members to best meet their needs.</p> <p>Safeguarding is about embedding practices throughout the organisation to ensure the protection of children and / or vulnerable adults wherever possible.</p> | <ol style="list-style-type: none"> <li>1. The Risk and Compliance Officer has recently completed a checklist/assessment to ensure the fair treatment of members.</li> <li>2. The Marketing Executive communicates with members and those identified as vulnerable in accordance with the Marketing Policy and Safeguarding Vulnerability Policy.</li> <li>3. All staff receive training on how to communicate and support vulnerable members, with specific guidance found in the Safeguarding and Vulnerability Policy.</li> </ol> <p><b>Key metrics in monitoring vulnerable members:</b></p> <ol style="list-style-type: none"> <li>1. The Risk and Compliance Officer will carry out risk assessments and report monthly to the Board.</li> <li>2. The Risk and Compliance Officer will report on changes in legislation and compliance requirements regarding vulnerable members.</li> </ol> |  | <p>The Safeguarding Vulnerability Policy and Child Safeguarding Policy is fully updated and approved by the Board.</p> <p>Policies have been communicated to staff.</p> <p>Staff have received adequate training to identify, help, and best serve vulnerable members.</p> <p>Member and staff feedback is sought to improve services for vulnerable members.</p> <p>There is clear signposting of the complaints process to address member concerns.</p> <p>The credit union works with local business and charities also. Additional support is communicated to members where needed.</p> <p>Leaflets and posters for Foodstock, Suicide Awareness, Citizens Advice etc. can be found in branch.</p> | <p>The current cost of living crisis, high inflation, and ongoing impact of Brexit has had a great impact on members and their financial mobility.</p> <p>Communication channels will closely be monitored by the Marketing Officer and findings reported to the Board monthly.</p> <p>As a specific action point as noted in the annual board report, the Consumer Duty Champion and cross cutting team will identify, monitor, and collate vulnerable member data on the system to help vulnerable members achieve their financial goals whilst protecting and safeguarding their interests and the interests of the Credit Union as whole.</p> <p>Consumer Duty will be included as an agenda item at each monthly Board meeting.</p> |
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|                                |  | <ol style="list-style-type: none"> <li>3. The Marketing Officer will provide monthly reports to the Board.</li> <li>4. Member surveys and questionnaires completed by the Marketing Officer will be reported to the Board.</li> <li>5. The Marketing Officer will monitor all communication channels i.e. website, social media, mobile app, and report to the Board.</li> <li>6. The Complaints Officer will report to the Board all member complaints as soon as possible.</li> <li>7. Member feedback will be used to improve overall member experience with the credit union.</li> <li>8. Staff feedback will be used to improve the experience of members also.</li> </ol> |  |   |   |
| <b>Policies and procedures</b> | <p>There is a register of all policies that have been reviewed, that are in review, and those that are needing updated.</p> <p>The Safeguarding Vulnerability Policy and Child Safeguarding Policy is fully updated and approved by the Board.</p> | <ol style="list-style-type: none"> <li>1. The Board review all policies annually or sooner in line with current legislation.</li> <li>2. The Board will review the Safeguarding Vulnerability Policy annually or sooner.</li> <li>3. The Board will review the Child Safeguarding Policy annually or sooner.</li> </ol>   |  | <p>It is vital that all policies are updated on an annual basis or sooner in the event of changes in legislation or the external operating environment.</p> <p>As a member of the ILCU a team of experts are on hand to provide guidance on policy and legislation.</p> | <p>The Risk and Compliance Officer must remain vigilant on changing legislation and report to the Board in a timely manner.</p> |

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|   | <p>The Risk Officer has conducted a risk assessment of vulnerable members.</p> | <p>4. The Risk and Compliance Officer will as part of the Safeguarding Vulnerability Policy review carry out a member vulnerability risk assessment and present to the Board.</p> <p><b>Key metrics to monitor regarding policies and procedures.</b></p> <p>1. The Risk and Compliance Officer will update the Board monthly on polices needing signed off.</p> <p>2. The management team will report key operational and procedural issues to the Board monthly.</p> <p>3. Internal audit will present reports outlining which policies, processes, and procedures need reviewed.</p> |  |   |   |
| <b>Cyber threats and consumer scams</b> | <p>The risks of cyber threats and consumer scams managed effectively.</p>      | <p>1. There is a Cyber Security Policy updated annually or sooner by the Board.</p> <p>2. There is a cyber response plan.</p> <p>3. The is an Anti-virus Policy, Ransomware Policy, IT usage Policy, and Password Policy that are all designed to</p>   |  | <p>The Board have approved the most recent external pen test carried out 27<sup>th</sup> July 2024. The pen test was carried out by a CREST accredited service provider.</p> <p>There is a need now to focus on the mobile app, and email system.</p> | <p>To address IT related concerns, it was brought to the Board that we should conduct a pen test on the mobile app.</p> <p>It was also recommended that we carry out social engineering looking at the email system and</p> |

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|            |   | <p>reinforce cyber security. These polices are approved by the Board annually or sooner.</p> <p>4. There is a Business Continuity plan reviewed annually or sooner by the Board that is designed to reduce disruption, and harm in the event of an unforeseen event that may affect the credit union's services.</p> <p>5. The IT provider FinTech provide IT health reports at least monthly.</p> <p><b>Key metrics to monitor regarding cyber security.</b></p> <p>1. The Risk and Compliance Officer will report on key cyber security risks monthly to the Board.</p> <p>2. An annual external pen test is carried out looking at system weakness.</p> <p>3. Internal audit provides monthly reports on policies, processes, and procedures that need reviewed, including IT and cyber related issues.</p> |  | <p>Additional pen tests will be carried out.</p>          | <p>the risk posed by potential phishing attacks.</p> |
| <b>AML</b> | The Credit union does have adequate systems and | <b>Key metrics regarding AML:</b>  |  | The AML that SAG Credit Union had put in place is robust. | No corrective actions.                               |

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|  | <p>controls in place to counter the risks of money laundering and financial crime? This includes an active MLRO, who is regularly in the credit union and attends regular training.</p> | <ol style="list-style-type: none"><li>1. The Board have appointed a dedicated MLRO with the skills and experience to carry out the function effectively.</li><li>2. ML / TF risk assessment process is driven and overseen by the MLRO. Reports monthly to the Board.</li><li>3. All ML / TF / FS Risk Assessments are discussed and approved by the Board.</li><li>4. All risks identified by an ML / TF / FS Risk Assessment are assigned a (residual) risk rating that factors in the effectiveness of the systems and controls in place to manage them.</li><li>5. Outcomes of the ML / TF / FS Risk Management process is used to inform the development and / or updating of the organisation's AML / CFT / FS policies and procedures</li><li>6. The ML / TF / FS Risk Management process is reviewed at least annually and in response to material changes in the organisation's ML / TF / FS risk environment.</li></ol> |  | <p>The Board retain overall responsibility for combating AML and financial crime.</p> | <p>The MLRO will continue to report monthly to the Board of Directors.</p> <p>The Risk and Compliance Officer will continue to review AML and financial risks as a specific category on the risk register.</p> |
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|  |  | <p>7. All staff receive AML training at least annually or sooner via CU Learn.</p> <p>8. The MLRO and deputy MLRO receive additional external training in compliance with their role.</p>   |  |   |   |
| <b>Outsourcing of critical and important functions</b> | <p>There needs to be monitoring of third-party providers to ensure the risk of foreseeable harm to members is effectively managed.</p> <p>SAG must ensure all outsourced functions meet regulatory and legislative requirements.</p> | <p><b>Key metrics regarding outsourcing.</b></p> <ul style="list-style-type: none"> <li>• The Risk and Compliance Officer has outlined outsourcing as a key risk on the risk register.</li> <li>• A draft Outsourcing Policy has been put forward for the Board to review.</li> <li>• All third-party relationships are reviewed annually by the Board.</li> <li>• The Board reviews the Business Continuity Plan on an annual basis or sooner. The Business Continuity Plan outlines the action to be taken in the case of a key third party supplier failing.</li> <li>• There is SLAs in place with key outsourced functions including Fintec (IT provider) and Progress (Systems).</li> </ul> |  | <p><b>Key risks</b></p> <ol style="list-style-type: none"> <li>1. There should be a signed copy of the Outsourcing Policy.</li> <li>2. There should be contracts with terms and conditions for all third parties.</li> <li>3. In addition, there needs to be clear SLA's and agreed levels of service by all outsourced third parties.</li> <li>4. A register will be created listing all third parties.</li> </ol> | <p>Annually or sooner compliance should be carried out on all third parties, with compliance questionnaires sent and completed.</p> <p>There should be contracts and SLAs for all third parties.</p> <p>All third parties should be maintained on a register.</p> |
| <b>Planning for operational and</b>                    | The credit union does anticipate and plan for scenarios where more   | <b>Key metrics for operational and financial resilience;</b>  |  | The bad debt provision is just over 1.4 million. This has recently been increased by the Board.   | There is robust governance in place provided by the Board,  |

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| <b>financial resilience</b>   | <p>members get into financial difficulty, and this may have an impact on the credit union.</p> <p>The credit union has identified important services that if disrupted could cause harm to members or cause instability</p> <p>The credit union has carried out mapping and testing to identify important services and vulnerabilities</p> <p>The credit union has developed an internal/external comms plan for when important business services are disrupted.</p> | <ol style="list-style-type: none"> <li>1. The Credit Controller will monitor all bad debt accounts and report to the Board monthly.</li> <li>2. The Credit Committee will report monthly to Board on all members that may be experiencing financial difficulty.</li> <li>3. The Credit Committee will report on all account due for write off.</li> <li>4. The Board will review the Provisioning and Bad Debt Write Off Policy annual or sooner in the event of changes in legislation or the external environment.</li> <li>5. Internal/external audit will provide key reports on policies, processes, and procedures that are of concern. This is reported monthly to the Board.</li> <li>6. There is stress testing at least annually or sooner of key financial ratios.</li> </ol> |  | <p>The loan book stands at just over 32 million.</p>   | <p>Credit Committee, Finance Committee, and Credit Controller.</p>  |
| <b>Utilising and analysing credit union management information and data</b> | <p>The Credit union is able to identify relevant sources of data to enable it to assess whether the outcomes that its members are experiencing are</p>   | <p><b>Key metrics in utilizing management information and data.</b></p> <p>SAG Credit Union Limited has recently updated all IT systems. The main</p>  |  | <p>The IT system is robust, and all member history and staff interactions are fully auditable.</p> | <p>It is vital that management information and data is accurate, up to date, and effective in delivering effective outcome for members.</p> |

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|  | consistent with its obligations under the Consumer Duty. | <p>system Progress contains all member data, saving, and barrowing history.</p> <p><b>Key metrics that can be utilized include;</b></p> <ol style="list-style-type: none"><li>1. Member transactions and saving trends.</li><li>2. Member uptake of loan products, analyzing the amount, purpose, and member history.</li><li>3. The Credit Committee alongside the Credit Controller will report on all bad/written off loans in each month.</li><li>4. The Board will review the Provisioning and Bad Debt Write Offs Policy on an annual basis or sooner.</li><li>5. The Board will analyse member retention records, including complaints and why members leave.</li><li>6. Member feedback (including complaints) will be analysed to make improvements to processes and procedures.</li><li>7. Staff feedback will be sought to make improvements to better outcomes for members.</li></ol> |  |  |
|--|--|---|--|--|

Outcome 1 : Member understanding

Performance

| Test area  | Findings  | Key metrics  | RAG rating | Risks and issues  | Corrective actions   |
|--|---|--|------------|---|--|
| <b>Member understanding by communication channel</b> | <p><b>The member communication channels include:</b></p> <ul style="list-style-type: none"> <li>• <b>In branch</b> – employees are fully competent to carry out their duties, to inform members, and ensure good outcomes for members.</li> <li>• <b>In branch information</b> – sign posting, leaflets, cards, displays etc.</li> <li>• <b>Website</b> – all products and services are displayed on the credit union website with full transparency.</li> <li>• <b>Mobile app</b> – members can access their savings balances and accounts information via the mobile app. Members can check loan balances and make a loan application via the app.</li> <li>• <b>Telephone</b> – members can seek additional advice and guidance</li> </ul> | <p><b>Member Satisfaction Survey</b></p> <p><b>Facebook &amp; Instagram metrics</b></p> <p><b>Marketing Strategy</b></p> |            | <p>There is a risk in this area owing to capacity issues. For example, sick leave can impact on marketing or in branch and online services.</p> <p>In addition, the Consumer Duty is an additional area of responsibility without additional dedicated resources and capacity will be kept under review.</p> <p>The credit union relies on Progress systems for the website and mobile apps. Progress systems are also the providers of the main credit union database used to store member data and carry out transactions.</p> <p>FinTec oversee all other IT systems including all IT devices, servers, firewalls etc.</p> <p>As the credit union increases its digital footprint the reliance on technology provides opportunities, but also several risks.</p> | <p>- The Board will review the Business Continuity Plan annually or sooner in the event of IT and business disruptions.</p> <p>- The cyber response plan will be reviewed annually or sooner.</p> <p>- All outsourced IT activities will be closely monitored.</p> <p>- The Marketing Officer will monitor all communication channels and report to the Board monthly.</p> <p>- The Risk and Compliance Officer will carry out IT risk assessments and report on key risks to the Board.</p> |



over the telephone. Members can make payments over the telephone and request access to the app.

- **Letter** – members are kept informed via direct mail in the post in the event of any changes to their accounts, or to the credit union.

The Marketing Officer surveyed 100 members, randomly selected, who currently has a loan out with us. These survey results demonstrated that members had predominately positive views of the credit union's APP and website.

The Marketing Officer regularly posts on the credit union's Facebook and Instagram pages. Feedback to these posts has been overwhelmingly positive and members' questions are responded to quickly.

A Marketing Strategy has been developed that utilises the

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|  | communications channels available to the credit union, ensuring that it meets the needs of members who are not digitally engaged, and this will be reviewed after 6 months.   |   |  |   |   |
| <b>Member understanding by products and services</b> | <p>The content of the website is currently being reviewed by the Marketing Officer so it will become the information hub of the credit union. A new version of the 'About Your Credit Union' booklet, which is given to members as soon as they join, has also been produced.</p> <p>The Marketing Officer is using feedback from members to increase understanding of key products and services such as the Easy Save Account.</p> <p>The Marketing Officer surveyed 100 members, randomly selected, who currently has a loan out with us. As part of the survey members were asked specific questions about individual credit union products/services</p> | <p><b>Website metrics</b></p> <p><b>Member Satisfaction Survey</b></p> <p><b>Staff Survey</b></p> |  | <p>The credit union must continue to monitor all communication channels and to ensure members have access to clear, transparent, and easy to understand information about all products and services</p> | <p>The marketing executive will monitor the website, mobile app and social media channels i.e. Facebook, X etc.</p> <p>The marketing officer will carry out member surveys to gauge member satisfaction with products and services.</p> <p>The complaints officer will monitor all complaints and report to the Board.</p> <p>The credit controller will report on all bad debt accounts to the Board.</p> <p>The risk officer will carry out risk assessments and report the key risks to the Board.</p> |

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|                                     | <p>Staff are also being surveyed so the Board can consider their feedback, given to them by members in a more informal manner, to determine product/service knowledge gaps.</p>  |   |  |  |   |
| <b>Vulnerable member assessment</b> | <p>The Board has determined that the credit union has adapted its communications to support members displaying signs of vulnerability.</p> <p>The Marketing Officer follows Plain English Guidelines when creating all written content. Digital content, including images and written posts, are made as accessible as possible.</p> <p>The credit union encounters vulnerable adults through lending, share withdrawals and death claims. In addition, we can encounter them over the telephone, in person and through emails and online.</p> | <p><b>Member feedback</b></p> <p><b>Website and social media metrics</b></p> <p><b>Staff feedback</b></p> |  | <p>It is vital that all employees can identify and communicate with vulnerable members to best meet their needs.</p> | <p>The current cost of living crisis, high inflation, and ongoing impact of Brexit has had a great impact on members and their financial mobility.</p> <p>This will continue to be monitored carefully by the Board moving forward.</p> |

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| <b>Outcome 2 : Members support</b>   |   |  |                   |  |  |
| <b>Performance</b>   |   |  |                   |  |  |
| <b>Test area</b>   | <b>Findings</b>   | <b>Key Metrics</b>   | <b>RAG Rating</b> | <b>Risks and Issues</b>  | <b>Corrective Actions</b>  |
| <b>Monitoring of outsourced/third party service providers</b>                        | <p><i>Regular meetings should take place with third party service providers.</i></p> <p>Annually or sooner all compliance should be carried out on all third parties, with compliance questionnaires sent and completed.</p> <p>There should be contracts with clear terms and conditions and SLAs for all third parties.</p> | <p><b>Meetings (virtual/in person)</b></p> <p><b>Compliance questionnaires and surveys</b></p> <p><b>Up to data SLA's</b></p> <p><b>Register of all outsourced third-party providers</b></p> |                   | <p><b>Key risks</b></p> <ul style="list-style-type: none"> <li>There should be a signed copy of the Outsourcing Policy.</li> <li>There should be contracts with terms and conditions for all third parties.</li> <li>In addition, there needs to be clear SLA's and agreed levels of service by all outsourced third parties.</li> </ul> | <ol style="list-style-type: none"> <li>The Board will review and approve the Outsourcing Policy at the next Board meeting.</li> <li>The Risk Officer has added Outsourcing as a specific category to the risk register and communicated key risks to the Board.</li> <li>There will be compliance questionnaires formulated for all third parties.</li> <li>The Risk and Compliance Officer will maintain a register of all third parties.</li> <li>SLA's will be retained on file for all third parties.</li> </ol> |
| <b>Member support by communication channel (telephone, web, email, letter etc.).</b> | Members have several channels of communication whether via email, the website, telephone, or letter. Any concerns that members have are quickly addressed   | <b>Website and social media metrics</b>  |                   |  |  |

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|  | <p>and members are made aware of their rights, particularly the right to make a formal complaint should they wish.</p> <p>The credit union’s website and social media pages are updated frequently, especially if there are changes to services that will have an impact member such as office closures, so members know where they can get support.</p> <p>Social media posts have clear calls to action so members are directed to the appropriate sources of support.</p> | <p><b>Social media metrics</b></p>  |  |  |  |
| <p><b>Vulnerable member assessment</b></p> | <p>1.The risk and compliance officer has recently completed a checklist/assessment to ensure the fair treatment of members. 2.The Marketing Executive communicates with members and those identified as vulnerable in accordance</p>   | <p><b>Vulnerable member risk assessment completed annually or sooner and reported to the Board.</b></p> <p><b>Member satisfaction surveys</b></p> |  | <p>Per the FCA vulnerable members are those “who are in the most vulnerable circumstances face the greatest risk of harm and need particular attention to make sure they are treated appropriately.”</p> | <p>As a specific action point as noted in the annual consumer duty board report, the Consumer Duty Champion and cross cutting team will identify, monitor, and collate vulnerable member data on the system to help vulnerable members achieve their financial</p> |

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|  | <p>with the Marketing Policy and Safeguarding Vulnerability Policy.</p> <p>3.All staff receive training on how to communicate and support vulnerable members, with specific guidance found in the Safeguarding and Vulnerability Policy.</p> <p><b>Key metrics in monitoring vulnerable members:</b></p> <p>1.The Risk and Compliance Officer will carry out risk assessments and report monthly to the Board. The Risk and Compliance Officer will report on changes in legislation and compliance requirements regarding vulnerable members.</p> <p>2.The Marketing Officer will provide monthly reports to the Board.</p> <p>3.Member surveys and questionnaires completed by the Marketing Officer will be reported to the Board.</p> |  |  | <ol style="list-style-type: none"><li>1. The credit union must understand its member base.</li><li>2. Staff must have the right skills, capabilities, to recognise the needs of vulnerable members.</li><li>3. The credit union must respond to member needs throughout product design, flexible member service provision and communications.</li><li>4. The credit union must continually monitor and assess whether it is meeting and responding to the needs of members with characteristics of vulnerability and strive to make improvements where there is short comings.</li></ol> | <p>goals whilst protecting and safeguarding their interests and the interests of the Credit Union as whole.</p> <p>Consumer Duty will be included as an agenda item at each monthly Board meeting.</p> |
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|  | 4.The Marketing Officer will monitor all communication channels i.e. website, social media, and app, and report to the Board. |  |  |  |  |
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## Monitoring Framework

|                         | Specific<br>What are we going to monitor?   | Measurable<br>Definition<br>How is it calculated?   | Achievable<br>Qualitative or quantitative?<br>Is it achievable?<br>How will it be measured?   | Relevant<br>Is it fundamental to achieving good outcomes for members?  | Time-bound<br>How often will it be measured? | Responsible<br>Who will measure it?  | Reporting<br>Where will it be reported? |
|-------------------------|---|---|---|--|--|--|---|
| <b>Savings Accounts</b> | <p>We will look at several metrics when dealing with standard savings accounts.</p> <ul style="list-style-type: none"> <li>-We will closely monitor total member savings.</li> <li>-We will look at the average savings balances per member group.</li> <li>-We will look at the average transaction size and type i.e. in branch, online, app, or over the phone.</li> <li>-We will monitor withdrawals and falling savings balances.</li> </ul> | <p>All savings transactions that are made are recorded via the Progress system.</p> <ul style="list-style-type: none"> <li>-Transaction data and reports can be processed to monitor savings trends and patterns.</li> <li>-Member questionnaires can gauge overall satisfaction with the credit union and</li> </ul> | <ul style="list-style-type: none"> <li>-Quantitative - reports can be prepared via the Progress system that drills down into the total transactions made per week, month, or year.</li> <li>-Quantitative - reports can be prepared looking at transaction type i.e. in branch, online, via the app.</li> <li>-Quantitative – reports can be prepared looking at savings balances, trends, and patterns.</li> <li>-Quantitative – reports can be prepared looking at those members that are secured, and those that are unsecured (i.e. savings is being used as</li> </ul> | <p>By monitoring savings accounts we can improve the overall service for members, increasing understanding, and reducing harm.</p> | <p>Monthly/annually</p>                      | <p>Board Champion, General manger /Risk Officer, Credit Controller and Marketing Executive</p> | <p>Board of directors and manager.</p>  |



|                           |  |  |   |   |                  |   |                                 |
|---------------------------|--|--|---|---|------------------|---|---------------------------------|
|                           | <ul style="list-style-type: none"> <li>-We will monitor secured and unsecured accounts.</li> </ul>   | <ul style="list-style-type: none"> <li>specific services.</li> <li>-Member feedback.</li> <li>-Member complaints.</li> </ul>   | <ul style="list-style-type: none"> <li>collateral against a loan/loans).</li> <li>- Quantitative – reports can be prepared looking at the number of complaints received, reasoning, and action taken.</li> <li>-Qualitative – questionnaires and survey can be used to gauge overall member satisfaction.</li> </ul>  |   |                  |   |                                 |
| <b>Easy Save accounts</b> | <p>Easy Save accounts</p> <ul style="list-style-type: none"> <li>-We will look at total member with an Easy Save account.</li> <li>--We will look at the average savings balances per member group.</li> <li>-We will look at the average transaction size and type i.e. in branch, online, app, or over the phone.</li> <li>-We will monitor withdrawals and falling savings balances.</li> </ul> | <p>All savings transactions that are made are recorded via the Progress system.</p> <ul style="list-style-type: none"> <li>-Transaction data and reports can be processed to monitor savings trends and patters.</li> <li>-Member questionnaires can gauge overall satisfaction with the credit</li> </ul> | <ul style="list-style-type: none"> <li>-Quantitative - reports can be prepared via the Progress system that drills down into the total transactions made per week, month, or year.</li> <li>-Quantitative - reports can be prepared looking at transaction type i.e. in branch, online, via the app.</li> <li>-Quantitative – reports can be prepared looking at savings balances, trends, and patterns.</li> <li>- Quantitative – reports can be prepared looking at the number of complaints received,</li> </ul> | By monitoring Easy Save accounts we can improve the overall service for members, increasing understanding, and reducing harm. | Monthly/annually | Board Champion, General Manager / Risk Officer, Credit Controller and Marketing Executive | Board of directors and manager. |

|                     |  |   |   |   |                                    |  |                                 |
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|                     |  | union and specific services.<br>-Member feedback.<br>-Member complaints.  | reasoning, and action taken.<br>-Qualitative – questionnaires and survey can be used to gauge overall member satisfaction.  |   |                                    |  |                                 |
| <b>Death claims</b> | We will look at several metrics when dealing with death claims including:<br><br>-The number of death claims received/issued.<br>-Average death claim amount.<br>-Average turnaround time.<br>-DBI forms filled and on file. | -System data can be obtained from Progress (IT system).<br>-Member questionnaires can gauge overall satisfaction with the credit union and specific services.<br>-Member feedback.<br>-Member complaints- | -Quantitative - reports can be prepared that drill down into the number of death claims received/issued weekly/monthly/yearly via the Progress system.<br>- Quantitative – reports can be prepared looking at the number of complaints received, reasoning, and action taken.<br>-Qualitative – questionnaires and survey can be used to gauge overall member satisfaction.<br>-Quantitative – reports can be prepared detailing the total member base, member profile, and those with DBI's on file. | By monitoring the death claims process we can tailor this service to better meet member needs and reduce harm to members. | Monthly/<br>quarterly/<br>annually | Board Champion,<br>General Manager,<br>Risk Officer,<br>Credit Controller and<br>Marketing Executive | Board of directors and manager. |

|                    |  |   |  |  |                                    |  |  |
|--------------------|--|---|--|--|------------------------------------|--|--|
| <b>Nominations</b> | <p>We will look at several metrics when dealing with nominations including.</p> <ul style="list-style-type: none"> <li>-The total number of member nominations made.</li> <li>-Average weekly/monthly/yearly nominations made.</li> <li>-Average number of nominees per nomination made.</li> <li>-Typical relationship profile of nominee.</li> </ul> | <ul style="list-style-type: none"> <li>-System data can be obtained from Progress (IT system).</li> <li>-Member questionnaires can gauge overall satisfaction with the credit union and specific services.</li> <li>-Member feedback.</li> <li>-Member complaints.</li> </ul> | <ul style="list-style-type: none"> <li>-Quantitative – reports can be prepared drilling down into the number of nominations made or rescinded on a weekly /monthly/ or yearly basis via the Progress system.</li> <li>- Quantitative – reports can be prepared looking at the number of complaints received, reasoning, and action taken.</li> <li>-Qualitative – questionnaires and survey can be used to gauge overall member satisfaction.</li> </ul> | By monitoring nomination, we can better tailor this service to member needs. | Monthly/<br>quarterly/<br>annually | Board<br>Champion,<br>General<br>Manager<br>Risk Officer,<br>Credit<br>Controller<br>and<br>Marketing<br>Executive | Board of<br>directors<br>and<br>manager. |
|--------------------|--|---|--|--|------------------------------------|--|--|

## **Board approval**

This document represents the Board's approval of the Annual Consumer Duty Report.

The Annual Consumer Duty Report has been reviewed and approved by each director of the Board of SAG Credit Union Limited, confirming that:

- It accepts that not all good outcomes have been reached for the credit union's members yet.
- It is satisfied that the credit union is complying with its obligations under Principle 12 and PRIN 2A; and
- The credit union's future business strategy is consistent with its obligations under Principle 12 and PRIN 2A. Our Strategy is currently being reviewed.

In relation to all questions answered above in the negative, the Board also agrees:

- The Board will take all actions required to address any identified risk that members may not receive good outcomes.
- The Board will take all actions required to address any identified instance where members have not received good outcomes; and
- The Board will make all amendments to the firm's business strategy as required, to ensure that it remains consistent with meeting the firm's obligations under Principle 12 and PRIN 2A.

|  |   |
|--|---|
| <p>Signed:</p> <p>Joan Peden</p> <p>Consumer Duty Champion</p> | <p>Signed:</p> <p>Marcella McNeill</p> <p>Chairperson</p> |
| <p>Signed:</p> <p>Damien Broderick</p> <p>Secretary</p>        |   |

## Appendix 1 - Products and Services Overview

# **SAG Credit Union Limited**

## **Consumer Duty**

**Products and Services Overview and Assessment in  
Response to FCA Strategy for Consumer Lending Letter  
Dated 20<sup>th</sup> March 2024.**

### **Purpose**

SAG Credit Union Limited (the credit union) aims to maximise the benefits to its members in relation to the products and services it offers. The credit union aims to

meet its regulatory obligations in line with Consumer Duty and be proactive in its approach to focusing on positive outcomes for its members.

The credit union's vision, mission, and commitments to its members forms a key part of the Business Strategy and Plan 2024-2027.

## Consumer Duty

At the heart of Consumer Duty is the requirements that “firms must act to deliver good outcomes for retail customers. Firms should aim to continuously address issues that risk causing consumer harm.” (FCA, 2024: [Consumer Duty implementation: good practice and areas for improvement | FCA](#))

Per Financial Conduct Authority (FCA) guidance the credit union must act in good faith toward its members, avoid foreseeable harm to its members and enable and support its members to pursue their financial objectives.

These key aims as outlined in the Consumer Duty principal as set forth by the FCA is at the very heart of the credit union's mission and vision as a member owned cooperative. Surplus money after operational costs is returned to the membership in the form of dividend and/or interest rebate. The goal of the credit union is to ensure products and services offered enable members to be financially mobile. (Please see mission and value sections).

As a democratically run firm members approve all decisions in relation to products and services at the annual general meeting (AGM).

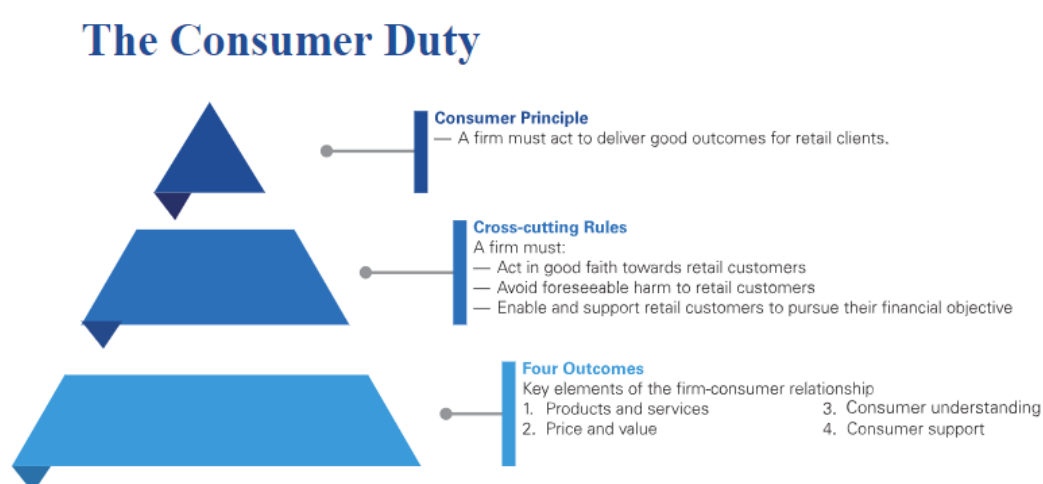


Table 1: Source: [What are the new Consumer Duty requirements? - KPMG Global](#)  
(KPMG,2024)

## Vision

SAG Credit Union Limited (the credit union), provides services to improve the economic and social wellbeing of our members as well as to practice the values of equality, equity, and mutual self-help by providing a means of practicing thrift and thereby creating a source of credit for each other. (Business Strategy and Plan 2024-2027).

## Mission

To provide a safe place for savings and provide affordable loans. (Business Strategy and Plan 2024-2027).

## Objectives

The below commitments that the credit union has adapted are aimed to increase maximum benefits to members and reduce overall harm in line with the spirit of the consumer duty principal.

## Commitment to our Members

- We will continuously strive to provide our members with the best possible value for their shares.
- We will always act consistent with our core purpose of delivering safe and secure financial services to our members.
- We understand that SAG Credit Union Limited assets belong to our members.
- We will be innovative and respond to changing needs with the urgency required to keep our members competitive in a constantly changing financial environment.
- We will continuously listen to our members about their needs and review and revise our services so that we can contribute the most financially healthy and dynamic credit union.
- We will ensure that all policies and procedures adhere to the objectives of the FCA Consumer Duty Regulations, and the regulation is a consideration within any changes in the future.
- We will prudently manage the risks consistent with our regulatory requirements and in the best interests of our members.

## Commitment of the Board of Directors & Operational Staff

- We will strive to make SAG Credit Union Limited an environment where all employees can develop their potential.



- We are committed to a culture that understands that the license to lead comes not from one's position but from one's behaviour.
- We are committed to teamwork and a culture of shared success.
- We will honestly face our challenges and make the tough decisions to ensure that SAG Credit Union Limited remains relevant and sustainable.
- We will be tolerant of mistakes; however, we will be prudent when taking risks. We will fix mistakes as quickly and thoroughly as possible and then we will ask what we learned from the experience.
- We will work hard, but we will do it positively.

Please consult the Business *Strategy and Plan 2024-2027*.

## Products and Services

The credit union primarily offers savings and loans related products and services to its members. There are insurances tied to the products and services offered to members that they may avail of, including death benefit insurance, loan protection insurance and savings insurances.

## Savings

### Senior Accounts (Age 16 and over)

The main purpose of the credit union is to promote and help members to save regularly. This will enable members access loans at a fair and reasonable rate of interest. (Appendix 2)

The credit union offers to main types of share accounts:

**Share Account:** All members must open a main share account. This account acts as collateral for your ability to apply and access a loan.

**Easy share account:** This account is linked to your main share account but can be accessed at any time. Many people use this account to budget for specific events like Christmas, oil bills, holidays, or an emergency fund.

Both accounts attract the same level of dividend which is paid annually into your Share account. The maximum amount of savings across both accounts is £15000.00 and the maximum that can be saved in each account monthly is £500.00.

The maximum savings that can be lodged to the Easy Share account is £3000.

### Minor Accounts

The credit union aims to promote a culture of savings among its member base at all ages, and thus does not restrict access to minors. (Appendix 2)

Accounts may be opened for a minor under the age of sixteen years old. The accounts must be opened by a legal guardian, and they must accompany the minor when opening the trust account.

## Dividends

The level of dividends on savings is reviewed annually by the Board of Directors. The level of dividend set for 2023 was 1%.

## Access to Affordable Lending

### Loan Product Overview

The credit union offers three main categories of loan, including standard loans, special loans, and larger loans. Members can borrow as little as £50 to a maximum of £50,000 depending on the loan type.

In addition, and given the current cost of living crisis the credit union has put in place a cost-of-living loan where members can borrow up to £500 to cover emergency bills such as oil, gas, electricity etc.

Cost of living loans are done over three years, at an interest rate of 0.5% on a reducing balance basis. The cost-of-living loan is subject to normal loan terms and conditions. (Appendix 3)

|               | Cost of Living Loan                                     | STANDARD LOAN   | SPECIAL PROMOTION LOAN 2  | LARGE LOANS                                  | Family Saver Loans                                   |
|---------------|---|---|---|--|--|
| <b>Amount</b> | Member can borrow up to £500.<br><br>(See appendix 3)   | £15,000 over Savings up to £30,000 (e.g. savings £15000 you can apply for £30000) | £15,000 over Savings up to £30,000<br><br>(See appendix 4)      | £7,000 up to £50,000<br><br>(See appendix 5) | Member can borrow up to £500<br><br>(See appendix 6) |
| <b>Term</b>   | The cost-of-living loan is done over a maximum of 3yrs. | 5 Years Unsecured – 60 months<br>10 Years Secured – 120 months                    | 5 Years Unsecured – 60 months<br>10 Years Secured – 120 months. | Up to 10 Years – 120 months                  | The family saver loan is done over 1 yr.             |

|                                |   |   |   |  |   |
|--------------------------------|---|---|---|--|---|
| <b>Min/Max Amount</b>          | £50-500   | Between £50.00 and £15,000 over Savings up to £30,000.                      | Between £7,000 and £30,000.   | Min £7000 – Max £50,000<br>Member can have small Savings Balance – all about AFFORDABILITY!! | £50-500   |
| <b>Interest Rebate</b>         | Half of Agreed Interest Rebate:<br>e.g. 15% in 2023<br>17.5% in 2024        | Full Interest Rebate:<br>e.g. 30% in 2023<br>35% in 2024                    | Half of Agreed Interest Rebate:<br>e.g. 15% in 2023<br>17.5% in 2024        | No Interest Rebate Given   | Full Interest Rebate:<br>e.g. 30% in 2023<br>35% in 2024  |
| <b>APR</b>                     | 6.17%   | 12.63%  | 6.17%   | 6.17%  | 12.63%  |
| <b>Experian Credit Report</b>  | Credit Committee May Request  | Credit Committee May Request  | Full Report Needed  | Full Report Needed   | Credit Committee May Request  |
| <b>Additional requirements</b> | Recent bank statements (last two months);<br>Valid ID;<br>Proof of Address. | Recent bank statements (last two months);<br>Valid ID;<br>Proof of Address. | Recent bank statements (last two months);<br>Valid ID;<br>Proof of Address. | Recent bank statements (last two months);<br>Valid ID;<br>Proof of Address.                  | Recent bank statements (last two months)<br>Confirmation of child benefit;<br>Current ages of children;<br>NI number;<br>Proof of address |

**Loan terms and conditions can be found in appendix's 2-6.**

### **Loan Types (Appendix 2)**

- 1. Standard Loans:** These loans range from £50 to £30,0000 and are charged interest of 1% per month on a reducing balance basis. Maximum Loan available is £15000 above shares. These loans attract 100% of interest rebate awarded annually which is credited to your shares (main savings account).
- 2. Promotional Loans:** These range from £7,000 to £30,000 and are charged interest of 0.5% per month on a reducing balance basis. Maximum Loan available is £15000 above shares. These loans attract 50% of the Interest rebate awarded again credited to your shares (main savings account). All loans must be paid back by Direct Debit.

3. **Larger Loans:** These loans range from £7,000 to £50,0000 regardless of share size and the maximum term is 10 years. Loans awarded are dependent on proven affordability and credit reference check. Interest is applied at a rate of 0.5% per month on a reducing balance basis. All loans must be paid back by direct debit per loan terms and conditions.
4. **Secured Loans;** These are available at both the standard and reduced interest rates depending on the amount that you wish to borrow. "Secured" basically means that the shares that you hold are larger than the actual loan you have applied for. The advantage of a secured loan is that you are automatically approved, you have the flexibility of borrowing up to a term of 10 years and both your savings and loan are insured (subject to terms and conditions). Please note for secured loans there is no requirement to provide your most recent bank statements (last two months), or credit reference check. (SAG Credit Union Limited retains the right to ask for these if required).
5. **Special Rates:** From time to time, the Credit Union will trial different loan rates, you will be advised of these when you contact the Credit Union.

## Insurances

The credit union offers several insurances associated with its loan and savings products and services. Please see below table:

|                    | Life Savings Insurance   | Loan Protection Insurance   | Death benefit Insurance   |
|--------------------|--|---|---|
| <b>Eligibility</b> | <ul style="list-style-type: none"> <li>• Member must be under the age of 70;</li> <li>• Member must be actively at work or if not working, in good health;</li> <li>• Level of benefit depends on the age of member at the time of joining;</li> <li>• Once earned, cover remains in place as long as the member's shares remain intact;</li> <li>• Share withdrawals will adversely affect</li> </ul> | <ul style="list-style-type: none"> <li>• To be eligible, the member must be below the age of 85;</li> <li>• Member must actively be engaged in the usual duties of his/her occupation on the date they received the loan or if not working in good health.</li> </ul> | <ul style="list-style-type: none"> <li>• To be eligible for this product, the member must have joined the Credit Union before the age of 70;</li> <li>• Member must continue to pay the annual premium;</li> <li>• DBI insurance is provided to minors free of cost.</li> </ul> |

|                               | the eligible Insurance.  |  |  |
|-------------------------------|--|--|--|
| <b>Additional Information</b> | <ul style="list-style-type: none"> <li>Up until the age of 55 – each £1 lodged into savings will equate to £1 in insurance;</li> <li>Between the age of 55-60 - each £1 lodged into savings will equate to £0.75 in insurance;</li> <li>Between the age of 60-65 - each £1 lodged into in savings will equate to £0.50 in insurance;</li> <li>Between the age of 65-70 - each £1 lodged into savings will equate to £0.25 in insurance.</li> </ul> | <ul style="list-style-type: none"> <li>All members will avail of loan protection up to the amount of £8000;</li> <li>Any remaining balance above £8000 is subject to health and terms and conditions.</li> </ul> | <ul style="list-style-type: none"> <li>The DBI is a lump sum payment of £2500.</li> </ul>              |
| <b>Payout of insurances</b>   | <ul style="list-style-type: none"> <li>Savings lodged before each age bracket will remain fully insured at the stated rate unless savings are withdrawn.</li> <li>Insurance is payable only in the event of death.</li> </ul>  | <ul style="list-style-type: none"> <li>This clears any outstanding loan balance in full when a member dies, subject to policy conditions.</li> </ul>   | <ul style="list-style-type: none"> <li>The DBI is payable in the event of a member's death.</li> </ul> |

The credit union strongly recommends that all its members complete a nomination. The nomination form will instruct the credit union on who to pay the savings and insurance to as the member's next of kin.

## Foreign Exchange

The Credit Union carries Euros and Us Dollars and other currencies can be ordered. All foreign exchange is based on market set exchange rates.

## Additional Services

|                                     |   |   |
|-------------------------------------|---|---|
| <b>Direct Debits/Online Banking</b> | Members can pay their loan or lodge into their accounts through their bank accounts.  | No additional charges associated with these services. |
| <b>Website</b>                      | Registered members can check their balances and apply for loans online.   | No additional charges associated with these services. |
| <b>APP</b>                          | Members can join via the APP and once joined can check balances and transfer funds form their easy save account and apply to borrow on the app. | No additional charges associated with these services. |
| <b>Debit Card Facility</b>          | Members can make their loan or savings payments over the telephone or in the office using their debit cards.                                    | No additional charges associated with these services. |

## Loan Interest Rates

The credit union charges interest on loans from 6.17% to a maximum 12.67% depending on the loan type. (Please see products and services section). This tends to be in line with the national average.

The average cost of credit union loans can be under 6%, but generally the interest tends to be around 12.7% APR, 1% per month on the balance. This can go up to a maximum capped rate of 42.6% APR, 3% per month on the balance. (source: [Credit unions: community savings & loans – MoneySavingExpert](#), 2024).

Per the Irish League of Credit Union's (ILCU), it is noted that credit unions in Northern Ireland are independent from each other meaning that each credit union sets its loan interest rates at local level. (Source: [Credit unions offer great rates on personal loans - The Irish League of Credit Unions](#), ILCU, 2024).

The ILCU also notes that “the maximum rate which a credit union in the Republic of Ireland or Northern Ireland is permitted to charge is 12% (12.68% Annual Percentage Rate).”

# Loan Interest Rates (Banks and alternatives)

## Loan Offers from competitors

Some of the offerings from banks and others are set out below (from Bank websites April 2024).



| Bank           | Detail  | APR    |
|----------------|---|--------|
| AIB            | Fixed Rate Personal Loan £5,000 to £9,999                         | 7.9%   |
| AIB            | Arranged Overdraft  | 17.81% |
| AIB            | "Options One" Credit Card   | 18.9%  |
| BOI            | Personal Loans , website states "not taking any new applications" | N/A    |
| BOI            | Arranged Overdraft  | 34.25% |
| BOI            | "Classic" Credit Card   | 22.1%  |
| Ulster         | Car Loan (new car)  | 6.6%   |
| Ulster         | Home Improvement  | 6.6%   |
| Ulster         | Personal Loan £7,500 to £14,950                                   | 6.6%   |
| EveryDay Loans | Personal Loan £3,000  | 99.9%  |
| Sprout Loans   | Personal Loan £2,000  | 39.9%  |

## PEARLS Report Quatre 2 2024

# Loan Interest Rates (local credit union comparison)

At the local level Clonard Credit Union (CCU) offer loan products between 6.34% and 12.68%.

ABOUT / CAREERS

MEMBERSHIP

LOANS

SAVINGS

SERVICES

CONTACT

LOAN CALCULATOR

QUICK LINKS

Loan Calculator

News Headlines

Make a Payment

NEWS HEADLINES

NEW YORK COMPETITION 2024

X 4/5 NIGHTS

15-March-2024

NEW YORK COMPETITION 2024

COMPETITION TIME! Win an amazing trip

Type of Loan

Secured Loan 12.68%

Un-Secured Loan 12.68%

Special Secured Loan over £4k 6.34%

Super 7 Loan (over 7k)

40 months (3.33 years)

12.68% APR

|             |        |          |
|-------------|--------|----------|
| Weekly      | Total  | Interest |
| £7          | £1,214 | £214     |
| Fortnightly | Total  | Interest |
| £14         | £1,215 | £215     |
| Monthly     | Total  | Interest |
| £30         | £1,218 | £218     |

APPLY NOW

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We will only use third party scripts and cookies with your explicit permission which you can grant by clicking "Accept". You may withdraw your permission at any time via the Help / Cookie Settings menu item. You can also disable or delete cookies via your browser settings. To find out how to manage and disable cookies please read our [Cookie Notice](#)

Accept

Decline

[CCU \(ccuni.org\)](https://ccuni.org) (Clonard Credit Union, 2024)

Newry Credit Union offers loan products that have an interest rate between 6.6% and 12.68% APR.

https://www.newrycu.com/loans/personal-loan/

Estimate your loan repayments

### Loan Calculator

Select Loan Purpose:

Personal Loan 12%

Personal Loan 12%

Savers Loan 6.39% (up to savings level)

Green Loan 6%

Special Rate Car Loan 8% (over 6k)

Special Rate Education Loan 8% (over 6k)

Special Rate Holiday Loan 8% (over 6k)

Special Rate Loan Over £20k 8%

APR 12.68%

### Repayment Summary\*:

|                     |  |
|---------------------|--|
| Weekly £450.08      | Total £58,511.00<br>Interest £8,011.00 |
| Fortnightly £901.06 | Total £58,568.76<br>Interest £8,068.76 |
| Monthly £1,956.78   | Total £58,703.39<br>Interest £8,203.39 |

\*Terms & Conditions Apply. All figures given on this website are for your general information only, and give a rough guide to loan repayments. Any statements on this website do not purport to be authoritative or legally binding. You are advised to check with our offices for up-to-date rates and offers.

[Enquire Here](#)[Contact Us](#)

https://www.newrycu.com/loans/personal-loan/

News | Opening Hours | Downloads | Online Banking | Log In | Register

Newry Credit Union 60 60 Years Supporting Local 1963-2023

JOIN BORROW ONLINE SERVICES CAREERS CONTACT

Our personal loans cover a wide range of borrowing needs, whether you are planning the perfect getaway, exploring home improvements or just need some extra wiggle room when it comes to your finances. You can use our personal loan calculator below to find your ideal payment plan and loan term. All of our personal loans have our 12% annual flat rate applied.

Estimate your loan repayments

### Loan Calculator

Select Loan Purpose:

Green Loan 6%

I'd like to borrow:

-

26,500

+

Loan term (months):

-

62

+

APR 6.6%

### Repayment Summary\*:

|                     |  |
|---------------------|--|
| Weekly £114.77      | Total £30,834.55<br>Interest £4,334.55 |
| Fortnightly £229.65 | Total £30,849.70<br>Interest £4,349.70 |
| Monthly £498.15     | Total £30,885.05<br>Interest £4,385.05 |

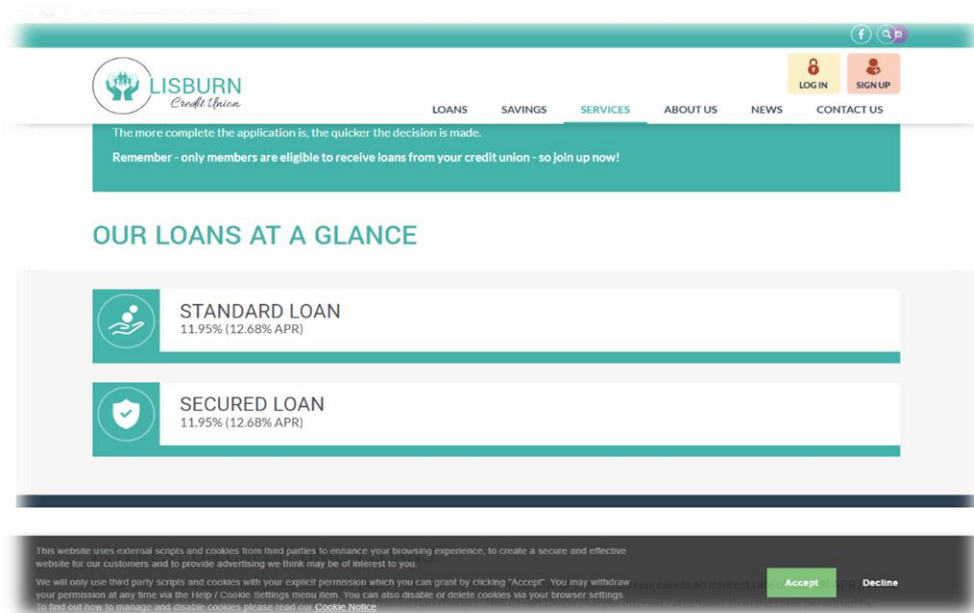
\*Terms & Conditions Apply. All figures given on this website are for your general information only, and give a rough guide to loan repayments. Any statements on this website do not purport to be authoritative or legally binding. You are advised to check with our offices for up-to-date rates and offers.

[Enquire Here](#)[Contact Us](#)

[Personal Loan - Newry Credit Union Ltd \(newrycu.com\)](https://www.newrycu.com/loans/personal-loan/) (Newry Credit Union, 2024)



Lisburn Credit Union loan services are set at 12.68% APR.

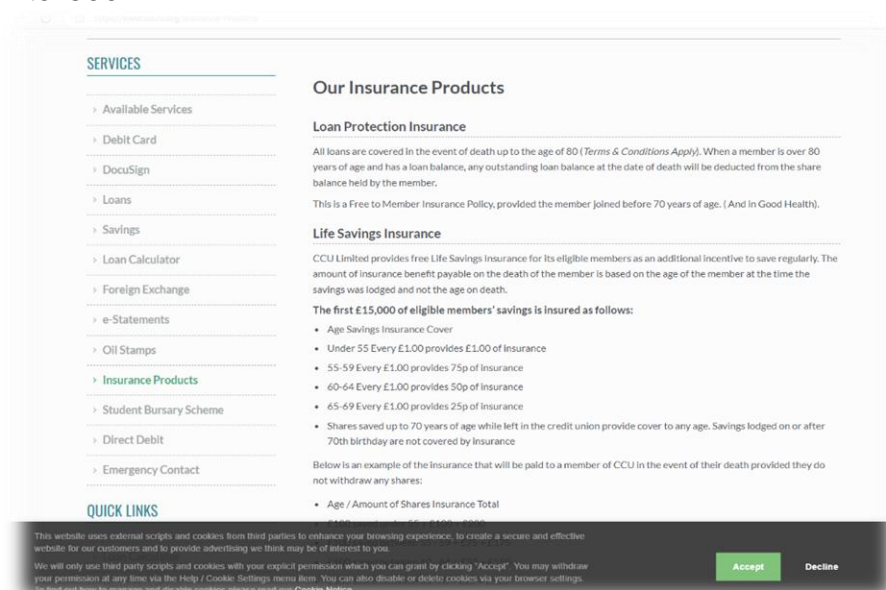


[Lisburn Credit Union](#) (Lisburn Credit Union, 2024)

## Insurances (Local comparison)

Clonard Credit Union (CCU) offer loan protection insurance, life savings insurance, and death benefit insurance to its members.

This is similar to the insurance types that SAG Credit Union offers its members as an affiliate member of the ILCU. The only difference to note is the level of death benefit insurance, which CCU set at £2000. SAG Credit Union sets its death benefit insurance at £2500.



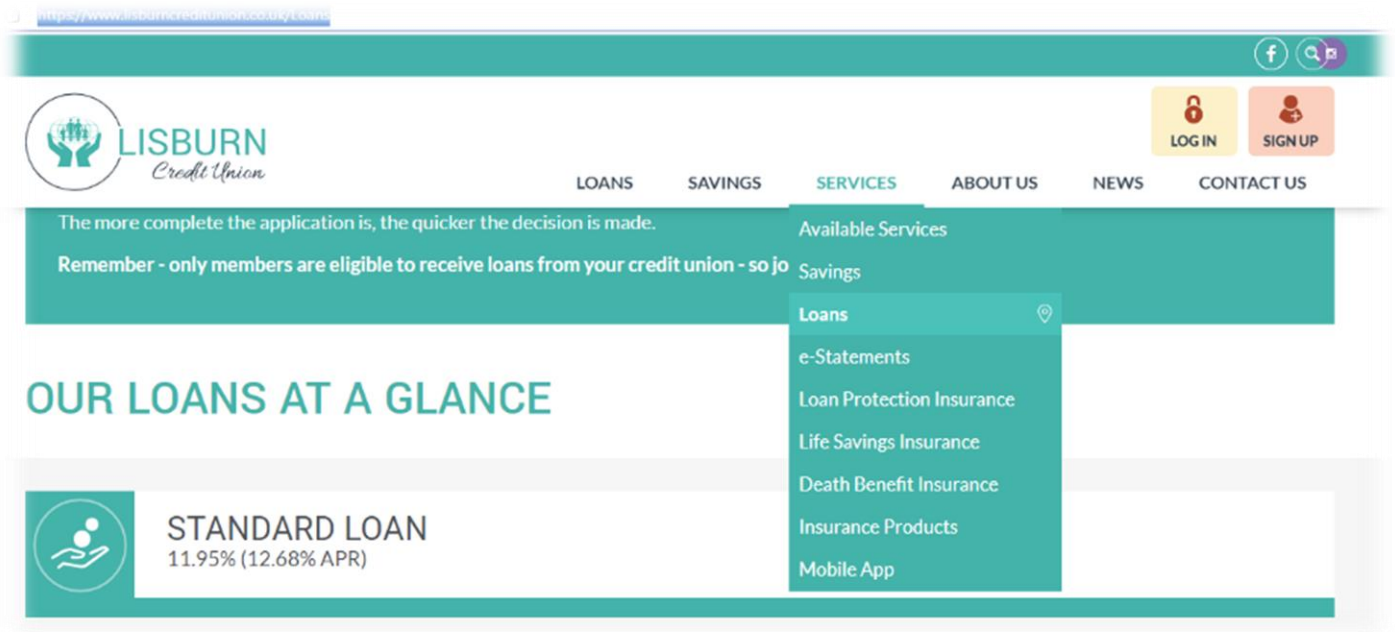
[CCU \(ccuni.org\)](#) (Clonard Credit Union, 2024)

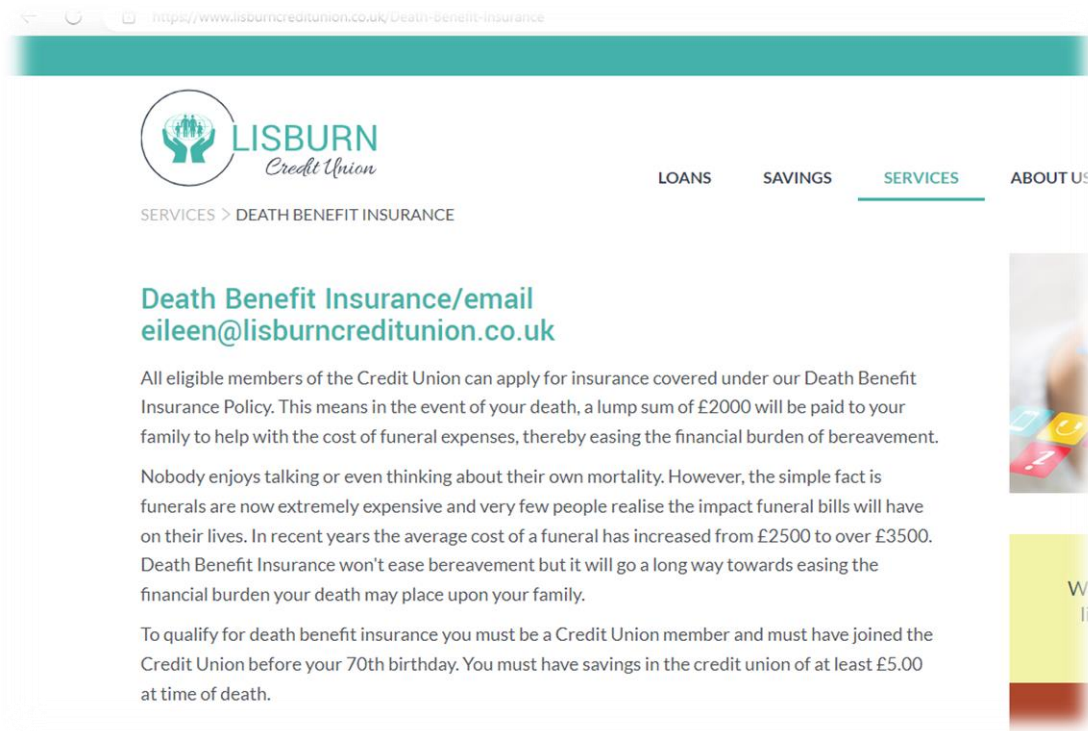
Newry Credit Union offers loan protection insurance, life savings insurance, and death benefit insurance also to its members. Again, the only difference to note is that the death benefit insurance is set at £2000.



[Savings - Newry Credit Union Ltd \(newrycu.com\)](https://www.newrycu.com) (Newry Credit Union, 2024)

Lisburn Credit Union like Newry Credit Union and Clonard Credit Union offer loan protection insurance, life savings insurance, and death benefit insurance also. Again, the only difference to note in comparison to SAG Credit Union is that the death benefit insurance is set at £2000.





[Lisburn Credit Union](#) (Lisburn Credit Union, 2024)

## Consumer Understanding


Per the FCA Consumer Duty Guidance “Consumers can only be expected to take responsibility where firms’ communications enable them to understand their products and services, their features and risks, and the implications of any decisions they must make.” (Source: [FG22/5: Final non-Handbook Guidance for firms on the Consumer Duty \(fca.org.uk\)](#), 2024).

## Website Communication

The credit union communicates its savings and loan products online via its website. The goal is to ensure that the credit union is fully transparent with its members and aspiring members in line with legislation, including Consumer Duty.


Members can apply for loans via the website. As a member is taken through the loan process, they are informed of the loan terms, including interest rates, length of loan term, and total amount repayable etc.

http://sagcreditunion.co.uk/loans



MEMBERSHIPLOANS SERVICES CONTACT


REGISTERLOGIN



**Ordinary Loan**  
**Borrow from £50 to £30,000 (maximum £15,000 above shares)**

- Many financial institutions do not offer loans under £1000, so come to us for the amount you want to borrow
- If you've had trouble in the past that doesn't necessarily stop you getting a loan
- Subject to affordability & share balance
- More competitive interest rates than a payday loan or doorstep lender
- Repayments to suit you - weekly, fortnightly, 4-weekly or monthly
- No application fees or early repayment charges

APPLY NOW




**Special Promotional Loan**  
**Borrow from £7,000 to £30,000 (Maximum £15,000 above Shares)**

- Subject to Credit Score & affordability
- Interest rate is fixed and your repayments won't vary
- More competitive interest rates than a payday loan or doorstep lender
- Repayments to suit you - weekly, fortnightly, 4-weekly or monthly
- No application fees or early repayment charges

APPLY NOW

[SAG Credit Union | Services](#) (SAG Credit Union Limited, 2024)

http://sagcreditunion.co.uk/loans



MEMBERSHIPLOANS SERVICES CONTACT


REGISTERLOGIN

- Subject to affordability & share balance
- More competitive interest rates than a payday loan or doorstep lender
- Repayments to suit you - weekly, fortnightly, 4-weekly or monthly
- No application fees or early repayment charges

APPLY NOW

- Repayments to suit you - weekly, fortnightly, 4-weekly or monthly
- No application fees or early repayment charges

APPLY NOW



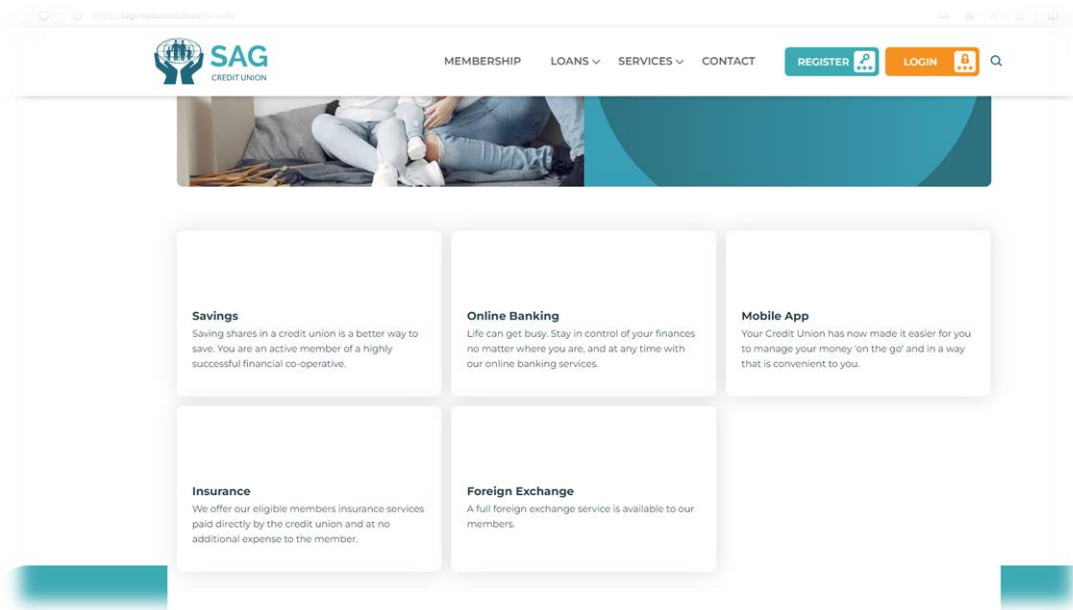
**Larger Loan**  
**Borrow from £7,000 to £50,000 regardless of size of shares**

- Subject to Credit Score & affordability
- Interest rate is fixed and your repayments won't vary
- More competitive interest rates than a payday loan or doorstep lender
- Repayments to suit you - weekly, fortnightly, 4-weekly or monthly and up to 10-year term
- No application fees or early repayment charges
- Will be referred to Credit Committee

APPLY NOW

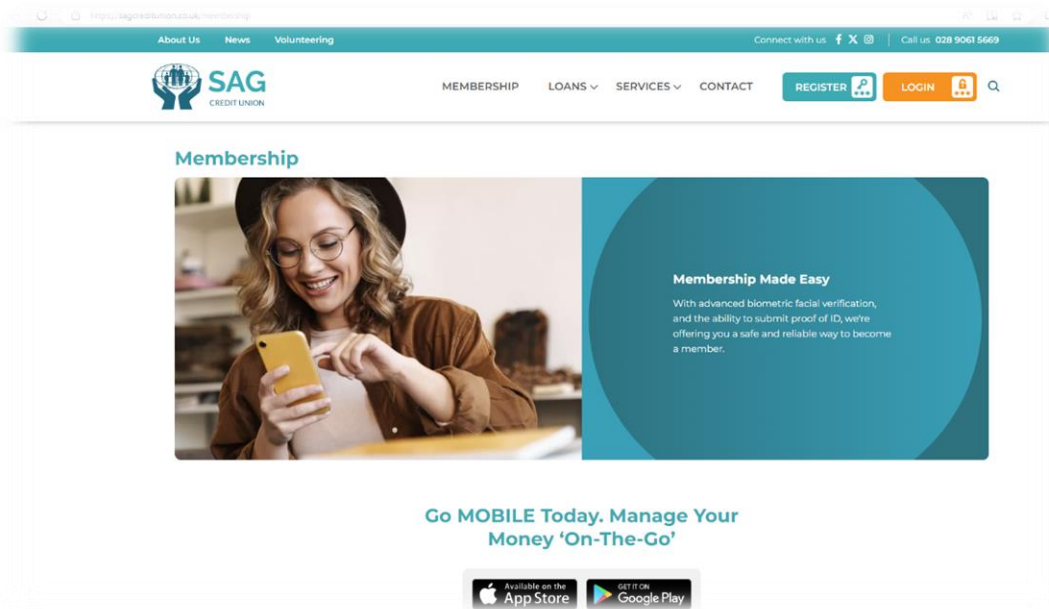
[SAG Credit Union | Services](#) (SAG Credit Union Limited, 2024)

The website communicates to the credit union's member base its key products and services including savings options, online banking, the mobile app, types of insurances offered and the options for foreign exchange.



[SAG Credit Union | Services](#) (SAG Credit Union Limited, 2024)

The website also communicates to aspiring members the joining process, and the option for members to join via the app.



[SAG Credit Union | Membership](#) (SAG Credit Union Limited, 2024)



The website has an in-built loans calculator making it fully transparent to members the loan types offered, amounts, and repayment terms, including the rate of interest.

The screenshot shows the SAG Credit Union website's loans calculator. The interface is clean and user-friendly, with a navigation bar at the top containing links for MEMBERSHIP, LOANS, SERVICES, and CONTACT. There are also buttons for REGISTER and LOGIN. The main content area features a calculator with the following fields and results:

- Type of Loan:** A dropdown menu with options: Ordinary Loan (selected), Special Promotional Loan, and Larger Loan.
- Repayment Frequency:** Radio buttons for Weekly, Fortnightly, and Monthly (selected).
- Amount:** A text input field showing £ 5000, with minus and plus buttons for adjustment.
- Term of Loan (in months):** A text input field showing 12, with minus and plus buttons for adjustment. Below the field, it says "1 year".
- Results:** A large display showing £ 444. Below this, a table provides details: APR 12.63%, # Repayments 12, and Total £5,331. An orange button labeled "APPLY FOR LOAN" is positioned below the table.

To the right of the calculator is a promotional banner for "Online Banking" featuring a photo of a group of people. The text reads: "Stay in control of your finances no matter where you are, and at any time with our online banking services." Below the text is a "LEARN MORE" button.

[SAG Credit Union | Loans](#) (SAG Credit Union Limited, 2024)

## Credit Union Officers

All staff of the credit union are trained to deal with the member's needs, including processing loans requests;

As part of the loan application process, the loans officer will,

- Check member verification (ID check and proof of address);
- Review key information to better understand the members financial situation (Income/outgoings). This is to ensure that the loan type, amount requested, and terms are helpful and beneficial to the member. This may include looking at the members most recent bank statements and credit report.
- Provide the member with a copy of the privacy notice, detailing how the member's data is managed by the credit union, and who to contact regarding the information that is held.
- Depending on loan amount, member age, and health, the loans officer may have to complete a health form. (ECCU)
- The loans officer taking the member through the loan process, will provide a copy of the credit agreement to the member explaining amount borrowed, repayment terms, and total interest charged.

In addition to loans, staff of the credit union are trained to;

- Processing transactions (including, savings, bank transfers, and setting up payment methods);
- Dealing with administration (including scanning, storing, and managing member details);
- Answering all forms of communication, whether through the website, email, phone, or in branch etc.
- Dealing with member complaints in line with policy and legislation.

## Sign Posting

Products and services are signposted in branch via posters, leaflets, TV screens etc. The goal is to ensure members are kept informed at each point in their relationship with the credit union.

## Membership Pack

At the point of joining the credit union, each member will be given an “About the Credit Union” leaflet. Credit union staff will take the member through this leaflet explaining its contents, including savings options, loans options, and insurance options. The aim is to be fully transparent with the member in line with Consumer Duty and ensure that they understand the credit unions products and services.

The leaflet outlines;

1. The principals of the credit union;
2. What a credit union is;
3. Eligibility for membership;
4. Benefits of becoming a member;
5. Savings accounts, types, requirements, and dividends;
6. Minor Accounts, eligibility and requirements;
7. Loan products, types, differences and interest rates;
8. Insurance types, differences, and terms (including DBI fees and the right to opt out);
9. Additional services, including use of the website, app, and making direct debit payments over the phone;
10. Member responsibilities;
11. Joining and admin fees.

Members are also provided a copy of the credit union’s privacy notice, detailing how member data is handled and the key contacts.

There is a Membership Policy updated annually by the Board of Directors, that outlines eligibility for membership.

# Consumer Support

Members can reach the credit union via the website, app, phone, email, in branch and through social media channels (Facebook, Twitter etc). The credit union aims to deal with all member concerns and queries as soon as possible and inline with data protection legislation.

The credit union has a robust complaint handling process. There is a designated person responsible for resolving the complaints and reporting per the Complaints Handling Policy to the appropriate regulatory authority.

## Support Services for Members

### Advice NI

SAG Credit Union Limited is fully transparent with members and will outline publicly available services in Northern Ireland that may help to reduce anxiety and the burden on them. Advice NI provides high quality independent advice to individuals in Northern Ireland. Their independent advice covers issues such as:

- Benefits
- Debt
- Housing
- Employment
- Disability
- Community Care
- Consumer issues

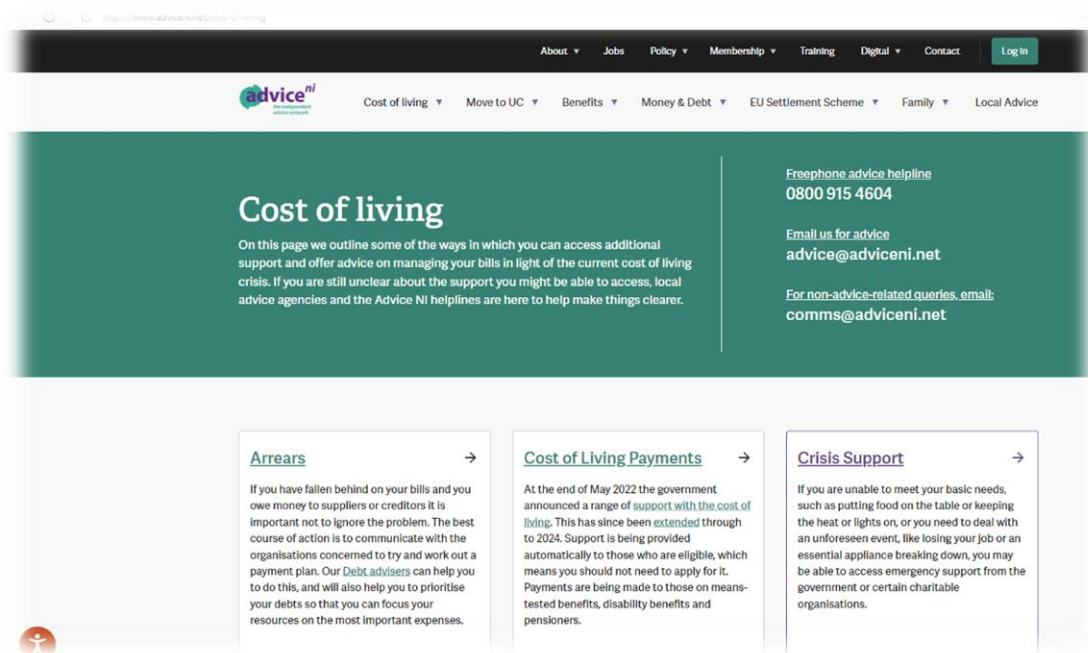


[Welcome to Advice NI | Advice NI](#) (Advice NI, 2024)



Advice NI offer advice on the cost-of-living crisis. As inflation continues to grow and salary stays stagnant, members have less disposable income. The Bank of England states “CPI inflation fell from 11% in October 2022 to 3.4% in February 2024” [What we are doing about the rising cost of living | Bank of England](#) (Bank of England, 2024).

The Bank of England inflation target is 2%. Although a lower inflation rate is encouraging, this does not necessarily mean goods and services cost less. The Bank of England outlines that there were three main reasons for inflation and the costs of goods and services to rise, these include the covid pandemic, the war in Ukraine, and the amount of people available to work.



[Welcome to Advice NI | Advice NI](#) (Advice NI, 2024)

## Age NI

SAG Credit Union Limited has an aging member base and as such will aim to provide older members with advice should they need extra help. Age NI “is the leading charity in Northern Ireland dedicated to helping everyone make the most of later life.” (Age NI, 2024). Age NI provide advice on money matters, including benefits and pension. They provide advice on care and support, as well as working and learning.



[Age NI - The leading charity for older people in Northern Ireland \(ageuk.org.uk\)](https://www.ageuk.org.uk/northern-ireland/)

(Age NI, 2024)

## Safeguarding Vulnerable Adults and Children

The credit union encounters vulnerable adults through lending, share withdrawals and death claims. In addition, we can encounter them over the telephone, in person and through emails and online.

The credit union has in place a Safeguarding Vulnerable Adults Policy (appendix 15) and Child Safeguarding Policy (Appendixes 12-14). Both policies are updated by the Board of Directors on an annual basis.

Both policies are reviewed to ensure that the Consumer Duty Principles, Rules, and Regulations are adhered to. Consumer Duty sets higher expectations for the standards of care that Credit Unions give its members.

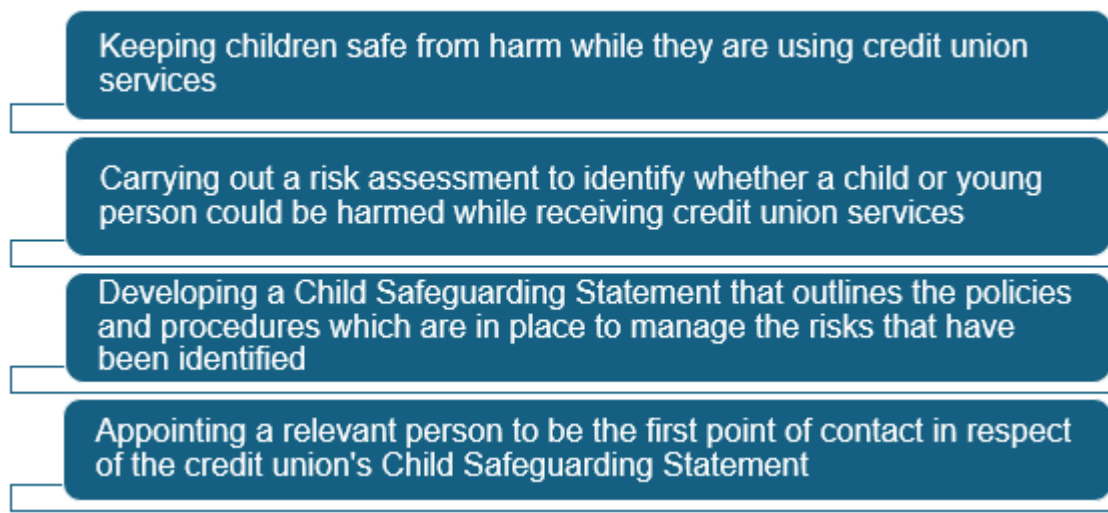
The Safeguarding Vulnerable Adults Policy and Child Safeguarding Policy outlines the definitions around vulnerability, the responsibility of the credit union and staff, procures in dealing with vulnerable members, managing information of vulnerable members, and support.

The aim of the credit union regarding the Safeguarding Vulnerable Adults Policy and Child Safeguarding Policy is to:

- Communicate both policies in a timely manner to all credit union staff and officers.
- Make both policies accessible to all credit union staff and officers.
- Implement both policies through all relevant levels of the credit union; and
- Revise both policies regularly, and at least annually, considering changing circumstances, including changes in legislation and regulatory requirements.

## Commitment to Safeguarding Children

Per the Child Safeguarding Policy, the credit union is committed to:



**Appendix 12 - Child Safeguarding – Risk and Mitigation Plan**

**Appendix 13 – Child Protection Officer and Deputy Child Protection Officer**

**Appendix 14 – Child Safeguarding Statement**

## Adult Protection Gateway Service

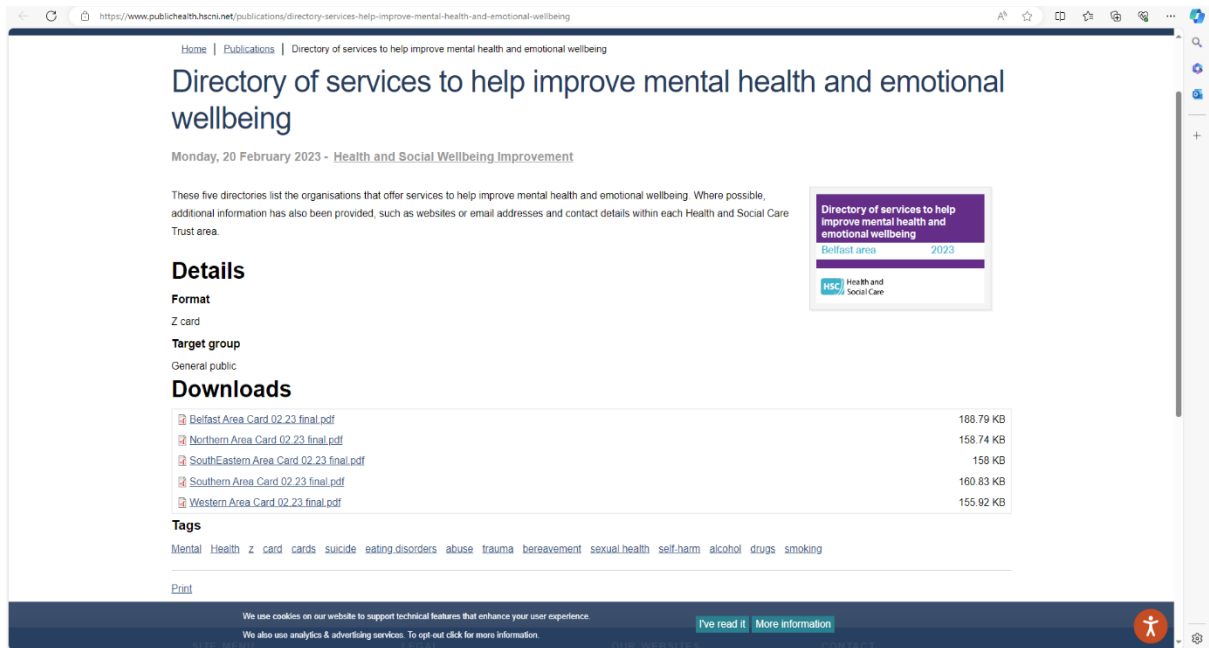
Per Safeguarding Vulnerable Adults Policy where staff have reasonable grounds that the member may be subject to abuse, exploitation or neglect we may need to report our concerns to the Adult Protection Gateway Service in our HSC.

| Health and Social Care Trust                                    | Areas covered  | 9.00am - 5.00pm telephone number | out-of-hours emergency telephone number |
|---|--|----------------------------------|---|
| <b>Western HSC Trust Adult Protection Gateway Service</b>       | Londonderry/Derry, Limavady, Strabane, Omagh, Enniskillen  | 028 7161 1366                    | 028 9504 9999                           |
| <b>Southern HSC Trust Adult Protection Gateway Service</b>      | Craigavon, Banbridge, Dromore, Lurgan, Portadown, Gilford, Armagh, Coalisland, Dungannon, Fivemiletown, Markethill, Moy, Tandragee, Ballygawley, Newry, Bessbrook, Annalong, Rathfriland, Warrenpoint, Crossmaglen, Kilkeel, Newtownhamilton | 028 3756 4423                    | 028 9504 9999                           |
| <b>Belfast HSC Trust Adult Protection Gateway Service</b>       | Greater Belfast area   | 028 9504 1744                    | 028 9504 9999                           |
| <b>Northern HSC Trust Adult Protection Gateway Service</b>      | Antrim, Carrickfergus, Newtownabbey, Larne, Ballymena, Cookstown, Magherafelt, Ballycastle, Ballymoney, Portrush, Coleraine  | 028 9441 3659                    | 028 9504 9999                           |
| <b>South Eastern HSC Trust Adult Protection Gateway Service</b> | Lisburn, Dunmurry, Moira, Hillsborough, Bangor, Newtownards, Ards Peninsula, Comber, Downpatrick, Newcastle, Ballynahinch  | 028 9250 1227                    | 028 9504 9999                           |

## Directory of Services to Help Improve Mental Health and Emotional Wellbeing

These five directories listed on the Health and Social Care Northern Ireland website list the names, numbers, and web addresses (where applicable) of organisations that offer services to help improve mental health and emotional wellbeing. Where possible, additional information has also been provided, such as email addresses and contact details within each Health and Social Care (HSC) Trust area.

| NI Regions                      |
|---------------------------------|
| • <a href="#">Belfast</a>       |
| • <a href="#">North</a>         |
| • <a href="#">South Eastern</a> |
| • Southern                      |
| • Western                       |



## [Directory of services to help improve mental health and emotional wellbeing | HSC Public Health Agency \(hscni.net\)](https://www.publichealth.hscni.net/publications/directory-services-help-improve-mental-health-and-emotional-wellbeing) (HSCNI, 2024)

This information is also contained in the Safeguarding Vulnerable Adults Policy. Please refer to appendix 15.

## Addiction and Gambling

All staff of the credit union will refer to governmental guidance. A great source for this locally is NI Direct.

Among children, these harms potentially affect future development and parents experiencing gambling harm can increase stress on family members and children.

### Support available

If you think you have a problem with gambling, you should visit your GP, who may be able to direct you to the most suitable services.

The Southern Health and Social Care Trust Early Intervention Service offers support for individuals and their families, for those in the Southern Trust area, who are concerned about the impact of gambling and/ or substance abuse in their lives.

It offers a non-judgemental accessible service to address the harmful effects of gambling and/ or substance misuse through one-to-one sessions, group and family support.

Families affected by gambling, drugs and alcohol misuse in the Southern Trust area can independently avail of support even if their loved one does not want to engage in the service.

You can request a referral through your GP or self-refer by contacting:

- telephone: 028 3756 4513
- email: [community.addictions@southerntrust.hscni.net](mailto:community.addictions@southerntrust.hscni.net)

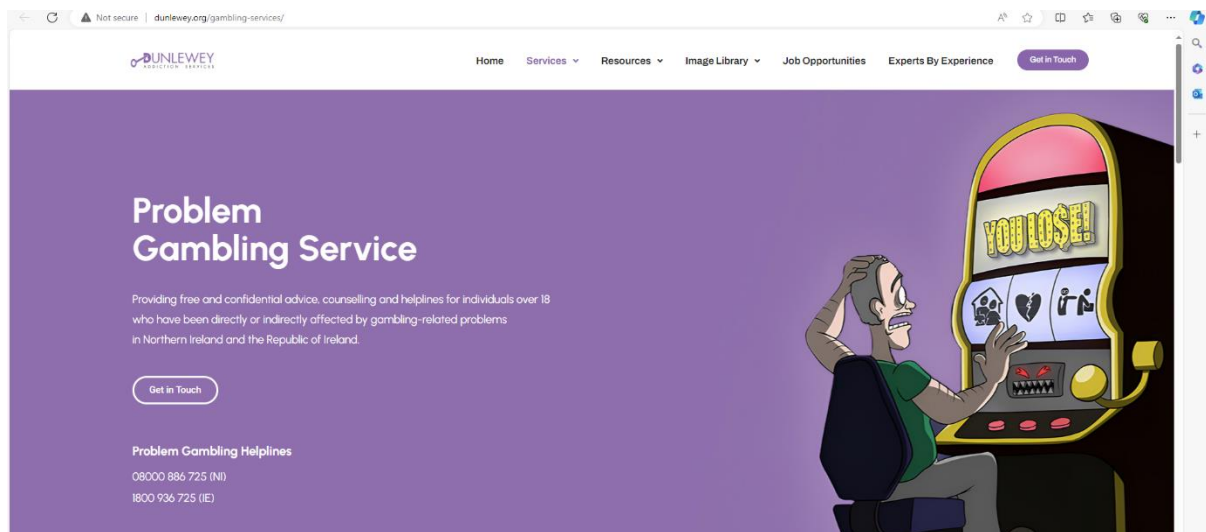
Some useful advice is available at:

- [Help for problems with gambling](#)

There are also further support networks available:

## [Gambling | nidirect](https://www.nidirect.gov.uk/) (NI Direct, 2024)

One such service the NI Direct website outlines is available is provided by Dunlewey for substance misuse and gambling issues.



[Dunlewey Addiction Services – Unlocking the Door to Personal Growth, Learning and Change](#) (Dunlewey, 2024)

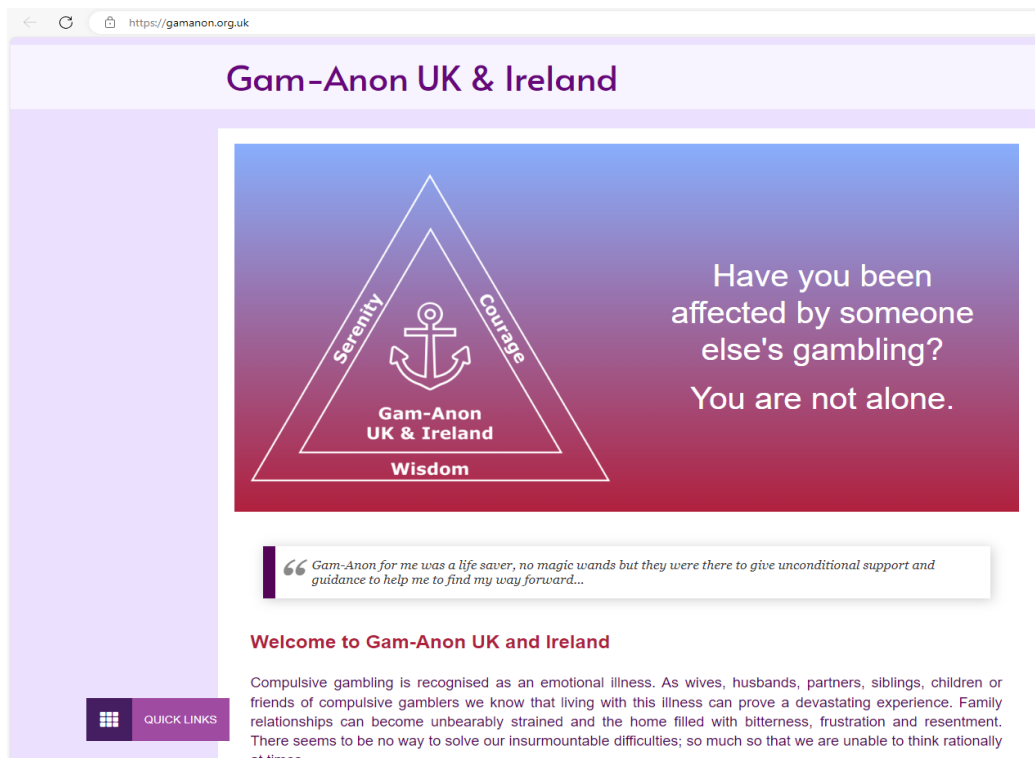
Also outlined on the NI Direct website is Safer Gambling, for gambling help and management.



[Safer Gambling Week | Home \(safergamblinguk.org\)](#) (Safer Gambling, 2024)

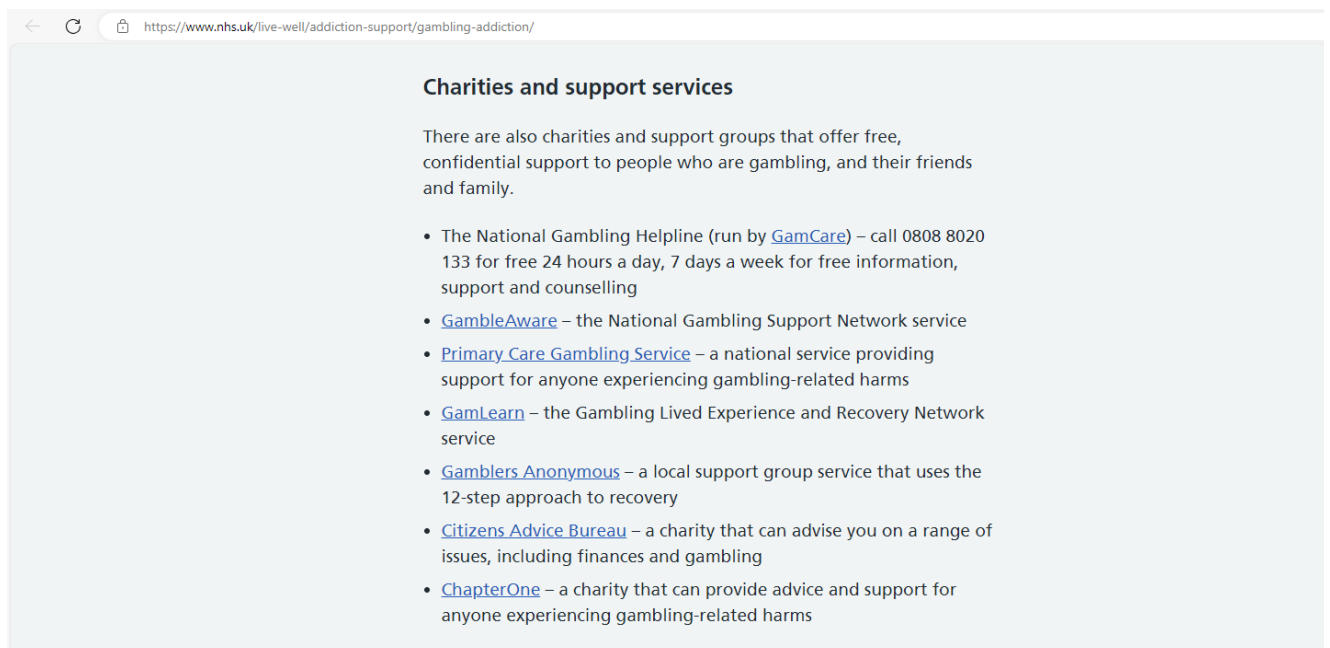
Gamblers Anonymous is another great source for gambling advice.





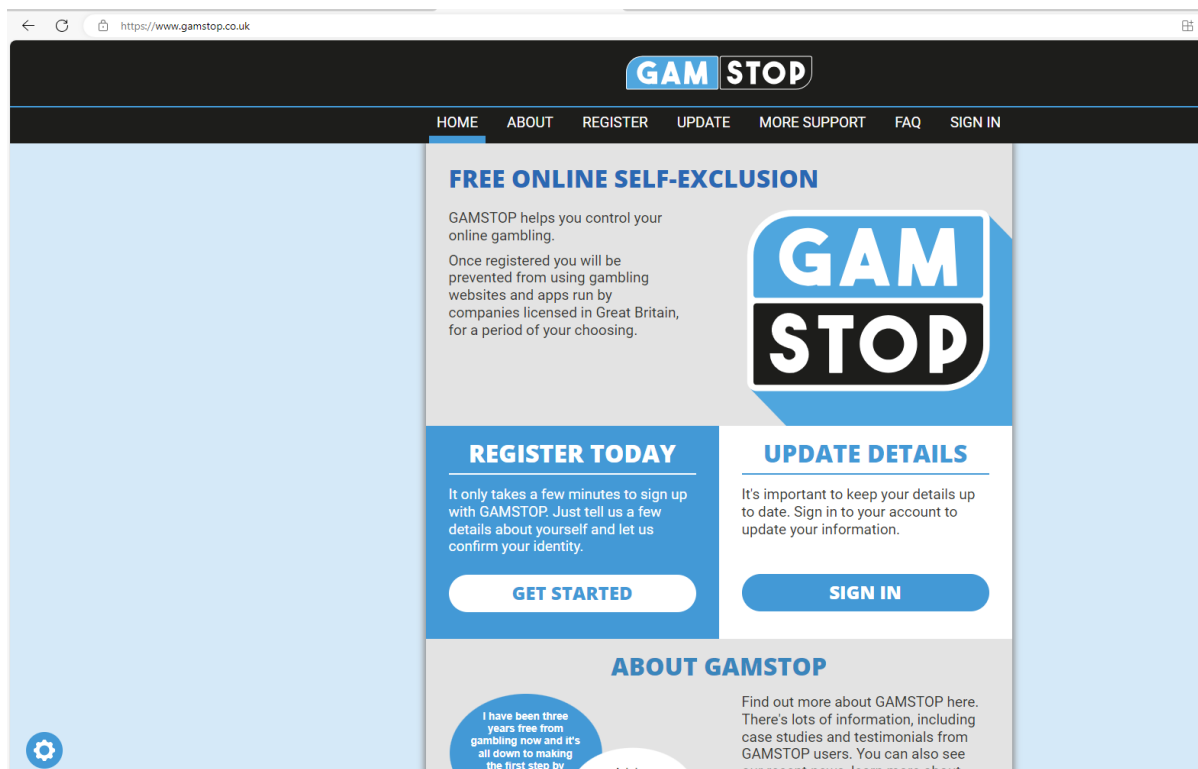
[Gam-Anon UK and Ireland – Gam-Anon GamAnon UK Ireland England Wales](https://gamanon.org.uk) (Gamblers Anonymous, 2024)

On the NI Direct website there is a link to NHS UK with additional support for gambling issues and general well being issues.



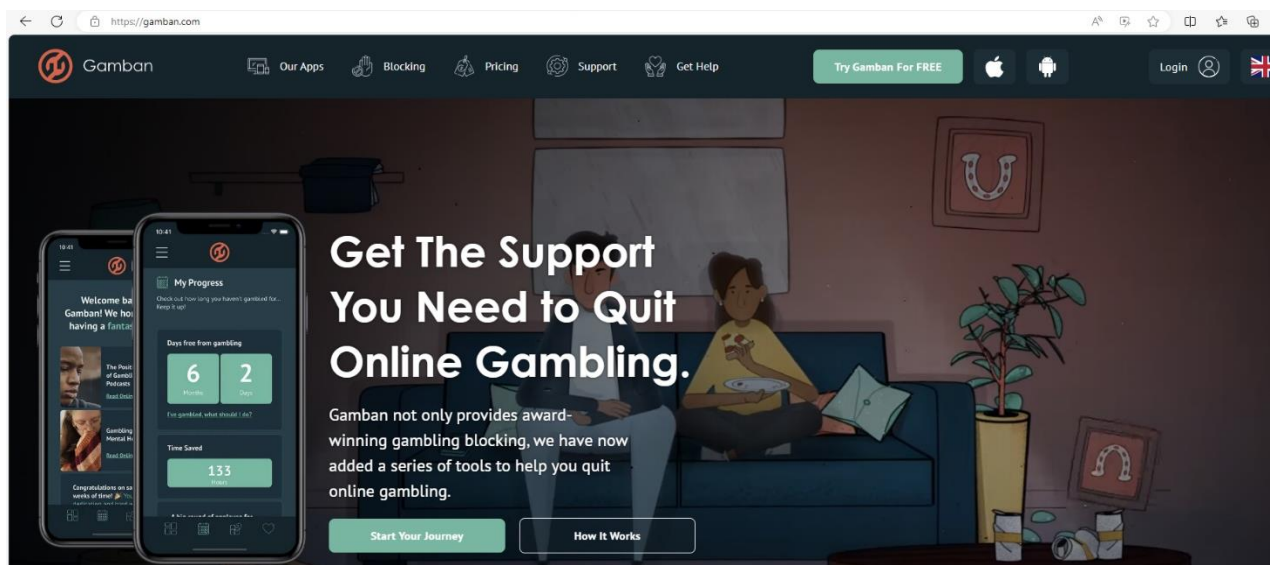
[Help for problems with gambling - NHS \(www.nhs.uk\)](https://www.nhs.uk/live-well/addiction-support/gambling-addiction/) (NHS UK, 2024)

On the NHS UK website there is a direct link to Gamstop, a service that blocks individuals from accessing websites and apps run by gambling companies licensed in the UK.



### [GAMSTOP - Gambling Self-Exclusion Scheme](https://www.gamstop.co.uk) (Ga Stop, 2024)

There is also Gamban an easy to install software the blocks access to gambling websites and apps.



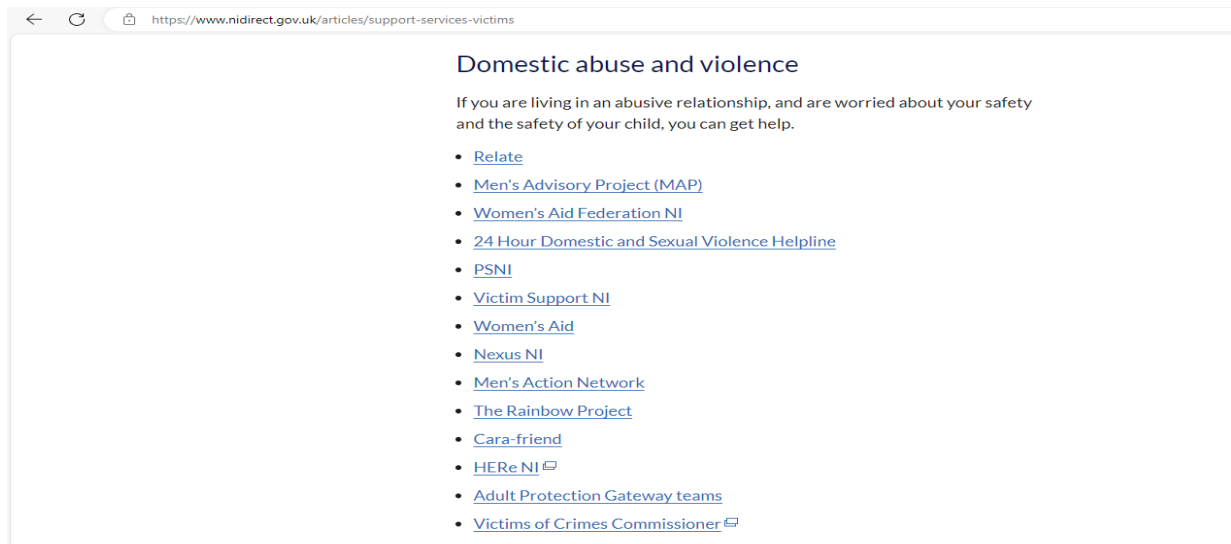
### [Get The Support You Need to Quit Online Gambling. - Gamban](https://gamban.com) (Gamban, 2024)



## Domestic Abuse

There is a wealth of domestic abuse help available to members of the credit union. The Safeguarding Policy outlines how staff can communicate vulnerable members, including those dealing with domestic abuse. Please refer to appendix 15 of the policy.

The NI Direct website highlights available sources of information and help for victims of domestic abuse.



[Support services for victims | nidirect](https://www.nidirect.gov.uk/articles/support-services-victims) (NI Direct, 2024)

## Foodstock

SAG Credit Union Limited support local charity Foostock. The credit union feels it has a duty to the local community and those struggling with the current cost of living crisis.

Regular donations and fund-raising events help the credit union to support Foodstock in helping the most in need in the local community.



[Foodstock | Belfast | Facebook](https://www.facebook.com/FoodstockCharity) (Facebook, 2024)

## Complaints Process and Redress

SAG Credit Union Limited aims to always provide a first-class service to their members that is compliant with credit union policies, procedures and all legal and regulatory requirements and guidance that apply to credit unions.

The Complaints Handling Policy is reviewed annually by the Board of Directors. The Complaints Handling Policy is reviewed in accordance with the SAG Credit Union Consumer Duty Implementation Plan, and to ensure it complies with the Consumer Duty Principles, Rules, and Regulations.

## Objective of the Complaints Policy

Per the Complaints Policy, the objective of the credit union is to ensure:

“That complainants (members or non-members) are treated fairly, impartially and with dignity when they have a complaint and to ensure that such complaints are dealt with promptly.”

The contents of the Complaints Handling Policy includes;

1. Definition and overview of the complaints process;
2. Role of the Financial Ombudsman Service;
3. Overview of the credit union’s regulatory obligations;
4. Key timeframes, actions, and follow up to complaints;
5. Actions regarding redress;
6. Responsibility of the Board of Directors, Management, and Complaints Handling Officer.

The credit union ensures that it publishes appropriate information regarding its internal procedures for the reasonable and prompt handling of complaints and that complainants are aware of the Ombudsman by:

- Maintaining a prominent notice in the credit union office and any sub offices;
- Providing complainants with a copy of the credit union’s internal complaint procedure upon request or where complaints have not been dealt with within three business days;

- Providing a summary resolution communication with responses to any complaints resolved within three business days identifying that if the complainant is still not satisfied, they **may** be able to refer the complaint to the Ombudsman. The response will also indicate whether or not the credit union consents to waive the relevant time limits in DISP 2.8.2 R by including the appropriate wording set out in DISP 1 Annex 3R.
- Providing members with the standard Ombudsman explanatory “Your Complaint and the Ombudsman” leaflet when providing a final response to a complaint, available at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

**In addition, the credit union will:**

- Maintain an internal complaint handling procedure which is reviewed, updated, and approved annually by the board of directors and whenever there is a change in legal and regulatory requirements. See appendix 1 of the Complaints Handling Policy.
- The credit union records the number of complaints received each year. An annual return in respect of the number of complaints received and handled is made to the Financial Conduct Authority (“the FCA”). The reporting period for complaints is April 1<sup>st</sup> to 31st March each year. The return is submitted to the FCA within one month of the end of the reporting period.

## Financial Ombudsman Services

This credit union is covered by the Financial Ombudsman Service (the Ombudsman). If a complainant remains dissatisfied with our final response to their complaint, they may refer the complaint to the Ombudsman within six months of receipt of the final response.

The policies outline the contact details for the Financial Ombudsman Services. All members are given a privacy notice at point of joining and a lending privacy notice during the loan process. The privacy notice outlines how data is handled and shared with the Financial Ombudsman Service and other government agencies. (See appendix 8 and 9)

**The Financial Ombudsman Service**  
Exchange Tower  
London E14 9SR  
Phone for consumers: 0800 023 4 567 or 0300 123 9 123  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

For general complaints-handling questions or technical queries contact  
020 7964 1400 (10am-4pm, Mon to Fri) or email  
[technical.advice@financial-ombudsman.org.uk](mailto:technical.advice@financial-ombudsman.org.uk)

The screenshot shows the Financial Ombudsman Service website. The header includes the logo and navigation links: News, Decisions and case studies, Data and insight, Make a complaint, Who we are, For consumers, For businesses, and Search. The main content area is titled 'How to complain' and includes a sub-header 'Home / For consumers /'. Below this, a paragraph states: 'Bringing a complaint to us is straightforward and won't cost you anything. Find out how you can make a complaint to us about a financial business.' A date stamp indicates 'Last updated: 4 January 2023'. A video player is embedded with the title 'I have a financial complaint - what do I do?'. On the right, a 'On this page' sidebar lists three steps: 1. Complain to the financial business, 2. Get a final response letter, and 3. Make a complaint to the Financial Ombudsman.

https://www.financial-ombudsman.org.uk/consumers/how-to-complain

Financial Ombudsman Service

News Decisions and case studies Data and insight Make a complaint

Who we are For consumers For businesses Search

For consumers

Home / For consumers /

## How to complain

Bringing a complaint to us is straightforward and won't cost you anything. Find out how you can make a complaint to us about a financial business.

Last updated: 4 January 2023

I have a financial complaint – what do I do?

On this page

1. Complain to the financial business
2. Get a final response letter
3. Make a complaint to the Financial Ombudsman

[How to complain \(financial-ombudsman.org.uk\)](https://www.financial-ombudsman.org.uk/consumers/how-to-complain) (Financial Ombudsman Service, 2024)

## Appendix 2 – About the Credit Union Leaflet

### **Welcome to SAG Credit Union**

**By making this first step to becoming a member of SAG Credit Union, you will benefit from a range of services unique to credit union members. You will be joining a financial cooperative that is successfully operated across the world following the same basic ethos of cooperation among its membership. SAG Credit Union is a member-based organisation which puts its membership first. Our members and their financial needs are at the heart of everything that we do.**

**It supports the ten Credit Union Operating Principles' of**

**Open and Voluntary Membership**

**Democratic Control**

**Limited Dividends on Equity Capital**

**Return on savings and deposits**

**Return of Surplus to members**

**Non-discrimination in race, religion and politics**

**Service to members**

**On-going Education**

**Cooperation among Co-operatives**

**Social Responsibility**

### **What is a Credit Union?**

A Credit Union is a financial co-operative owned, run, and managed by the members, for the members. It is a not-for-profit organisation which means that any surplus money after operational costs is returned to the membership in the form of dividend and/or interest rebate.

SAG Credit Union limited was founded in 1964 in response to the economic hardship that the people of the area were facing at the time. Banks and other financial institutions would not lend to people without substantial collateral and guarantees. As a result, a group of forward-thinking individuals responded to the absence of affordable credit by establishing SAG Credit Union. It has flourished since then, growing from strength to strength and now boasts nearly 16000 members and assets of nearly £70 million.

### **Eligibility for Membership:**

To be eligible to join, you must fulfil the following criteria.

1. **Reside in the Common Bond:** SAG's membership is governed by its common bond i.e. something that we all share that is common to us all, where we live. Members must reside or work within the common bond or live with an existing member of SAG. Staff can confirm if you live within the common bond and are eligible to join SAG Credit Union Limited.
2. **Age Limit:** Minimum age to be a full member is 16 years old.
3. **Identification:** Before an account can be opened by potential members you need to provide photographic identification. This includes Passports, Driving License (Provisional & Full), Senior Citizen's Smart Pass and Electoral Identification Card. People under the age 18 may use birth certificates if they do not have any of the above.  
**Proof of address:** Recent proof of address (**No more than 3 months old**). Acceptable forms are Bank Statements, Post Office Statements, Utility bills (not mobile phone bills or credit card statements), Rates Bills, Benefit Letters, Mortgage Statements and Tenancy Agreements
4. **Application forms:** completed application form signed and witnessed by a member of staff.
5. **Membership fee:** A membership fee of £1.00 must be paid to become an eligible member.
6. **Shares/Lodgements:** Minimum of £1 to be lodged to the new account.

### **Benefits of becoming a member**

#### **SAG Credit Union offers two main services to members.**

**Savings:** The purpose of the Credit Union is to promote a savings habit amongst its members and by accumulation of their savings, this will enable them to create a source of credit where they can access loans at a fair and reasonable rate of interest. As a member-based organisation, savings in the credit union are known as shares.

SAG Credit Union has two types of share accounts:

**Share Account:** All members must open a main share account. This account acts as collateral for your ability to apply and access a loan.

**Easy share account:** This account is linked to your main share account but can be accessed at any time. Many people use this account to budget for specific events like Christmas, oil bills, holidays or an emergency fund.

Both accounts attract the same level of dividend which is paid annually into your Share account. The maximum amount of savings across both accounts is £15000.00 and the maximum that can be saved in each account monthly is £500.00.

The maximum savings that can be lodged to the easy share account is £3000.

## By regularly saving you

- build up a share capital for yourself
- increase your future borrowing potential
- Savings earn an annual dividend
- Eligible savings attract Life Savings Insurance provided they remain in your account
- Your savings contribute to the members Loan Fund.

## Regular Savings

Here is how a regular credit union savings plan can help you to build up a substantial savings account.

| Years | £1 per week | £5 per week | £20 per week |
|-------|-------------|-------------|--------------|
| 1     | £52         | £260        | £240         |
| 2     | £104        | £520        | £480         |
| 3     | £156        | £780        | £720         |
| 4     | £208        | £1040       | £960         |
| 5     | £260        | £1300       | £1200        |

Before you can become eligible for a loan, members must have been saving regularly for at least 13 weeks.

## LOANS

Loans may be granted to members (over the age of 18) who meet the requirements of our loan policy. **Where a member's loan is greater than their shares, all of their shares (other than Easy Save shares) are held as Collateral against their loan until the loan balance is lower than the shares.**

### Why should you borrow from the Credit Union?

- Affordable interest rate: Interest is charged at a minimum of 0.5% (special and larger loan types) to 1% per month on standard loans on a reducing balance and any interest that you pay may attract an interest rebate, which is lodged to your shares once a year. (Interest charged and interest rebate paid depends on the loan type).
- Your shares/savings are not touched and remain intact. By building up a good loan repayment and saving history with us, you increase your future borrowing potential.
- Your loan is covered by Loan protection Insurance (subject to policy conditions)
- No arrangement fees or penalties are incurred for lump sum or early repayment of the loan.
- Eligible members may receive immediate loans.

- Affordable repayment terms up to 10 years available dependent on the Loan Type.

## Loan Types

- 6. Standard Loans:** These loans range from £50 to £30,000 and are charged interest of 1% per month on a reducing balance basis. Maximum Loan available is £15000 above shares. These loans attract 100% of interest rebate awarded annually which is credited to your shares (main savings account).
- 7. Promotional Loans:** These range from £7,000 to £30,000 and are charged interest of 0.5% per month on a reducing balance basis. Maximum Loan available is £15000 above shares. These loans attract 50% of the Interest rebate awarded again credited to your shares (main savings account). All loans must be paid back by Direct Debit.
- 8. Larger Loans:** These loans range from £7,000 to £50,000 regardless of share size and the maximum term is 10 years. Loans awarded are dependent on proven affordability and credit reference check. Interest is applied at a rate of 0.5% per month on a reducing balance basis. All loans must be paid back by direct debit per loan terms and conditions.
- 9. Secured Loans;** These are available at both the standard and reduced interest rates depending on the amount that you wish to borrow. "Secured" basically means that the shares that you hold are larger than the actual loan you have applied for. The advantage of a secured loan is that you are automatically approved, you have the flexibility of borrowing up to a term of 10 years and both your savings and loan are insured (subject to terms and conditions). Please note for secured loans there is no requirement to provide your most recent bank statements (last two months), or credit reference check. (SAG Credit Union Limited retains the right to ask for these if required).
- 10. Special Rates:** From time to time, the Credit Union will trial different loan rates, you will be advised of these when you contact the Credit Union.

## Additional Services

- 1. Direct Debits/Online Banking;** Members can pay their loan or lodge into their accounts through their bank accounts.
- 2. Foreign Exchange;** The Credit Union carries Euros and Us Dollars and other currencies can be ordered.
- 3. Opening hours;** We have two Offices, Andersonstown Office is open to the public from 10 am to 5 pm on Tuesday and Friday, 10.00am to 7.00pm Thursday and from 10 am to 12.30 pm on Saturdays and the Dairy farm Office Poleglass office is open Tuesday 9.30am to 1.30pm and Friday 11.30am to 6pm.
- 4. Website;** registered members can check their balances and apply for loans online.
- 5. APP;** You can apply to join via the APP and once joined can check balances and transfer funds form your easy save account and apply to borrow on the app.



**6. Debit Card Facility:** Members can make their loan or savings payments over the telephone or in the office using their debit cards.

**7. Minor Accounts** (Trust accounts);

Children under the age of 16 may open a trust account with the Credit Union. We require a parent or legal guardian to accompany the minor when opening the trust account. The following conditions must be met:

- The adult opening the account must be a member of SAG Credit Union or the child must reside or attend school in the Common Bond.
- The parent or legal guardian complete an application form, bringing the child's birth certificate or passport and provide their own photographic identification and recent proof of address. If the child is over the age of seven, he or she also signs the application form.
- As Minor accounts are trust accounts any withdrawals must be for the benefit of the child and are at the discretion of the Board of Directors.
- Maximum savings limit is £5000. (£500 per month).

### **Additional Benefits**

#### **Insurance Products**

##### **Life Savings Insurance**

This is a unique product provided for eligible members as an added incentive to save regularly and leave their savings lodged in the Credit Union. To be eligible, the member must be under the age of 70 when the shares are lodged, must be actively at work or if not working, in good health. The level of benefit that your shares attract depends upon your age when you lodged the shares. Once earned, cover remains in place as long as your shares remain intact. Share withdrawals will adversely affect the eligible Insurance. Insurance is payable only in the event of death.

##### **Loan Protection Insurance**

This clears any outstanding loan balance in full when a member dies, subject to policy conditions. To be eligible, the member must be below the age of 85 and actively engaged in the usual duties of his/her occupation on the date they received the loan or if not working in good health.

##### **Death benefit Insurance**

This is an additional lump sum payment of £2500, payable in the event of a member's death. This insurance is paid annually by the member through deduction from their dividend/shares. To be eligible for this product, the member must have joined the Credit Union before the age of 70 and continue to pay the annual premium. Please note this insurance is provided to minors free of cost. SAG Credit Union strongly recommends that you complete a nomination form which will let us know and allow us to pay any savings and insurances to your next of kin.

## **Security for Savings**

SAG Credit Union Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority and as such its member's shares, in the event of the Credit Union becoming insolvent, are protected up to the limit of £85,000 for each individual member.

## **Your Responsibilities as a Member include;**

- Making regular savings and repaying your loans in accordance with the promissory note (contract).
- Keep the credit union informed of your contact details during the lifetime of your membership.
- Observe the cooperative ethos of the credit union movement.
- Take an active role in operating your account.
- Make an effort to attend the Annual General Meeting.

## **Basics of how it works:**

1. **Start depositing regular savings to your account either on a weekly, fortnightly, or monthly basis either by calling into the credit union or by setting up a direct debit.**
2. **After 13 weeks you may apply for a loan by visiting the credit union offices or by applying online if you have registered with our website.**
3. **You will be required to provide photographic id and 2 months recent bank statements that detail your name and address. Depending on the loan type you may be required to provide an Experian Credit Reference Check.**
4. **Your loan is based on the amount of savings you have deposited regularly and your affordability. Your application will be considered by the credit committee who will assess the information provided and your ability to repay your loan.**
5. **Depending on the size of the loan applied for, you may receive an immediate approval of your loan, or you will be contacted by email, text message or phone and advised when a decision has been made.**
6. **The staff will then explain your obligations and cost of repaying your loan. The staff will inform you of your loan repayment amount and estimated interest.**
7. **You should continue to save regularly as this will help to build up your shares to allow you to increase your potential loan amount in the future.**
8. **The staff will adjust your direct debit if required.**

- 9. The aim of your membership is to continue to save regularly, borrow wisely and repay promptly.**
- 10. Your 'character' in the credit union is important and we would encourage you to build up your savings and loan habit over a number of years.**

### **Opening New Account – Check List**

1. I confirm that I have received a copy of the Standard Rules for Credit Unions and am happy to comply with rules of the Credit Union.
2. I confirm that I have been given a copy of the "SAG Credit Union Limited - About Your Credit Union" booklet and have had it read and explained to me.
3. I have been advised of the procedures and requirements when applying for a loan.
4. I have had the benefits of Death Benefit Insurance explained to me and have signed a mandate form to allow deductions from my account as I am under 70 years of age and in good health/or signed a Death Benefit Insurance declined form as I do not wish to avail of this benefit.
5. I have complied with Money Laundering Legislation by providing photographic identification (driving licence, passport, senior citizen smart pass or Electoral Roll card and a recent proof of address (Bank statement, utility bill, benefit letter or government department letter).
6. I have been informed and received a nomination form.
7. I have been given a copy of the privacy notice and made ware of my rights and how my data is handled by SAG Credit Union, with key contacts should I have concerns or should any concerns arise.
8. I have paid a non-refundable administration fee of £1.00.
9. I am aware that I am no longer a member if my share balance falls below £1.

Signed

Member

Date

Witness

Member of Staff

Date

*SAG Credit Union Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority*

## Appendix 3 - The Cost-of-Living Loan Terms & Conditions

Promotional rate of 0.5% per month offered subject to agreeing to the following criteria and approval by Credit Committee

- Members must borrow a maximum of £500.00 in one application.
- The term of this Loan Agreement will be up to 36 months (loan must be fully repaid in this period)
- No top-ups to Cost of Living Loans are allowed, once the member has received the full £500, however members may have an additional Cost of Living Loan once they have repaid their loan in full.
- Member must provide minimum 2 months bank statements with name and address on them. These must show income and outgoings. (This is the same with current unsecured loans). Credit Committee can request any other statements as they require such as partners bank statements if all bills come out of their accounts.
- Borrowing members must sign to say that they are not aware of any changes in their circumstances that they have not made us aware of e.g., Threat of redundancy, moving where they live, pregnancy, ill health, change of their partners' circumstances.
- Any existing loans held with the credit union will be kept on the existing loan rate and payment schedule and must be paid as well as this new loan.
- When paying back the loans all lump sum payments (other than scheduled re-payments) must go off the promotional loan first.
- Any interest paid at the promotional interest rate is eligible to receive an interest rebate, this will be decided at the AGM at the end of November.
- Members have no access to their share accounts when their combined loans are more than their savings.

I have read the above terms and conditions and am happy to abide by them.

Name .....

Signature ..... Member Number

.....

Date ..... Witness

.....

## Appendix 4 - Special Promotional Rate Terms & Conditions

Promotional rate of 0.5% per month offered subject to agreeing to the following criteria and approval by Credit Committee

1. Member must borrow minimum of £7000 in one application.
2. Member must be able to prove affordability completing a full budget planner.
3. Member must be willing to provide a Credit Reference Check e.g. Experian, Equifax where requested. **PLEASE NOTE SAG CREDIT UNION LIMITED IS NOT RESPONSIBLE FOR ANY CHARGES YOU MAY INCUR IN RETRIEVING YOUR CREDIT REFERENCE CHECK. IT IS YOUR RESPONSIBILITY TO PAY THE ASSOCIATED COST & IF IT IS A TEMPORARY FREE OFFER, IT IS YOUR RESPONSIBILITY TO CANCEL ANY ASSOCIATED DIRECT DEBIT.**
4. Member must provide minimum 2 months bank statements with name and address on them. These must show income and outgoings. (This is the same with current unsecured loans). Credit Committee can request any other statements as they require such as partners bank statements if all bills come out of their accounts.
5. All debt consolidation loans require proof of debt i.e. most recent statements.
6. Borrowing members must sign to say that they are not aware of any changes in their circumstances that they have not made us aware of e.g. Threat of redundancy, moving where they live, pregnancy, ill health, change of their partners' circumstances.
7. Any existing loans held with the credit union will be kept on the existing loan rate and payment schedule and must be paid as well as this new loan.
8. ***Should a member fail to make a full month agreed payment, in accordance with the promissory note/ credit agreement of the Special Promotional Loan, then the account will be referred directly to the Credit Control Team. The member will forfeit the special promotional interest rate of 0.5% per month and the interest rate will revert to the credit unions standard loan interest rate of 1% per month for the remainder of the period specified in the loan agreement (or any other period agreed by the parties).***
9. **When paying back the loans all lump sum payments (other than scheduled re-payments) must go off the promotional loan first.**
10. Any interest paid at the promotional interest rate is eligible to receive interest rebate at 50% of the interest rebate received on standard loans e.g., Standard Loan receives 40% interest rebate, the Special Promotional Loan will receive Interest rebate of 20%
11. Unsecured loans maximum term is 5 years. Secured loans can be re-paid over a 10-year period if required.
12. The maximum a member can borrow is £15000 above savings and the member's combined loan liability with the Credit Union cannot exceed £30,000.
13. Loans must be paid by Direct Debit.
14. **Members have no access to their share accounts when their combined loans are more than their savings as their shares are held as collateral.**

I have read the above terms and conditions and am happy to abide by them.

Name .....

Signature ..... Member Number .....

Date ..... Witness .....

## Appendix 5 - Promotional Rate Terms & Conditions (Larger Loan)

The promotional rate of 0.5% per month is offered subject to the member agreeing to the following special criteria and terms and conditions as well as approval by the Credit Committee

1. In addition to the terms and conditions set out in the promissory note/agreement between S.A.G Credit Union Limited (the credit union) and the member (you), the promotional loan rate is also subject to these terms and conditions.
2. To the extent that there is any conflict between the promissory note/agreement and these terms and conditions, the promissory note/agreement shall prevail.
3. The promotional loan rate will commence on September 2020 and end on September 2024 (the promotional loan period).
4. The credit union reserves the right to extend the promotional loan period.
5. The credit union reserves the right to amend these terms and conditions at any time or withdraw the promotion in whole or part at any time without notice and for whatever reason.
6. A member must borrow a minimum of £7,000 in one application. The maximum a member can borrow is £50,000 (If a member already has a loan balance with the Credit Union, the Maximum Loan Liability is £50,000). The promotional loan rate applies to new individual loans applied for and approved by the credit union during the promotional load period only.
7. Normal lending criteria and loan approval procedures apply in addition to any special criteria under these terms and conditions.
8. Loans are subject to approval.
9. We reserve the right to decline a loan application.
10. A member must be able to prove affordability completing a full budget planner.
11. A member must be willing to complete a credit reference agency check EG. Experian, Equifax where requested. **PLEASE NOTE SAG CREDIT UNION LIMITED IS NOT RESPONSIBLE FOR ANY CHARGES YOU MAY INCURR IN RETRIEVING YOUR CREDIT REFERENCE CHECK. IT IS YOUR REPOSIBILITY TO PAY THE ASSOCIATED COST & IF IT IS A TEMPORARY FREE OFFER, IT IS YOUR RESPONSIBILITY TO CANCEL ANY ASSOCIATED DIRECT DEBIT.**
12. A member must provide minimum 2 months bank statements with name and address on them. These must show income and outgoings. Credit Committee can request any other statements or documents as they require such as partners bank statements if all bills come out of their accounts.
13. A member must sign a statement to confirm that they are not aware of any changes in their circumstances that they have not made us aware of e.g. Threat of redundancy, moving where they live, pregnancy, ill health, change of their partners' circumstances.

14. Any existing loans held with the credit union will be kept on the existing loan rate and payment schedule and must be paid as well as this new loan. For the avoidance of doubt, this promotional loan rate is not applicable and non-transferrable to existing loans with the credit union. Where a member has an existing loan, any new loan meeting the terms and conditions of this promotion rate (and subject to approval) will be processed as a new loan with separate payments.

15. The loan interest rate has been set at 6% Annual percentage Rate (6.17%APR). This rate is a discount on the standard variable rate and **is not eligible for an interest rebate** should one be approved by the Board of Directors at the credit union's annual general meeting.

16. When paying back outstanding loans to the credit union, the member acknowledges that all lump sum payments (other than the agreed scheduled re-payments in accordance with the promissory note/agreement) must be repaid towards this promissory note/agreement first i.e. cheapest loan first.

17. Maximum term is 10 years.

18. Loan repayments are payable by Standing Order/Direct Debit.

19. Members have no access to their share accounts when their combined loans are in excess of their savings. However, shares will continue to receive dividend (where one is declared by the credit union). Any dividends paid to the member will be transferred directly to the member's saving's account and are not accessible.

20. Your loan must be capable of being insured by our insurance company at point of application and at point of issue. When you apply for pre-approval, we require that all health forms be completed at point of application and at point of issue No loans will be issued until Life Cover on the loan from our insurance company has been confirmed.

21. Age limits on loans will apply if the member cannot be insured for the full Loan and maximum term agreed.

22. Non-payment of the loan will invoke the advanced rigours of our Credit Control Department immediately. Please contact the office as soon as you experience any financial difficulties.

I have read the above terms and conditions and agree to abide by them.

Name .....

Signature ..... Member Number .....

Date .....

Witness ..... Date .....

## Appendix 6 – Family Loan Leaflet

### WHAT IS THE FAMILY SAVER LOAN?

The Family Saver loan makes it possible to get a loan of up to £500 from us, on the condition that child benefit is paid directly into your current account.

Who is eligible for a Family Saver loan?

To apply for a Family Saver loan, you must be:

- A current member of the Credit Union or eligible to join.
- Receiving child benefit.
- Over 18 years old.

### WHAT HAPPENS TO MY CHILD BENEFIT?

If you are offered this loan, we will ask you to contact the DWP to arrange for the whole of your child benefit to be paid to this credit union each month.

Part of your child benefit will be used to repay your loan, and the rest will be paid into your membership account. You must save at least £1 a week. The balance can either remain in your Credit Union account or you can transfer it out.

### CAN I PAY BACK MY LOAN EARLY?

Unlike some lenders, there are no early repayment fees. You can pay back your loan in full at any time.

### HOW LONG DOES IT TAKE?

Depending on current waiting times, it can take around two weeks to process your loan application and to set up your account and membership.

Once your loan application is approved and we have received your first child benefit payment, your loan will be released. This could be several weeks if you are paid it monthly, so we suggest changing to weekly payments, so it arrives at your account sooner.

### CAN I TOP UP A FAMILY SAVER LOAN?

You may be eligible to apply for an additional loan. Loans may be topped up (to the maximum of £500) subject to ongoing checks around affordability. We reserve the right to not provide further additional lending depending on the circumstances of the member.

### WHAT CAN A FAMILY SAVER LOAN BE USED FOR?

You can apply for a Family Saver Loan for any purpose related to the family. Many members find this loan helpful for paying up-front childcare costs (such as nursery deposits) or meeting expenses such as school uniforms or trips.



Call: 028 9061 5669

Email: [info@sagcreditunion.co.uk](mailto:info@sagcreditunion.co.uk)

Visit: [www.sagcreditunion.co.uk](http://www.sagcreditunion.co.uk)

ENQUIRE ONLINE OR IN PERSON TODAY

Loans are subject to approval. Terms and conditions apply. If you do not meet the requirements on your loan, your account will go into arrears. This may affect your credit rating which may limit your ability to access credit in the future. Consented Credit, Direct Lender is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered Address: 87 Andersonstown Road, Belfast, BT11 9SS.

# FAMILY SAVER LOANS



### KEY FEATURES

- Approved credit limit that's there when you need it.
- Repayments deducted directly from your child benefit.
- Build savings as you repay.
- All incomes and employment statuses welcome

### ELIGIBILITY CRITERIA

- To be eligible borrowers must
  - be in receipt of child benefit and agree to the child benefit being paid directly from HMRC to credit union account for the duration of the loan.
  - be over 18 and have a national insurance number.
  - confirm that the child benefit received will remain the same for the period of the loan.
  - not be bankrupt or involved in an individual voluntary arrangement or debt relief order; and
  - agree to save a minimum of £1 a week, amount can increase on agreement with credit union if you can save more.

### WILL I BE APPROVED?

- Our child benefit loans are designed to provide an affordable option for anyone with children, regardless of your employment situation, income or credit history. All loans are subject to a manual decision process. You are more likely to be accepted if:
  - You are currently keeping up with your existing repayments and other financial commitments.
  - You can comfortably afford the repayments alongside your existing financial commitments.

### WHAT YOU'LL NEED

- A copy of your most recent payslip or bank statement(s).
- Confirmation of how much you're currently receiving in child benefit.
- Current ages of children.
- Your National Insurance Number.
- Proof of Address

### APPLY

If you receive child benefit, you may be eligible to borrow up to £500 (subject to affordability check).

### GET EVERYTHING SET UP

If your loan is approved, we will take you through the process of setting up a credit union account and arranging for your child benefit to be paid into it.

### RECEIVE YOUR LOAN

As soon as your first child benefit arrives, we can release your loan.

### REPAY AND SAVE

Loan repayments will be taken automatically each time your child benefit comes in. You must save at least £1 a week. The remainder is yours to withdraw or save.

### TERMS AND CONDITIONS

- The Maximum Family Saver Loan amount available is £500.
- Individuals must meet the standard eligibility criteria of being a current member of the credit union by meeting common bond of the credit union and be willing to join. This includes paying an entrance fee and having in place a minimum shareholding.
- The Family Saver Loan must be a new loan.
- Members may only avail of one Family Saver Loan at any one time.
- Loan may be topped up (to the maximum of £500) subject to ongoing checks around affordability. We reserve the right to not provide further additional lending depending on the circumstances of the member.
- Any additional lending taken out by the member from the credit union will be treated as a separate and new agreement at the applicable loan interest rate in place at the time of application (subject to approval).
- Maximum loan term is 12 months.
- We reserve the right to decline a loan application.
- The Family Saver Loan will commence on 1<sup>st</sup> September 2023 and end on 30<sup>th</sup> August 2024 (the promotional loan period).
- The credit union reserves the right to withdraw the Family Saver Loan promotion in whole or part at any time without notice and for whatever reason.





## Appendix 7 - Consumer Duty Implementation plan

S.A.G Credit Union Limited

### Introduction

The Financial Conduct Authority (FCA) introduced a new Consumer Duty (the duty). The duty is intended to set a higher level of consumer/ member protection and sets higher expectations for the standards of care that firms (including the credit union) give its members.

### **The duty requires the Credit Unions to act to deliver for members:**

- Good outcomes
- Act in good faith, avoid causing foreseeable harm and
- Enable and support them to pursue their financial objectives.
- Consider the diverse needs of our members, including those with characteristics of vulnerability.

The Duty, in effect fits with the core purpose of the S.A.G Credit Union – **Delivering Safe Financial Services for our Members.**

It will further support us in acting in the best interests of our members and to continue to ensure good outcomes for members is a key focus of our strategy, and business objectives, and services as set out within the S.A.G Credit Union Limited Strategy and Business Plan 2023-26.

The duty comes into force on the 31 July 2023 for new and existing products or services that are open to sale or renewal.

A key mechanism to enable us to deliver the duty is to set out how we plan to implement the duty, including the key actions and monitoring arrangements.

This document sets out the **S.A G Implementation Plan**, including:

1. Background and purpose of the duty.
2. How the Implementation Plan was informed
3. The objectives of the Implementation Plan
4. The scope and who the Consumer Duty Applies to
5. The key Principles to be applied.
6. The key Components of the Implementation Plan
7. A detailed action plan designed to deliver, assist embedding the plan and to monitor and review outcomes.

### **1. Background and Purpose**

#### **Consumer Duty: What does it actually mean?**

- Essentially, it means, are you treating members the way you would expect through entire engagement including new products or complaints.

- Know your members: Credit unions must have a deeper understanding of their members' needs, preferences, and circumstances to provide suitable products and services.
- Act in the best interests of their members: Credit unions must prioritise their members' interests when designing and delivering products and services.
- Communicate clearly and effectively: Credit unions must provide clear, accurate, and timely information to their members to enable them to make informed decisions.
- Design and deliver products and services that meet the needs of their members: Credit unions must ensure that their products and services are designed to meet the needs of their members and are suitable for their specific circumstances.

The new Consumer Duty has three components:

### **1. New Consumer Principle**

This will provide an overarching standard of conduct.

### **2. Cross-Cutting Rules**

These will support the consumer principle by setting clear expectations for credit union's cultures and behaviours.

Three cross-cutting rules which require financial institutions including credit unions to:

- . Act in good faith towards retail customers.
- . Avoid causing foreseeable harm to retail customers.
- . Enable and support retail customers to pursue their financial objectives.

### **3. The "Four Outcomes"**

This is a suite of other rules and guidance linked to four outcomes that represent the key elements across the whole firm-consumer relationship. The outcomes relate to the quality of credit union's:

- . Products and services.
- The price and value of products and services.
- Consumer understanding.
- Support for consumers.

## **2. How the Implementation Plan was informed.**

The Board, Senior Management and Staff have carefully considered the requirements of the duty. A comprehensive piece of work was undertaken in completing an

**Enhanced Checklist to ensure preparation for implementation of Consumer Duty.** This included all the areas of focus in respect of the Consumer Duty to assess the Credit Union, compliance, risk and areas for improvement. This was an interactive process, involving expert staff in risk and compliance, and discussion by the Credit Union Board. The outcome of this process is attached and has informed the Implementation Plan. [Enhanced Checklist](#)

### 3 The Objective of the Implementation Plan

The objective of this implementation plan is to outline and provide an overview of the steps and actions required following completion of the above enhanced checklist now considered appropriate to effectively implement the Consumer Duty obligations within S.A.G Credit Union Limited.

By implementing this plan, we aim to ensure fair treatment of members, promote positive outcomes, and comply with applicable regulatory requirements.

### 4. Scope

The Consumer Duty is effectively about our members and acting to deliver good outcomes for our members. In so doing Credit Unions will ask themselves questions such as

- Am I treating a member as I would expect to be treated?
- Are members getting the outcomes from my products and services that I would expect?

Therefore, the Scope of the duty for implementation and adherence applies to all Officers, Employees, Functions and Services within the Credit Union involved in member activities.

The FCA expects credit unions to have a champion at board (or equivalent governing body) level who, along with the chair and the CEO, ensures that the Consumer Duty is being discussed regularly and raised in all relevant discussions.

### 5. The Key Principles

**The key principles of the Duty / Implementation Plan are as follows.**

| Fairness:   | Transparency   | Communication   | Product Suitability  | Complaints Handling  |
|---|--|---|--|--|
| • We will treat members fairly, ensuring that their interests are protected throughout their interactions and that the products and services offered meet their needs and expectations. | • We will provide clear, accurate, and timely information to members about products, services, terms, and conditions to enable informed decision-making. | • We will engage in effective and meaningful communication with members, using plain language and appropriate channels to provide relevant information and address queries or concerns. | • We will ensure that products and services are suitable for the target market, taking into the member's financial circumstances, objectives, and risk appetite. | • We will establish a robust and efficient process for handling member complaints, ensuring timely resolution and fair outcomes. |

## **6.The Key Components of the Implementation Plan**

### **6.1Governance and oversight**

- We will form a dedicated cross-functional team responsible for overseeing the implementation of the Consumer Duty obligations within the credit union. Suggested that this team to consist of Board Champion, Risk Officer, Credit Controller and Marketing Executive whenever they are recruited. We will utilise existing links with members and explore options of engagement with members.
- We have appointed a board champion and included it as an agenda item in our monthly board report.
- Internal Audit will be an independent facet in governance and oversight and will be incorporated which will as Part of their Monthly Plans and or Audit Processes.

### **6.2 Staff Training and Awareness:**

- All officers and staff have undertaken training in respect of the consumer duty and conduct rules.
- Where appropriate and relevant, we will discuss case studies and practical examples to illustrate the application of the Consumer Duty principles in different scenarios.
- A Staff/Board Training Day will be undertaken once the Implementation Plan and the associated action plan get sign off.

### **6.3 Product and Service Reviews:**

- We have conducted a review of existing products and services to assess their alignment with the Consumer Duty obligations.
- We will continue to identify any gaps or areas for improvement and develop action plans to address them.
- We will Integrate member-focused considerations into the product development lifecycle, ensuring that new products and services meet the principles of fairness, transparency, and product suitability.
- The Cost-of-living Loan to be continued as it fulfils Credit Union responsibilities under Consumer Duty. To be reviewed again by end of October 2023

## **2. 6.4 Communication and Disclosures:**

- We will review and update member-facing communications, including marketing materials, product disclosures, terms and conditions, and contractual documents.
- We will ensure that all communications are clear, accurate, and provide relevant information to enable informed decision-making by consumers.
- We will use plain language and avoid jargon to enhance transparency and member understanding.
- We will Implement processes to review and approve communications before they are released to members.
- We will better signpost for the financially vulnerable such as insuring they have Easy Shares so that not all savings are collateral and ensuring that they are aware that their shares are collateral before they actually take a loan as currently it is only when they sign the Promissory note that they must tick to say that they are aware that all existing and future savings are collateral.
- We are currently in the process of recruiting a new Marketing Executive. Once in situ, they can review existing Communications.

## **3. 6.5 Complaints Handling:**

- We will review the existing Complaints procedure and ensure it is as robust and efficient a process as possible for handling consumer complaints.
- We will continue to ensure complaints are recorded, acknowledged, and resolved in a timely manner.
- We will train employees and officers involved in complaints handling on effective communication, empathy, and resolution techniques.
- We will analyse complaint data to identify trends and systemic issues and take appropriate actions to address them.
- We will review whether we should replace the manager as the Complaints manager and replace with a non-customer facing staff members such as the Risk and Compliance Officer.

## **6.6 Monitoring and Reporting:**

- We have incorporated monitoring provisions within the action plan. In addition, we will develop a monitoring framework to assess the effectiveness of the Consumer Duty implementation.

- We will conduct regular internal audits and reviews to ensure ongoing compliance with regulatory requirements.
- We will prepare periodic reports on Consumer Duty implementation, outcomes, and any remedial actions taken.
- We will use the Social Impact study to form part of the basis for the identification of gaps and areas for improvement and inform the monitoring arrangements.

#### **6.7 Compliance and Risk Management:**

- We will Integrate the Consumer Duty obligations into our existing compliance and risk management frameworks.
- We will conduct regular risk assessments to identify and mitigate any compliance risks associated with the Consumer Duty obligations.
- We will keep updated on regulatory developments and ensure ongoing compliance.
- The Consumer Duty will form part of the Risk Management and Assessment carried out by Risk & Compliance Officer.

#### **4. 6.8 Review and Continuous Improvement:**

- We will regularly review and assess the effectiveness of the Consumer Duty implementation.
- We will seek feedback from members, employees, and relevant stakeholders to identify areas for improvement.
- We will continuously improve processes, policies, and procedures based on feedback, changing regulatory landscape, and emerging best practices.
- We will Stay informed about FCA developments and regulatory updates related to consumer protection.
- We will ensure the attached the Enhanced Checklist together with the Action Plan which will be updated and amended on a regular basis.

#### **5. 6.9 Communication and Training for Members:**

- Where considered relevant and appropriate, provide members with accessible channels for information and assistance, including FAQs, educational articles, and dedicated member support.
- We will look at the existing mechanisms that we use to communicate with our members such as the AGM mailings and our website/Facebook and will consider developing new processes. The marketing Executive and the new Digital Marketing services company that we are currently

tendering for will develop and inform the new methods of communications.

## **7. Action Plan**

The key components of the Implementation Plan are incorporated within a comprehensive action plan, to ensure clarity on priorities and the effective, timely, monitoring of actions and outcomes.

### [Copy of Consumer Duty Action Plan](#)

The Consumer Duty Action Plan is a living document subject to regular review and update. By following this implementation plan, this credit union believes it will be able to effectively embed its Consumer Duty obligations, ensuring fair treatment of members, and fostering trust and confidence in our financial products and services.

## **8. Further Information**

Further information on the Consumer Duty is available on the S.A.G website or by contacting the Office.

## Appendix 8 – Lending Privacy Notice

### Privacy Notice of SAG Credit Union Limited – Lending

A credit union is a member-owned financial cooperative, democratically controlled by its members, and operated for the purpose of promoting thrift, providing credit at competitive rates, and providing other financial services to its members. Data collection, processing and use are conducted solely for the purpose of carrying out the abovementioned objectives. This notice is so that we provide you with information around the use of your data for lending or lending related purposes.

Our contact details are:

Address: 87, Andersonstown Road, Belfast, BT11 9BS

Phone: 028 90615669

Email [info@sagcreditunion.co.uk](mailto:info@sagcreditunion.co.uk)

\*Data Protection Officer – Michael Johnston

Contact: on 028 90615669 or at [michael.johnston@sagcreditunion.co.uk](mailto:michael.johnston@sagcreditunion.co.uk) or [info@sagcreditunion.co.uk](mailto:info@sagcreditunion.co.uk)

SAG Credit Union is committed to protecting the privacy and security of your personal data. This privacy notice describes how we collect and use personal data about you during and after your relationship with us.

#### **What personal data do we use?**

We may collect, store, and use the following categories of personal data about you:

- Your name, address, date of birth, email, telephone financial data, status and history, transaction data; contract data, details of the credit union products you hold with us, signatures, identification documents, salary, occupation, accommodation status, mortgage details, previous addresses, spouse, partners, nominations, Tax Identification Numbers (TIN)/National Insurance numbers, passport details, interactions with credit union staff and officers on the premises, by phone, or email, current or past complaints, CCTV footage, telephone voice recordings.

#### **The purposes for which we use your personal data:**

The credit union will use your personal data to assist it in carrying out the following:

- Assessing your loan application and determining your creditworthiness for a loan;
- Verifying the information provided by you in the application;
- We are obliged to purchase loan protection and life savings protection from ECCU;



- Conducting credit searches;
- Administering the loan, including where necessary, to take steps to recover the loan or enforce any security taken as part of the loan.
- Meeting legal and compliance obligations and requirements under the rules of the credit union.
- To comply with regulatory requirements to determine whether you are a connected borrower or related party borrower.
- Providing updates on our loan products and services by way of directly marketing to you.

We may also collect, store, and use the following “special categories” of more sensitive personal data:

- Information about your health, including any medical condition, health, and sickness (See Insurance for further details).

We need all the categories of information in the list above to allow us to; identify you, to contact you and in order that we perform our contract with you.

We also need your personal identification data to enable us to comply with legal obligations. Some of the above grounds for processing will overlap and there may be several grounds which justify our use of your personal data.

### **How we use particularly sensitive personal data**

” Special categories” of particularly sensitive personal data require higher levels of protection. We need to have further justification for collecting, storing, and using this type of personal data. We may process special categories of personal data in the following circumstances:

1. In limited circumstances, with your explicit written consent.
2. Where we need to carry out our legal obligations and in line with our data protection policy.
3. Where it is needed in the public interest, and in line with our data protection policy.

Less commonly, we may process this type of information where it is needed in relation to legal claims or where it is needed to protect your interests (or someone else’s interests) and you are not capable of giving your consent, or where you have already made the information public.

### **How secure is my information with third-party service providers?**

All our third-party service providers are required to take appropriate security measures to protect your personal data in line with our policies. We do not allow our third-party service providers to use your personal data for their own purposes unless they are

deemed to be controllers in their own right<sup>2</sup>. We only permit them to process your personal data for specified purposes and in accordance with our instructions. Usually, information will be anonymised, but this may not always be possible. The recipient of the information will also be bound by confidentiality obligations.

### **If you fail to provide personal data**

If you fail to provide certain information when requested, we may not be able to perform the contract we have entered into with you or we may be prevented from complying with our legal obligations.

### **Change of purpose**

You can be assured that we will only use your data for the purpose it was provided and in ways compatible with that stated purpose. If we need to use your personal data for an unrelated purpose, we will notify you and we will explain the legal basis which allows us to do so.

### **Data Retention Periods**

We will only retain your personal data for as long as necessary to fulfil the purpose(s) for which it was obtained, taking into account any legal/contractual obligation to keep it. Where possible we record how long we will keep your data, where that is not possible, we will explain the criteria for the retention period. This information is documented in our Retention Policy.

Once the retention period has expired, the respective data will be permanently deleted. If you require further information please contact us. Please see our data retention schedule on [www.sagcreditunion.co.uk](http://www.sagcreditunion.co.uk)

Once the retention period has expired, the respective data will be permanently deleted. Please see our retention periods below.

- Evidence of identity checks to be maintained for 5 years after an individual ceases to be a member of the credit union;
- Details of member transactions are maintained for a period of 10 years after the transaction;
- Loan application information is maintained for a period of 7 years from the discharge, final repayment or transfer of the loan and 12 years where the document is under seal;
- Forms and records will be retained in individual member files for 7 years after the relationship with the member has ended

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<sup>2</sup> As a data controller, the organisations will be required to have provided you with a separate privacy notice setting out what it does with its data.

## Planned data transmission to third countries

There are no plans for a data transmission to third countries

## Updates to this notice

We will make changes to this notice from time to time, particularly when we change how we use your information, and change our technology and products. You can always find an up-to-date version of this notice on our website at [www.sagcreditunion.co.uk](http://www.sagcreditunion.co.uk) or you can ask us for a copy.

## Our use and sharing of your information

We will collect and use relevant information about you, your transactions, your use of our products and services, and your relationships with us. We will typically collect and use this information for the following purposes:



**Fulfilling contract** This basis is appropriate where the processing is necessary for us to manage your accounts and credit union services to you

**Administrative Purposes:** We will use the information provided by you, either contained in this form or any other form or application, for the purpose of assessing this application, processing applications you make and to maintaining and administer any accounts you have with the credit union.

**Third parties:** We may appoint external third parties to undertake operational functions on our behalf. We will ensure that any information passed to third parties conducting operational functions on our behalf will do so with respect for the security of your data and will be protected in line with data protection law.

**Security;** In order to secure repayment of the loan, it may be necessary to obtain security such as a charge on your property or other personal assets.

**Credit Assessment:** When assessing your application for a loan, the credit union will take a number of factors into account and will utilise personal data provided from:

- your application form or as part of your loan supporting documentation;
- your existing credit union file;
- credit referencing agencies;

The credit union then utilises this information to assess your loan application in line with the applicable legislation and the credit unions lending policy.

**Guarantors:** As part of your loan conditions, we may make the requirement for the appointment of a guarantor a condition of your loan agreement in order that credit union ensures the repayment of your loan. Should your account go into arrears, we may need to call upon the guarantor to repay the debt in which case we will give them details of the outstanding indebtedness. If your circumstances change it may be necessary to contact the guarantor.

**Irish League of Credit Unions (ILCU) Affiliation:** The ILCU (a trade and representative body for credit unions in Ireland and Northern Ireland) provides professional and business support services such as marketing and public affairs representation, monitoring, financial, compliance, risk, learning and development, and insurance services to affiliated credit unions. As this credit union is affiliated to the ILCU, the credit union must also operate in line with the ILCU Standard Rules (which members of the credit union are bound to the credit union by) and the League Rules (which the credit union is bound to the ILCU by). We may disclose information in your application or in respect of any account or transaction of yours from the date of your original membership to authorised officers or employees of the ILCU for the purpose of the ILCU providing these services to us.

**The ILCU Savings Protection Scheme (SPS):** We may disclose information in any application from you or in respect of any account or transaction of yours from the date of your original membership to authorised officers or employees of the ILCU for the purpose of the ILCU providing these services and fulfilling requirements under our affiliation to the ILCU, and the SPS.

The Privacy Notice of ILCU can be found at [www.creditunion.ie](http://www.creditunion.ie)

For the processing of electronic payments services on your account (such as credit transfers, standing orders and direct debits), the Credit Union is a participant of CUSOP (Payments) DAC ("CUSOP"). CUSOP is a credit union owned, independent, not-for-profit company that provides an electronic payments service platform for the credit union movement in Ireland. CUSOP is an outsourced model engaging third party companies, such as a Partner Bank, to assist with the processing of payment data.

**Insurance:** As part of our affiliation with the ILCU, we purchase insurance from ECCU Assurance DAC (ECCU), a life insurance company, wholly owned by the ILCU. This includes Life Savings (LS), Loan Protection (LP), and optional related riders (where applicable).

If you choose to take out a loan with us, it is a term of your membership, by virtue of our affiliation with the ILCU that the credit union will apply to ECCU for Loan Protection (LP). In order that we apply for LP it may be necessary to process 'special category' data, which includes information about your health. This information will be shared with ECCU to allow it deal with insurance underwriting, administration and claims on our behalf.

**Member Service:** To help us improve our service to you, we may use information about your account to help us improve our services to you.



**Our legal duty** This basis is appropriate when we are processing personal data to comply with UK or Northern Ireland Law

**Regulatory and statutory requirements:** To meet our duties to regulators (the Financial Conduct Authority (FCA) and the Prudential Regulation Authority ((PRA), we may allow authorised people to see our records (which may include information about you) for reporting, compliance and auditing purposes. For the same reason, we will also hold the information about you when you are no longer a member. We may also share information with certain statutory bodies such as Department for the Economy (DfE), the Financial Services Compensation Scheme (FSCS) and Financial Ombudsman Service (FOS) if required by law.

**Compliance with our anti-money laundering and combating terrorist financing obligations:** The information provided by you will be used for compliance with our customer due diligence and screening obligations under anti-money laundering and combating terrorist financing obligations under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and associated legislation.

**Audit:** To meet our legislative and regulatory duties to maintain audited financial accounts, we appoint an external auditor. We will allow the external auditor to see our records (which may include information about you) for these purposes.

**Connected Party Borrowers:** We are obliged further to regulatory obligations to identify where borrowers are connected in order to establish whether borrowers are acting together to achieve an aggregate loan that exceeds the limits set out in our lending policy.



**Legitimate interests** A legitimate interest is when we have a business or commercial reason to use your information. But even then, it must not unfairly go against what is right and best for you. If we rely on our legitimate interest, we will tell you what that is.

**Debt Collection:** Where you breach the loan agreement we may use the service of a debt collection agency, solicitors or other third parties to recover the debt. We will pass them details of the loan application in order that they make contact with you and details of the indebtedness in order that they recover the outstanding sums

**Judgements Searches:** We may carry out searches in Belfast Stubbs Gazette in order to assess your credit worthiness to repay a loan

**CCTV:** We have CCTV footage installed on the premises with clearly marked signage. The purpose of this is for security.

**Voice Recording:** We record phone conversations both incoming and outgoing for the purpose of verifying information and quality of service.

Our legitimate interest: The credit union, where appropriate will necessary take steps to recover a debt to protect the assets and equity of the credit union

Our legitimate interest: The credit union, for its own benefit and therefore the benefit of its members, must lend responsibly and will use your credit scoring information in order to determine your suitability for the loan applied for. In carrying out such a search we can better determine your overall financial position in order to lend to you.

Our legitimate interest: With regard to the nature of our business, it is necessary to secure the premises, property herein and any staff /volunteers/members or visitors to the credit union.

Our Legitimate interest: To ensure a good quality of service, to ensure that correct instructions were given or taken due to the nature of our business and to quickly and accurately resolves any disputes.



### Your consent

#### Marketing and Market Research

To help us improve and measure the quality of our products and services we undertake market research from time to time. This may include using the Irish League of Credit Unions and/ specialist market research companies. See section on Your Marketing Preferences.

**Your Rights in connection with your personal data are to:**



**To find out** whether we hold any of your personal data and **if we do to request access** to that data that to be furnished a copy of that data. You are also entitled to request further information about the processing.



**Request correction** of the personal data that we hold about you. This enables you to have any incomplete or inaccurate information we hold about you rectified.



**Request erasure** of your personal information. This enables you to ask us to delete or remove personal data where there is no good reason for us continuing to process it. You also have the right to ask us to delete or remove your personal data where you have exercised your right to object to processing (see below).



**Object to processing** of your personal data where we are relying on a legitimate interest (or those of a third party) and there is something about your particular situation which makes you want to object to processing on this ground. You also have the right to object where we are processing your personal data for direct marketing purposes.



**Request the restriction of processing** of your personal information. You can ask us to suspend processing personal data about you, in certain circumstances.



Where we are processing your data based solely on your consent **you have a right to withdraw that consent at any time and free of charge.**



Request that we: a) **provide you with a copy of any relevant personal data in a reusable format**; or b) **request that we transfer your relevant personal data to another controller** where it's technically feasible to do so. 'Relevant personal data is personal data that: *You have provided to us or which is generated by your use of our service. Which is processed by automated means and where the basis that we process it is on your consent or on a contract that you have entered into with us.*

You have **a right to complain** to the **Information Commissioners Office (ICO)** in respect of any processing of your data by;

**Tel:** 028 9027 8757 or 0303 123 1114 **Email:** [ni@ico.org.uk](mailto:ni@ico.org.uk)

**Post:** ICO, 3rd Floor, 14 Cromac Place, Belfast, BT7 2JB

**\*\*Please note that the above rights are not always absolute and there may be some limitations.**

If you want access and or copies of any of your personal data or if you want to review, verify, correct or request erasure of your personal information, object to the processing of your personal data, or request

that we send you a copy/a third party a copy your relevant personal data in a reusable format please contact Data Protection Officer in writing using their contact details above.

**There is no fee in using any of your above rights**, unless your request for access is clearly unfounded or excessive. We also reserve the right to refuse to comply with the request in such circumstances.

**We may need to verify your identity if we have reasonable doubts as to who you are.** This is another appropriate security measure to ensure that personal data is not disclosed to any person who has no right to receive it.

#### **Ensuring our information is up to date and accurate**

We want the service provided by us to meet your expectations at all times. Please help us by telling us straightaway if there are any changes to your personal information. If you wish to avail of either of these rights, please contact us at 87, Andersonstown Road, Belfast, BT11 9BS

## Appendix 9 – Account Opening Privacy Notice

### Account Opening Privacy Notice of **SAG** Credit Union Limited

A credit union is a member-owned financial cooperative, democratically controlled by its members, and operated for the purpose of promoting thrift, providing credit at competitive rates, and providing other financial services to its members. Data collection, processing and use are conducted solely for the purpose of carrying out the abovementioned objectives.

This Privacy Notice is to provide you with information regarding the processing of information about you for account related purposes and other general purposes. If you apply for a loan with us, you will be provided with our Lending Privacy Notice to take account of further processing that may be necessary.

Our contact details are:

Address: 87, Andersonstown Road, Belfast, BT11 9BS

Phone: 028 90615669

Email [sag-creditunion@btconnect.com](mailto:sag-creditunion@btconnect.com)

\*Data Protection Officer:

Michael Johnston, contact on 028 90615669 or at [michael.johnston@sagcreditunion.co.uk](mailto:michael.johnston@sagcreditunion.co.uk) or

[info@sagcreditunion.co.uk](mailto:info@sagcreditunion.co.uk)

**SAG** Credit Union is committed to protecting the privacy and security of your personal information. This privacy notice describes how we collect and use personal data about you during and after your relationship with us.

#### What personal data do we use?

We may collect, store, and use the following categories of personal data about you:

- Your name, address, date of birth, email, telephone, financial data, status and history, transaction data; contract data, details of the credit union products you hold with us and have held with us, signatures, identification documents, salary, occupation, source of funds, Politically Exposed Status, accommodation status, mortgage details, previous addresses, spouse, partners, nominations, Tax Identification Numbers (TIN)/National Insurance numbers, tax residency, passport details, driver license, interactions with credit union staff and officers on the premises, by phone, or email, current or past complaints, CCTV footage, telephone voice recordings.



We need all the categories of information in the list above to allow us to; identify you, contact you, comply with our legal obligations and in order that we perform our contract with you.

### **Purpose for which we process your personal data**

- To open and maintain an account for you
- To meet our obligations to you under the Credit Union's Standard Rules
- To contact you in respect of your account and any product or service you avail of
- To comply with our legal obligations for example anti-money laundering, to identify connected borrowers

Some of the above grounds for processing will overlap and there may be several grounds which justify our use of your personal information.

We may also collect, store and use the following "special categories" of more sensitive personal information:

- Information about your health, including any medical condition and sickness

### **How we use particularly sensitive personal data**

"Special categories" of particularly sensitive personal data require higher levels of protection. We need to have further justification for collecting, storing and using this type of personal information. We may process special categories of personal data in the following circumstances:

4. In limited circumstances, with your explicit written consent.
  5. Where we need to carry out our legal obligations and in line with our data protection policy.
  6. Where it is needed in the public interest, and in line with our data protection policy.
- Less commonly, we may process this type of information where it is needed in relation to legal claims or where it is needed to protect your interests (or someone else's interests) and you are not capable of giving your consent, or where you have already made the information public.

### **How secure is my information with third-party service providers?**

All our third-party service providers are required to take appropriate security measures to protect your personal data in line with our policies. We do not allow our third-party service providers to use your personal data for their own purposes unless they are deemed to be controllers in their own right<sup>3</sup>. We only permit them to process your personal data for specified purposes and in accordance with our instructions. Usually,

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<sup>3</sup> As a data controller, the organisations will be required to have provided you with a separate privacy notice setting out what it does with its data.

information will be anonymised, but this may not always be possible. The recipient of the information will also be bound by confidentiality obligations.

### **If you fail to provide personal information**

If you fail to provide certain information when requested, we may not be able to perform the contract we have entered into with you or we may be prevented from complying with our legal obligations.

### **Change of purpose**

You can be assured that we will only use your data for the purpose it was provided and in ways compatible with that stated purpose. If we need to use your personal data for an unrelated purpose, we will notify you and we will explain the legal basis which allows us to do so.

### **Profiling**

We sometimes use systems to make decisions based on personal data we have (or are allowed to collect from others) about you. This information is used for [loan assessment and] anti-money laundering purposes and compliance with our legal duties.

### **Data Retention Periods**

We will only retain your personal data for as long as necessary to fulfil the purpose(s) for which it was obtained, taking into account any legal/contractual obligation to keep it. Where possible we record how long we will keep your data, where that is not possible, we will explain the criteria for the retention period. This information is documented in our Retention Policy.

Once the retention period has expired, the respective data will be permanently deleted. If you require further information please contact us.

Once the retention period has expired, the respective data will be permanently deleted. Please see our retention periods below.

- CCTV footage which is used in the normal course of business (i.e. for security purposes) for one month. (Unless required for compliance with a legal obligation).
- Evidence of identity checks are maintained for five years after an individual ceases to be a member of the credit union;
- Details of member transactions are maintained for a period of 7 years from the date of transaction;
- Loan application information is maintained for a period of seven years from the discharge, final repayment or transfer of the loan and 12 years where the document is under seal;
- Forms and records will be retained in individual member files for 7 years after the relationship with the member has ended.

There are no plans for a data transmission to third countries.

## Updates to this notice

We will make changes to this notice from time to time, particularly when we change how we use your information, and change our technology and products. You can always find an up-to-date version of this notice on our website at [www.sagcreditunion.co.uk](http://www.sagcreditunion.co.uk) or you can ask us for a copy.

## Our use and sharing of your information

We will collect and use relevant information about you, your transactions, your use of our products and services, and your relationships with us. We will typically collect and use this information for the following purposes:



### Fulfilling contract

This basis is appropriate where the processing is necessary for us to manage your accounts and credit union services to you

**Administrative Purposes:** We will use the information provided by you, either contained in this form or any other form or application, for the purpose of assessing this application, processing applications you make and to maintaining and administer any accounts you have with the credit union.

**Third parties:** We may appoint external third parties to undertake operational functions on our behalf. We will ensure that any information passed to third parties conducting operational functions on our behalf will do so with respect for the security of your data and will be protected in line with data protection law.

**Irish League of Credit Unions (ILCU) affiliation:** The ILCU (a trade and representative body for credit unions in Ireland and Northern Ireland) provides professional and business support services such as marketing and public affairs representation, monitoring, financial, compliance, risk, learning and development, and insurance services to affiliated credit unions. As this credit union is affiliated to the ILCU, the credit union must also operate in line with the ILCU Standard Rules (which members of the credit union are bound to the credit union by) and the League Rules (which the credit union is bound to the ILCU by). We may disclose information in your application or in respect of any account or transaction of yours from the date of your original membership to authorised officers or employees of the ILCU for the purpose of the ILCU providing these services to us.

The Privacy Notice of ILCU can be found at [www.creditunion.ie](http://www.creditunion.ie)

**The ILCU Savings Protection Scheme (SPS):** We may disclose information in any application from you or in respect of any account or transaction of yours from the date of your original membership to authorised officers or employees of the ILCU for the purpose of the ILCU providing these services and fulfilling requirements under our affiliation to the ILCU, and the SPS.

For the processing of electronic payments services on your account (such as credit transfers, standing orders and direct debits), the Credit Union is a participant of CUSOP (Payments) DAC ("CUSOP"). CUSOP is a credit union owned, independent, not-for-profit company that provides an electronic payments service platform for the credit union movement in Ireland. CUSOP is an outsourced model engaging third party companies, such as a Partner Bank, to assist with the processing of payment data.]

**Insurance:** As part of our affiliation with the ILCU, we purchase insurance from ECCU Assurance DAC (ECCU), a life insurance company, wholly owned by the ILCU. To administer these insurances, we may pass your information to ECCU and it may be necessary to process

‘special category’ personal data about you. This includes information about your health which will be shared with ECCU for the purposes of our life assurance policy to allow ECCU to deal with insurance underwriting, administration and claims on our behalf. Further information can be found in our lending privacy notice.

**Electronic Payments [not through CUSOP]:** If you use our electronic payment services to transfer money into or out of your credit union account or make payments through your debit card into your credit union account, we are required to share your personal data with our electronic payment service provider Ulster Bank Limited.

**Membership Service:** To help us improve our service to you, we may use information about your account help us improve our customer service.

**[Debit or Prepaid Card:** If you have a debit, or prepaid card with us, we will share transaction details with companies which help us to provide this service].

**Incapacity to Act on your account:** The Credit Unions (Northern Ireland) Order 1985 (as amended) provides, in the circumstances where you become unable to transact on your account, due to a mental incapability and no person has been legally appointed to administer your account, that the Board of Director may allow payment to another who it deems proper to receive it, in order that the money be applied in your best interests. In order to facilitate this, medical evidence of your incapacity will be required which will include data about your mental health. This information will be treated in the strictest confidentiality.



#### **Our legal duty**

This basis is appropriate when we are processing personal data to comply with UK, Northern Ireland or EU Law

**Tax liability:** We may share information and documentation with domestic and foreign tax authorities to establish your liability to tax in any jurisdiction. Where a member is tax resident in another jurisdiction the credit union has certain reporting obligations to HM Revenue and Customs (HMRC) under the Common Reporting Standard. HMRC will then exchange this information with the jurisdiction of tax residence of the member. We shall not be responsible to you or any third party for any loss incurred as a result of us taking such actions. The legal basis upon which we do this is compliance with HM Revenue and Custom’s Automatic Exchange of Information standard. We may also share information in respect of dividends and interest payments to members to HMRC where required by law.

**Regulatory and statutory requirements:** To meet our duties to regulators (the Financial Conduct Authority (FCA) and the Prudential Regulation Authority ((PRA), we may allow authorised people to see our records (which may include information about you) for reporting, compliance and auditing purposes. For the same reason, we will also hold the information about you when you are no longer a member. We may also share information with certain statutory bodies such as Department for the Economy (DfE), the Financial Services Compensation Scheme (FSCS) and Financial Ombudsman Service (FOS) if required by law.

**Compliance with our anti-money laundering and combating terrorist financing obligations:** The information provided by you will be used for compliance with our customer due diligence and screening obligations under anti-money laundering and combating terrorist financing obligations under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and associated legislation.

**Audit:** To meet our legislative and regulatory duties to maintain audited financial accounts, we appoint an external auditor. We will allow the external auditor to see our records (which may include information about you) for these purposes.

**Nominations:** The Credit Unions (Northern Ireland) Order 1985 (as amended) allows members to nominate a person(s) to receive a certain amount from their account on their death, subject to a statutory maximum. The credit union must record personal data of nominees in this event.



### Legitimate interests

A legitimate interest is when we have a business or commercial reason to use your information. But even then, it must not unfairly go against what is right and best for you. If we rely on our legitimate interest, we will tell you what that is.

**CCTV:** We have CCTV footage installed on the premises with clearly marked signage. The purpose of this is for security

**Voice Recording:** We record phone conversations both incoming and outgoing for the purpose of verifying information and quality of service.

Our legitimate interest: With regard to the nature of our business, it is necessary to secure the premises, property herein and any staff /volunteers/members or visitors to the credit union.

Our Legitimate interest: To ensure a good quality of service, to ensure that correct instructions were given or taken due to the nature of our business and to quickly and accurately resolve any disputes.



### Your consent

#### Marketing and Market Research

To help us improve and measure the quality of our products and services we undertake market research from time to time. This may include using the Irish League of Credit Unions and/ specialist market research companies. See section on Your Marketing Preferences.

#### [Art Competition]

[This credit union is involved with the Art competition in liaison with the ILCU. Upon entry you will be given further information and asked for your consent to the processing of personal data. Your information is processed only where you have given consent. Where the person providing consent is below 16\* then we ask that the parent/legal guardian provide the appropriate consent. A separate privacy notice is included in all Art Competition entry forms. (\*This is subject to change)]

#### [Schools Quiz]

[This credit union is involved in the Schools Quiz in liaison with the ILCU. The Schools Quiz is open to entrants aged 4 to 13. Upon entry parent/legal guardians will be given further information and asked for their consent to the processing of their child's personal data. This information is processed only where consent has been given. Where the person providing consent is below 16\* then we ask that the parent/legal guardian provide the appropriate consent. A separate privacy notice is included in all School Quiz entry forms. (\*This is subject to change).

### Your Rights in connection with your personal data are to:



**To find out** whether we hold any of your personal data and **if we do to request access** to that data that to be furnished a copy of that data. You are also entitled to request further information about the processing.



**Request correction** of the personal data that we hold about you. This enables you to have any incomplete or inaccurate information we hold about you rectified.



**Request erasure** of your personal information. This enables you to ask us to delete or remove personal data where there is no good reason for us continuing to process it. You also have the right to ask us to delete or remove your personal data where you have exercised your right to object to processing (see below).



**Object to processing** of your personal data where we are relying on a legitimate interest (or those of a third party) and there is something about your particular situation which makes you want to object to processing on this ground. You also have the right to object where we are processing your personal data for direct marketing purposes.



**Request the restriction of processing** of your personal information. You can ask us to suspend processing personal data about you, in certain circumstances.



Where we are processing your data based solely on your consent **you have a right to withdraw that consent at any time and free of charge.**



Request that we: a) **provide you with a copy of any relevant personal data in a reusable format**; or b) **request that we transfer your relevant personal data to another controller** where it's technically feasible to do so. 'Relevant personal data is personal data that: *You have provided to us or which is generated by your use of our service. Which is processed by automated means and where the basis that we process it is on your consent or on a contract that you have entered into with us.*

You have **a right to complain** to the **Information Commissioners Office (ICO)** in respect of any processing of your data by;

**Tel:** 028 9027 8757 or 0303 123 1114 **Email:** [ni@ico.org.uk](mailto:ni@ico.org.uk)

**Post:** ICO, 3rd Floor, 14 Cromac Place, Belfast, BT7 2JB

**\*\*Please note that the above rights are not always absolute and there may be some limitations.**

If you want access and/ or copies of any of your personal data or if you want to review, verify, correct or request erasure of your personal information, object to the processing of your personal data, or request that we send you or a third party a copy your relevant personal data in a reusable format please contact Data Protection Officer in writing using their contact details above.

**There is no fee in using any of your above rights**, unless your request for access is clearly unfounded or excessive. We also reserve the right to refuse to comply with the request in such circumstances.

**We may need to verify your identity if we have reasonable doubts as to who you are.** This is another appropriate security measure to ensure that personal data is not disclosed to any person who has no right to receive it.

**Ensuring our information is up to date and accurate**

We want the service provided by us to meet your expectations at all times. Please help us by telling us straightaway if there are any changes to your personal information. If you wish to avail of either of these rights, please contact us at 87, Andersonstown Road, Belfast, BT11 9BS.

## Appendix 10 - How To Complain – Summary

**It is the aspiration of your credit union that a complaint against the credit union will be resolved in a fair and equitable manner. In order that this is accomplished the following is the procedure which you should follow in order to have your complaint/dispute, in your capacity as a member or otherwise, resolved.**

This credit union aims to provide members with quality financial services.

We welcome the opportunity to put things right for members who are dissatisfied with our service. Feedback will be used to help improve services for all members.

This procedure sets out how a complaint can be made to the credit union, and how the complaint will be investigated and responded to.

A complaint can be received at any place that the credit union conducts business. A complaint can be received by any officer, staff or volunteer of the credit union.

The complaints officer for this credit union is: Sheena Joyce.

A complaint may be made in writing or orally to an officer or volunteer of the credit union. A complaint can be made in person, by letter, by telephone or by email.

- The credit union aims to resolve complaints to the complainant's satisfaction by the close of business three business days after the day on which the complaint was received.
- If the complaint cannot be resolved within three business days, an acknowledgement will be sent promptly to the complainant .
- If still unresolved within 8 weeks of receiving a complaint, the credit union will send the complainant:
  - a final response, or
  - a response that explains the delay and advises the complainant when a final response can be expected. The complainant is asked whether they are willing to extend the time for the investigation to be completed. The complainant is advised that if dissatisfied with the delay he or she can refer the complaint to the Ombudsman. The Financial Ombudsman Service has official powers to sort out complaints between a complainant and a credit union. There is no charge for the Ombudsman. It is the credit union's intention to provide a complainant with a satisfactory final response within 8 weeks of receipt of the complaint.



# Summary Resolution Communication Template

Where the credit union proposes to waive the time limits where the complaint was received more than six years after the event complained of; or if later three years from the date on which the complainant became aware (or ought reasonably to have become aware) that he had cause for complaint) and appropriate wording for the credit union's circumstances is not set out above in scenarios (1) to (5), the credit union must adapt the appropriate wording as necessary (6).\*\*\*

## SAG Credit Union Summary resolution communication

A complaint has been made to SAG Credit Union.

We now consider the complaint to have been resolved.

If you are dissatisfied with the resolution of the complaint you may be able to refer the complaint to the Financial Ombudsman Service. Further information is available on the website of the Financial Ombudsman Service <http://www.financial-ombudsman.org.uk/>.

The credit union does not consent to waive the six-month time limit

(1) **"You have the right to refer your complaint to the Financial Ombudsman Service, free of charge – but you must do so within six months of the date of this letter.**

If you do not refer your complaint in time, the Ombudsman will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances. For example, if the Ombudsman believes that the delay was as a result of exceptional circumstances."

The complaint was received more than six years after the event complained of; or if later three years from the date on which the complainant became aware (or ought reasonably to have become aware) that he had cause for complaint) and the credit union does not consent to waive those time limits or the six-month time limit.

(2) **"You have the right to refer your complaint to the Financial Ombudsman Service, free of charge.**

The Ombudsman might not be able to consider your complaint if:

- what you're complaining about happened more than **six years** ago, and
- you're complaining more than **three years** after you realised (or should have realised) that there was a problem.

We think that your complaint was made outside of these time limits, but this is a matter for the Ombudsman to decide. If the Ombudsman agrees with us, they will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances (see below).

**If you do decide to refer your complaint to the Ombudsman, you must do so within six months of the date of this letter.**

|  |  |
|--|--|
|  | <p>If you do not refer your complaint to the Ombudsman within six months of the date of this letter, the Ombudsman will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances.</p> <p>The very limited circumstances referred to above include, where the Ombudsman believes that the delay was as a result of exceptional circumstances.”</p>  |
| <p>The complaint was received six years after the event complained of; or if later three years from the date on which the complainant became aware (or ought reasonably to have become aware) that he had cause for complaint) and the credit union does not consent to waive those time limits but does consent to waive the six-month time limit</p> |  |
| (3)  | <p><b>“You have the right to refer your complaint to the Financial Ombudsman Service, free of charge.</b></p> <p>The Ombudsman might not be able to consider your complaint if:</p> <ul style="list-style-type: none"> <li>• what you’re complaining about happened more than <b>six years</b> ago, <b>and</b></li> <li>• you’re complaining more than <b>three years</b> after you realised (or should have realised) that there was a problem.</li> </ul> <p>We think that your complaint was made outside of these time limits but this is a matter for the Ombudsman to decide. If the Ombudsman agrees with us, they will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances. For example, if the Ombudsman believes that the delay was as a result of exceptional circumstances.</p> <p>The time limit for referring complaints to the Ombudsman is usually six months but we will consent to the Ombudsman considering your complaint even if you refer the complaint later than this.”</p> |
| <p>The credit union consents to waive all applicable time limits</p>   |  |
| (5)  | <p><b>“You have the right to refer your complaint to the Financial Ombudsman Service, free of charge.</b></p> <p>Although there are time limits for referring your complaint to the Ombudsman, we will consent to the Ombudsman considering your complaint even if you refer the complaint outside the time limits.”</p>   |
| (6)  | <p>Where the credit union proposes to waive the time limits where the complaint was received more than six years after the event complained of; or if later three years from the date on which the complainant became aware (or ought reasonably to have become aware) that he had cause for complaint) and appropriate wording for the credit union’s circumstances is not set out above in scenarios (1) to (5), the credit union must adapt the appropriate wording as necessary. <sup>4</sup></p>  |

<sup>4</sup> Further information and advice should be sought from the Legal and HR Department of the ILCU in such circumstances.

## Appendix 11 – Complaint Form Template

# COMPLAINTS FORM

## SAG Credit Union Limited

Please read the attached Complaints Procedure before completing this form.

**To:** The Credit Union Complaints Officer

Name/address of Complainant: \_\_\_\_\_

\_\_\_\_\_

Membership No. of Complainant (if applicable): \_\_\_\_\_

### DESCRIPTION OF COMPLAINT:

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----- (Continue on the back of this sheet if necessary)

(Please attach copies of any relevant documentation. Please retain a copy of this form and any relevant documentation for your own records.)

\_\_\_\_\_  
**Signature of Complainant**

**Date:** \_\_\_\_\_

## Appendix 12 – Child Safeguarding - Identified Risks & Mitigation Plan

| Identified Risks & Mitigation Plan |                      |                                    |              |                                  |            |  |            |
|------------------------------------|----------------------|------------------------------------|--------------|----------------------------------|------------|--|------------|
|                                    | Service              | Risk                               | Risk Owner   | Consequences                     | Likelihood | Existing Controls  | Risk Level |
| 1                                  | School Saving Scheme | Harm to child                      | Sheena Joyce | Harm to child/Allegation of harm | Unlikely   | Teacher present; Trained staff/volunteers; Code of Behaviour in place  | Medium     |
| 2                                  | Schools Quiz         | Harm to child/Photo taken of child | Sheena Joyce | Harm to child/Allegation of harm | Unlikely   | Teacher or Guardian present; Trained staff/volunteers; Code of Behaviour in place; Parental consent for photographs  | Medium     |
| 3                                  | Art Comp.            | Harm to child/Photo taken of child | Sheena Joyce | Harm to child/Allegation of harm | Unlikely   | Teacher or Guardian present; Trained staff/volunteers; Code of Behaviour in place; Parental consent for photographs  | Medium     |
| 4                                  | Youth Comm. Meetings | Harm to child                      | Sheena Joyce | Harm to child/Allegation of harm | Potential  | Trained staff/volunteers; Code of Behaviour in place; At least 2 adults always present; Doors left open; Parents/Guardians informed of activities; Consent sought from Parents/Guardians | High       |

|   |                                       |   |                     |   |           |  |        |
|---|---------------------------------------|---|---------------------|---|-----------|--|--------|
| 5 | Juvenile<br>Membershi<br>p            | Harm to<br>child/photo<br>taken of<br>child | Sheen<br>a<br>Joyce | Harm to<br>child/Allegatio<br>n of harm | Potential | Guardian<br>present:<br>Trained staff:<br>Code of<br>Behaviour in<br>place;<br>Photograph not<br>permitted of<br>juvenile<br>members | Medium |
| 6 | Juvenile<br>Savings<br>Lodgement<br>s | Harm to<br>child                            | Sheen<br>a<br>Joyce | Harm to<br>child/Allegatio<br>n of harm | Unlikely  | Guardian<br>present:<br>Trained staff:<br>Code of<br>Behaviour in<br>place   | Low    |

## Appendix 13 - Child Protection Officer and Deputy Child Protection Officer

The Child Protection Officer (CPO) for SAG Credit Union Limited is:

*Name:* Linda Lavery

*Contact details in the credit union:*

The Deputy Child Protection Officer (DCPO) for is:

*Name:* Sheena Joyce

*Contact details in the credit union:*

If there are any concerns by staff in relation to the welfare of a child using the credit union's services, the Child Protection Officer (or the Deputy Child Protection Officer in the absence of the CPO) should be contacted. This person will assess the concern and determine whether it should be reported to the relevant authorities. This person is the main point of contact on behalf of the credit union to deal with Social Services or Police Service of Northern Ireland in relation to such concerns.

## Appendix 14 - Child Safeguarding Statement

### SAG Credit Union Limited

**1. Name of services being provided:** (e.g. Schools Quiz, Art Competition, Savings Scheme)

SAG Credit Union Limited provides juvenile accounts as part of its services offered to members. Parents must always be present when opening accounts or making lodgements and withdrawals.

In addition, the credit union actively engages with the wider community as part of its vision and ethos. The credit union engage in the below activities.

- School quizzes.
- Art competitions.
- 

**2. Nature of service and principles to safeguard children from harm**

*(brief outline of what our service is, what we do and our commitment to safeguard children):*

The credit union offers juvenile savings accounts to children up until the ages of sixteen, at which point the child is transferred to an adult account.

Members cannot avail of lending service until the age of eighteen.

The credit union actively promotes a safe environment for children. The Board of Directors have implemented a Child Safeguarding Policy. The policy is review annually by the Board of Directors.

The credit union has also appointed a Child Protection Officer to foster a culture of safety for children.

In addition, there is an Ethics and Behaviours Policy. Training takes place annually through CU Learn on how to communicate with Vulnerable members.

The Whistleblowing Policy also outlines the process for reporting unethical behaviour.

The Disciplinary Policy will be enforced where a member of staff is found to be in breach of credit union policy, or where the member of staff has been found to act in an unethical way.

The credit union will communicate and report the relevant authorities and regulators cases where child safety is of concern. The CPO review this case by case, in conjunction with the Board of Directors and management team.

# Appendix 15 - Safeguarding and vulnerability policy

## 1. Introduction

- 1.1 SAG Credit Union Limited (the credit union/we/us/our) makes a positive contribution to a strong and safe community and recognises the right of every individual to stay safe.
- 1.2 Please refer to our child safeguarding policy.
- 1.3 The credit union encounters vulnerable adults through Lending, Share withdrawals and Death Claims. In addition, we can encounter them over the telephone, in person and through emails and online.
- 1.4 This policy seeks to ensure that the credit union undertakes its responsibilities about protection of vulnerable adults and will respond to concerns appropriately. The policy establishes a framework to support all credit union officers (paid or unpaid) in their practices and clarifies the credit union's expectations.
- 1.5 This policy has been reviewed to ensure that the Consumer Duty, Principles, Rules and Regulations, which sets a higher level of member protection and sets higher expectations for the standards of care that Credit Unions give its members.

## 2. Definitions

- 2.1 Safeguarding is about embedding practices throughout the organisation to ensure the protection of children and / or vulnerable adults wherever possible. In contrast, child and adult protection is about responding to circumstances that arise.
- 2.2 Abuse and neglect are forms of maltreatment of an individual. Abuse may consist of a single act or repeated acts and may be an act of neglect, omission, oppression, injustice, exploitation, or manipulation of power. This can be caused by those inflicting harm or those who fail to act to prevent harm. Abuse is not restricted to any socio-economic group, gender, or culture.
- 2.2 It can take a number of forms, including the following:
- Physical.
  - Domestic.



- Sexual.
- Psychological.
- Financial or material.
- Modern slavery.
- Discriminatory.
- Organisational.
- Neglect and acts of omission; and
- Self-neglect

Abuse can take many forms. It might not fit comfortably into any of these categories, or it might fit into more than one. Abuse can be carried out by one adult at risk towards another. This is still abuse and should be dealt with. The adult at risk who abuses may also be neglecting him/herself.

2.3 In addition, we need to understand the impact that vulnerability can have on members including:

- a) Financial exclusion.
- b) Difficulty accessing services.
- c) Disengagement with the market or partial exclusion.
- d) Inability to manage a product or service.
- e) Over-indebtedness.
- f) Buying inappropriate products or service and exposure to mis-selling.
- g) Scams and financial abuse.

### **Definition of Vulnerable Adults**

2.5 A vulnerable adult is a person aged 18 years or over who may be unable to take care of themselves or protect themselves from harm or from being exploited. The FCA states:

***“A vulnerable consumer is someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care.”<sup>5</sup>***

2.6 This **may** include a person who:

- Are elderly and frail;
  - Has a mental illness including dementia.
  - Has a physical or sensory disability.
  - Has a chronic illness.
  - Has social problems.
  - Has a learning disability.
-

- Has a severe physical illness.
- Is a substance misuser.
- Is homeless.
- Has emotional problems.
- Has caring responsibilities.
- Is experiencing a change in circumstances (e.g. job loss, bereavement, divorce).
- Has a lack of English language skills.

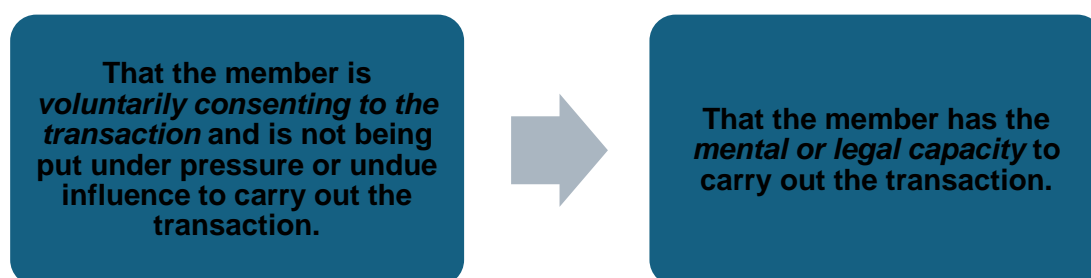
This list shows some of the signs (there can be others) that a member might be vulnerable. If something on this list happens, it doesn't automatically mean someone is being abused – it just means we might need to look closer at the situation.

It is important to note that many of the above examples of vulnerability may develop over time, or because of a change in a member's circumstances, so on-going evaluation is key.

**2.7 *The credit union will always assume an adult member has the mental capacity to transact unless there is evidence to the contrary as provided in the form of medical evidence.***

**2.8 *However, where a credit union becomes concerned that a member is vulnerable, the following steps are recommended:***

**Speak to the member privately to establish:**



**2.9** Ensure that any such conversations are handled with discretion, compassion and in a setting that ensures the member feels at ease. For further guidance on how to handle difficult situations please refer to the following sections and Appendix B.

### 3 Responsibilities

3.1 **All credit union officers** have a responsibility to follow the guidance laid out in this policy and related policies, and to pass on any welfare concerns using the required procedures.

3.2 We will endeavour to safeguard our members by:

- Adhering to our safeguarding vulnerable adult policy and ensuring that it is supported by robust procedures.
- Being aware of the signs of possible financial abuse.
- Carefully following the procedures laid down for the recruitment and selection of officers and employees.
- Providing effective management for employees through supervision, support, and training.
- Implementing clear procedures responding to abuse within the credit union and for reporting concerns to statutory agencies that need to know, while involving carers and vulnerable adults appropriately.
- Ensuring general safety and risk management procedures are adhered to.
- Promoting full participation and having clear procedures for dealing with concerns and complaints.
- Managing personal information, confidentiality, and information sharing.
- Safeguarding vulnerable adults by implementing a code of behaviour for all involved with the organisation, including visitors.

3.3 We expect all credit unions officers (paid or unpaid) to promote good practice by being an excellent role model, contribute to discussions about safeguarding and to positively involve people in developing safe practices.

3.4 Regardless of whether an individual is caught within the scope of the Conduct Rules under the Accountability, we expect all credit union officers to abide by the Individual Conduct Rule 4.<sup>6</sup>

|   |
|---|
| <b>Individual Conduct Rule 4</b>  |
| <b>You must pay due regard to the interests of customers and treat them fairly.</b> |
| <b>Act in Good faith , avoid causing foreseeable harm</b>                           |

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<sup>6</sup> This is reflected in the FCA's Principles for Business- Principle 6 – "A firm must pay due regard to the interests of its customers and treat them fairly".

## **4 Preventing Financial Abuse of Vulnerable members.**

- 4.1 One issue we can have is when we are unsure if a vulnerable member is borrowing/withdrawing money for themselves or if someone else is pressurising them to get money for them.
- 4.2 Financial abuse can occur by itself, but we are aware that where other forms of abuse take place, there is likely to be financial abuse too. Credit union staff and officers should keep this in mind.
- 4.3 There are some signs<sup>7</sup> that might show financial abuse is taking place:
- a change in living conditions.
  - selling possessions.
  - being unable to pay bills, or an unexplained lack of money.
  - money being taken out of an account without a reason.
  - financial documents being lost without a reason.
  - someone being cut off from family, friends or their social network.
  - the carer having more money to spend on things like clothes, travel or accommodation.
  - sudden changes to a bank account or how someone uses it.
  - new, recent authorised signers on a member's account card.
  - money being taken without permission from the adult at risk's account via card or online.
  - changes in how the card or online banking is being used (such as more frequently or from different locations); and
  - sudden or unexpected changes to someone's nomination or other financial documents.
- 4.4 This list shows some of the signs (there can be others) that abuse might be taking place. If something on this list happens, it doesn't automatically mean someone is being abused – it just means we might need to look closer at the situation.
- 4.5 Where we have a concern that the member is not aware of what they are doing and that the money may not be for them, we may wish to ask to speak to the member alone to ensure that they are not being pressurised in any way or that they are aware what the money is for.
- 4.6 In this situation, we will explain to the member that we wish to discuss the account in private with them owing to insurances etc., we need to ensure that the money is for the members own use, and that people are not borrowing on family members accounts on the premise that they will pay the loan back. Members need to understand that as the loan is in their name, and they have signed the application and agreement, that they are responsible for paying it

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<sup>7</sup> Help the Aged (2008) 'The Financial Abuse of Older People – a review of the literature

back. **We may also exercise our discretion under Rule 21(1)<sup>8</sup> of the Northern Ireland (the Standard Rules) to delay withdrawal of any shares by up to 60 days.**

- 4.7 If a member of staff is unsure, they can take the loan application asking all the normal questions and complete the Declaration of Health forms as normal. If the total loan balance is greater than £8,000, insurance may not be automatically granted. As we do not have the authority to issue uninsured loans, loans will not be issued on the day. This gives the member the chance to think about the loan. In addition, it gives us the opportunity to contact the member independently without someone else present. Staff will ensure that there is a direct means of contacting the member i.e. their own telephone number etc.

## **5 Managing Information**

- 5.1 All credit union officers must be aware that they have a professional duty to share information with other agencies to safeguard vulnerable adults. Credit union officers must always comply with their obligations under the Standard Rules (NI) for Credit Unions, declaration of secrecy and fidelity and the Data Protection Policy. However, the public interest in safeguarding children and vulnerable adults may override confidentiality interests.
- 5.2 Further information and discussion relating to data protection issues are addressed in Appendix A to this policy. We understand that recording and sharing information can be undertaken, particularly where it is necessary for the safeguarding of children and of individuals at risk or the safeguarding of economic well-being of individuals (provided the conditions in each of the conditions set out in the Data Protection Act 2018 have been met). To utilise these elements of the Data Protection Act 2018, we understand that we need to be able to demonstrate the necessity of processing under this schedule condition and are required to have an Appropriate Policy Document (APD) in place.

## **6 Procedures when dealing with vulnerable adults applying for loans or undertaking share withdrawals.**

- 6.1 Just because someone is vulnerable does not mean that they are automatically unable to proceed with transactions.
- 6.2 We need to ascertain if the member has the mental capacity to make an informed decision at a specific point in time. A mental capacity limitation, as recognised in law and regulatory lending frameworks, is where a person cannot

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<sup>8</sup> Rule 21(1) states: Money paid in on shares, or instalments for the acquisition of shares, may be withdrawn on any day when payment for shares may be made but, notwithstanding anything in these rules or any contract, the credit union may require not less than 60 days' notice from a member to withdraw a share or shares or instalment thereof.

make such an informed decision due to an impairment or disturbance of the mind or brain. According to the Financial Conduct Authority, a vulnerable customer is *“someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care”*<sup>9</sup>.

- 6.3 This potentially includes members with mental health problems. It can also include members experiencing other conditions including dementia, significant learning disabilities, the long-term effects of brain damage, physical or medical conditions which cause confusion or drowsiness, delirium and symptoms of alcohol and drug abuse.
- 6.4 Law and regulatory guidance expects lenders to presume that all borrowers have the mental capacity to make an informed decision about a loan (to prevent discrimination against people with certain conditions) unless the lender also knows or reasonably suspects that a mental capacity limitation exists.

## **7 Identifying a member with mental capacity limitations.**

- 7.1 We should encourage members to disclose any mental capacity limitations – as members may be reluctant to disclose for a few reasons, including the fear that the loan may be declined. We should reassure members that it is to ensure that they have sufficient help and support for them to make the right decision.
- 7.2 We cannot however rely solely on members disclosing their mental capacity limitations – we need to be vigilant for any signs of a limitation on a member’s ability to decide.
- 7.3 Indicators of potential mental capacity limitation may include:
  - a) Clearly does not understand what they are applying for.
  - b) Becomes upset when struggling to understand what they are applying for.
  - c) Is clearly unable to understand/retain the information and explanations you provide.
  - d) Appears confused about the personal or financial information you are seeking.
  - e) Appears unable to recall or communicate basic personal or financial information that you are seeking.
  - f) Provides conflicting answers to questions.
  - g) Asks the same question repeatedly.
  - h) Appears to have no awareness of their own financial circumstances.
  - i) Makes decisions that are unexpected / out of character (only effective where a prior relationship exists with the member);

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<sup>9</sup> Occasional Paper No.8 Consumer Vulnerability February 2015  
Finalised guidance FG21/1 Guidance for firms on the fair treatment of vulnerable customers- March 2021

- j) Is known to have previously been diagnosed with an impairment or disturbance of the mind or brain and it was established that the borrower lacked the capacity to make certain decisions at that time;
- k) Is unable to assess information provided for the purpose of helping him/her to make an informed borrowing decision; and
- l) Is unable to communicate the borrowing decision by any reasonable means.

**OR**

A third party raises concerns with you, which needs to be investigated further (e.g. relative, close friend, carer, clinician, police, or social services).

7.4 When we understand or suspect a mental capacity limitation, we should take reasonable steps to establish (and document) this. We need to assess the member's ability to:

- 1) Understand information.
- 2) Remember information.
- 3) Weigh-up information.
- 4) Make/Communicate a decision.

7.5 We can do these using questions that gauge what information a member has processed and whether they have understood, or remember, what has been explained to them.

**Lending situations**

7.6 Some examples of questions that might help and have been recommended by the Royal College of Psychologists in relation to lending are:

- 1) Can you tell me the interest rate on this loan?
- 2) Can you tell me the consequences if you do not make payments on the loan?
- 3) Can you tell me the payment we have agreed?
- 4) Can you confirm whether the payments you requested are monthly or weekly?

7.7 Where a mental capacity limitation is suspected or established, staff should take reasonable steps to support members to make an informed decision. Members with a mental capacity limitation may be able to make an informed decision if provided with appropriate help and assistance.

7.8 We can help by:

- 1) Asking the member what type of support they need, if any.

- 2) Asking the member if it is helpful for a third party such as a relative or friend to be present when they make a decision.
  - 3) Offering members further information about the cost of borrowing or implications of a share withdrawal.
  - 4) Offering the member more time if they need to consider the possibility that a member's mental capacity may be perfectly reasonable in terms of making an informed decision, but additional support could still be required e.g. members with limited reading ability, members with visual/hearing impairments.
- 7.9 This support should aim to help members overcome the effect of any mental incapacity limitation and place them on an equivalent footing to members who do not have such limitations.
- 7.10 We understand it is of paramount importance that the staff documents any meetings and discussions with the member (and family members) and what steps we have taken to assure ourselves that the individual understands the transaction, the share withdrawal, or the loan (including the payment, interest rate, repayment term and consequences of non-payment etc.).
- 7.11 At all times in relation to lending, we need to be sure that the member can afford the loan and even if affordable whether a loan is the most suitable option for the member.

### **Share Withdrawals with Enduring Power of Attorney**

- 7.12 Where a member is no longer of sound mind, an Enduring Power of Attorney must be registered with the Office of Court of Care & Protection. We will request a stamped original copy of the registered power. We will also require suitable documentation for identification and address verification. Where multiple attorneys are appointed to act 'jointly', every attorney will need to provide suitable identification and address verification.
- 7.13 It is the credit union's policy to ensure that any money withdrawn is for the benefit of the member. In any case where a member of staff is unsure, these transactions may be referred to the Board of Directors. In addition, we can advise the Attorney that we will pay any bill directly such as care home fees. Any attorney making such withdrawals (or closing an account) must be advised of any loss of insurance(s) to the member's estate.

### **Controllership orders**

- 7.14 Where a member has lost mental capacity and there is no registered enduring power of attorney in place, the Office of Court of Care and Protection may appoint someone to make decisions on behalf of a member. In these orders the incapacitated member will be referred to as the "patient". The Court will only



appoint a controller once they have received medical evidence that the patient is incapable of conducting their own affairs.

- 7.15 If the patient's affairs are substantial the court will issue a full control order which will specify the identity of the controller and what they are empowered to do. Where the patient has a small estate, a Short Procedure Order will be issued which set out what the controller is empowered to do.
- 7.16 The powers conferred on a controller will be restricted to financial affairs and will be limited. If the controller needs further powers they are required to return to the court. We will check to ensure that any instructions are consistent with the controllership order.
- 7.17 We will ask to see a sealed copy of the controllership order. If we have any doubts about whether a document is genuine, we will not release any information until we have sought further advice.

**Share Withdrawals with no power of attorney or controllership order.**

- 7.18 Rule 158 of the Standard Rules permits the Board of Directors to allow share withdrawals in the case of mental disability/mental incapacity, when a member may not have an appointed attorney and the money is solely for the benefit of the member.
- 7.19 Any such applications for withdrawals must be referred to the Board of Directors and must fully comply with the obligations and requirements of Rule 158 of the Standard Rules. The credit union will also request that the proposed recipient of the share withdrawal makes a written statement certifying that they:
  - a) understand that it is their duty to apply the amount which is proposed to be paid in the best interests of the person to whom it belongs; and
  - (b) they are aware that they may incur civil or criminal liability if they misapply the whole or any part of that amount; and
  - (c) they are not aware that any other person has authority to receive the whole or any part of that amount, whether by virtue of an order of a court, a power of attorney or otherwise.
- 7.20 **Please note members of staff should never feel pressurised to rush to undertake any withdrawals or loans on accounts where they are unsure of a member's mental knowledge or capacity. It is in the best interest of our members and their carers that transactions are only undertaken when we are satisfied that the money is for our member and that they have the ability to understand the financial implications of such financial transactions.**

## Online Access

- 7.21 Depending on the type of access the member has granted; their representative may not be able to have online access to services. For example, there may be restrictions on the power of attorney such as both attorneys to act jointly and attorneys only able to transact up to a certain limit. These restrictions may prevent us from being able to offer online services. Further information on the different types of access is set out in Appendix D.

## 8 Reporting Suspicions of Abuse

- 8.1 If a credit union officer has concerns about a member, he or she must act.
- 8.2 As a first step a credit union officer should discuss their concerns with the credit union manager who will work with relevant credit union officers to determine the appropriate course of action. If the concern is about the credit union manager, then any concerns should be discussed directly with the credit union chair. Subsequent action may include making a referral to Social Services or contacting the Police.
- 8.3 You should make a written note of your concerns and any discussions that have been held, including any information the member may have told you. You should ensure that notes clearly record the date and time of the conversation.
- 8.4 Always inform Social Services or the Police if you have concerns about a member's safety.
- 8.5 Where staff have reasonable grounds that the member may be subject to abuse, exploitation or neglect we may need to report our concerns to the Adult Protection Gateway Service in our HSC.

| Health and Social Care Trust                               | Areas covered  | 9.00am - 5.00pm telephone number | out-of-hours emergency telephone number |
|--|--|----------------------------------|---|
| <b>Western HSC Trust Adult Protection Gateway Service</b>  | Londonderry/Derry, Limavady, Strabane, Omagh, Enniskillen  | 028 7161 1366                    | 028 9504 9999                           |
| <b>Southern HSC Trust Adult Protection Gateway Service</b> | Craigavon, Banbridge, Dromore, Lurgan, Portadown, Gilford, Armagh, Coalisland, Dungannon, Fivemiletown, Markethill, Moy, Tandragee, Ballygawley, Newry, Bessbrook, Annalong, Rathfriland, Warrenpoint, Crossmaglen, Kilkeel, Newtownhamilton | 028 3756 4423                    | 028 9504 9999                           |

|   |   |               |               |
|---|---|---------------|---------------|
| <b>Belfast HSC Trust Adult Protection Gateway Service</b>       | Greater Belfast area  | 028 9504 1744 | 028 9504 9999 |
| <b>Northern HSC Trust Adult Protection Gateway Service</b>      | Antrim, Carrickfergus, Newtownabbey, Larne, Ballymena, Cookstown, Magherafelt, Ballycastle, Ballymoney, Portrush, Coleraine | 028 9441 3659 | 028 9504 9999 |
| <b>South Eastern HSC Trust Adult Protection Gateway Service</b> | Lisburn, Dunmurry, Moira, Hillsborough, Bangor, Newtownards, Ards Peninsula, Comber, Downpatrick, Newcastle, Ballynahinch   | 028 9250 1227 | 028 9504 9999 |

- 8.6 If emergency medical attention is required this can be secured by calling an ambulance (dial 999). If a person is in immediate danger the police should be contacted (dial 999).
- 8.7 Should there not be any immediate concerns or attention then staff may wish to consider providing a copy of the Public Health Agency's *"Directory of services to help improve mental health and emotional wellbeing"*<sup>10</sup> to the member (or signpost to one of the organisations/agencies listed). A copy of the Belfast directory is attached at Appendix C to this policy.

## 9 Review of Policy

- 9.1 This policy will be reviewed by the board of directors at least annually, or as required to ensure it is continually improved, remains appropriate and follows applicable legislation and regulation.
- 9.2 Management information can be used to identify and monitor measures. This could include:
- a) Review of training records.
  - b) File reviews. Review member files.
  - c) Member feedback. Use formal and informal feedback from members to identify trends and areas for improvement (for example, complaints and comments made to the credit union, but also comments and complaints on social media).
  - d) Numbers of complaints. Consider any trends in complaints involving vulnerable customers in comparison to other customers.

<sup>10</sup> <https://www.publichealth.hscni.net/publications/directory-services-help-improve-mental-health-and-emotional-wellbeing>

- e) Complaint root cause analysis. Investigate complaints fully to understand the cause of member complaints rather than just dealing with the symptoms; and
- f) Compliance reports. Review compliance reports to check if standards are being met in terms of treating customers fairly.

9.3 This Policy shall be:

- communicated in a timely manner to all credit union staff and officers.
- made accessible to all credit union staff and officers.
- implemented through all relevant levels of the credit union; and
- revised considering changing circumstances, revised in light of any changes to applicable legal and regulatory requirements and guidance.

| Paragraph      | Amendment/Modification   | Rationale   | Date of amendment            |
|----------------|--|---|------------------------------|
| Paragraph 7.12 | <p>Insertion of new sentence at end of paragraph 7.12</p> <p><i>“We will also require suitable documentation for identification and address verification. Where multiple attorneys are appointed to act 'jointly', every attorney will need to provide suitable identification and address verification.”</i></p>  | Strengthen AML controls   | January 2021                 |
| Paragraph 7.21 | <p>Insertion of new paragraph 7.21</p> <p><b>Online Access</b></p> <p><i>7.21 Depending on the type of access the member has granted, their representative may not be able to have online access to services. For example, there may be restrictions on the power of attorney such as both attorneys to act jointly and attorneys only able to transact up to a certain limit. These restrictions may prevent us from being able to offer online services. Further information on the different types of access are set out in Appendix E.</i></p>   | New paragraph setting out how the credit union will deal with online requests for third party representations | January 2021 and August 2021 |
| Appendix E     | Insertion of new Appendix E setting out types of third party access and online access  | New table setting out how the credit union will deal with online requests for third party representations     | January 2021 and August 2021 |
| Paragraph 2.4  | <p>Insertion of new paragraph 2.4:</p> <p><i>2.4 In addition, we need to understand the impact that vulnerability can have on members including:</i></p> <ul style="list-style-type: none"> <li><i>a) Financial exclusion.</i></li> <li><i>b) Difficulty accessing services.</i></li> <li><i>c) Disengagement with the market or partial exclusion.</i></li> <li><i>d) Inability to manage a product or service.</i></li> <li><i>e) Over-indebtedness.</i></li> <li><i>f) Buying inappropriate products or service and exposure to mis-selling.</i></li> <li><i>g) Scams and financial abuse.</i></li> </ul> | Updated in light of new FCA guidance FG21/1   | August 2021                  |
| Paragraph 2.5  | A vulnerable adult is a person aged 18 years or over who may be unable to take care of themselves or protect themselves from harm or from being exploited. The FCA states “A vulnerable consumer is someone who, due to their personal circumstances, is especially susceptible  | Updated in light of new FCA guidance FG21/1   | August 2021                  |

|               |  |  |             |
|---------------|--|--|-------------|
|               | <i>to detriment, particularly when a firm is not acting with appropriate levels of care.”<sup>11</sup></i>   |  |             |
| Paragraph 2.6 | Deletion of “abuse might be taking place” and replacement with “a member might be vulnerable”  | Updated in light of new FCA guidance FG21/1    | August 2021 |
| Paragraph 5.2 | Insertion of new sentence:<br><i>We understand that recording and sharing information can be undertaken, particularly where it is necessary for the safeguarding of children and of individuals at risk or the safeguarding of economic well-being of individuals (provided the conditions in each of the conditions set out in the Data Protection Act 2018 have been met). To utilise these elements of the Data Protection Act 2018, we understand that we need to be able to demonstrate the necessity of processing under this schedule condition, and are required to have an Appropriate Policy Document (APD) in place. That APD can be found [INSERT LOCATION].</i>   | Updated in light of new FCA guidance FG21/1    | August 2021 |
| Paragraph 9.2 | Insertion of new paragraph 9.2<br><i>9.2 Management information can be used to identify and monitor measures. This could include:</i><br><i>a) Review of training records;</i><br><i>b) File reviews. Review member files;</i><br><i>c) Member feedback. Use formal and informal feedback from members to identify trends and areas for improvement (for example, complaints and comments made to the credit union, but also comments and complaints on social media);</i><br><i>d) Numbers of complaints. Consider any trends in complaints involving vulnerable customers in comparison to other customers;</i><br><i>e) Complaint root cause analysis. Investigate complaints fully to understand the cause of member complaints rather than just dealing with the symptoms; and</i><br><i>f) Compliance reports. Review compliance reports to check if standards are being met in terms of treating customers fairly</i> | Updated in light of new FCA guidance FG21/1    | August 2021 |
| Appendix A    | New checklist to ensure fair treatment of vulnerable member  | Updated in light of new FCA guidance FG21/1    | August 2021 |
| Appendix B    | Updated appendix relating to handling and disclosing information in accordance with data protection  | Updated in light of new FCA guidance FG21/1    | August 2021 |
| Appendix C    | Updated information from Money Advice Trust Vulnerability, GDPR, and Disclosure- Overview Guide  | Updated in light of new FCA guidance FG21/1    | August 2021 |
| Appendix D    | Rename of Appendix E to Appendix D setting out types of third party access and online access   |  | August 2021 |
| Appendix E    | Insertion of new appendix “Guidance note- Assisting members who first language is not English”   | New document issued by Legal Department        | August 2021 |
| Appendix F    | Best practice checklist for identifying vulnerable customers   | Updated document produced by UK Cabinet Office | August 2021 |

<sup>11</sup> Finalised guidance FG21/1 Guidance for firms on the fair treatment of vulnerable customers

|            |   |  |             |
|------------|---|--|-------------|
| Appendix H | Guidance on General Powers of Attorney,<br>Enduring Powers of Attorney and Controllership<br>Orders | New document issued<br>by Legal Department | August 2021 |
|------------|---|--|-------------|

## Appendix 16- Handling vulnerability disclosure and navigating data protection legislation.

### Data Protection and vulnerability

Credit unions should ensure staff and officers are able to use, record and share data where appropriate.

Credit unions should have systems in place to record information on the needs of vulnerable members, and also to ensure relevant staff and officers have access to information they require in order to recognise and respond to members' needs.

Credit unions need to ensure that they continue to comply with the relevant requirements of the UK General Data Protection Regulation (the UK GDPR) and the Data Protection Act 2018 (the DPA 2018).

Quality conversations with members are the key to success. Focusing on the adjustments that the member needs rather than making assumptions about underlying conditions, and seeking an agreement with the member when those adjustments might need to be reviewed, at the outset, are identified by the ICO as a sensible approach.

### Key resources

Appendix 1 of the [FCA's Final Guidance FG21/1](#) contains guidance on the GDPR and DPA2018 considerations when interpreting FG 21/1.

The Money Advice Trust and Money Advice Liaison Group has produced a document called "Vulnerability, GDPR, and disclosure- A practical guide for creditors and advisers.

This is made up of the following and can be found [here](#)

|                          |   |
|--------------------------|---|
| <b>Overview guide-</b>   | The Overview Guide summarises the practical actions that take to manage disclosures of vulnerability. It provides an overview of the options and actions open to firms complemented by the detail and advice in our three Guides. |
| <b>Technical Guide 1</b> | TG1 is about the fundamentals – it explains what vulnerability in practice (rather than just the definition), and why disclosures of vulnerability are key moments (for fairness, transparency).of vulnerable customers           |
| <b>Technical Guide 2</b> | TG2 walks firms through the choice of which lawful processes to use with vulnerability disclosures. This brings together  |



|                                 |  |
|---------------------------------|--|
| <p><b>Technical Guide 3</b></p> | <p>understanding of GDPR, alongside insight into the practical needs of vulnerable customers</p> <p>TG3 examines how to record data (flags, support codes, account notes, and secondary indicators), how to use data to support customers, and how to encourage further disclosures of vulnerability</p> |
|---------------------------------|--|

## Safeguarding of children and of individuals at risk and Safeguarding of economic well-being of certain individuals

Under the Data Protection Act 2018 we understand that recording and sharing information can be undertaken where it is necessary for the safeguarding of children and of individuals at risk<sup>12</sup> or the safeguarding of economic well-being of individuals<sup>13</sup> (provided the conditions in each of the relevant paragraph below have been met).

To utilise these elements of the Data Protection Act 2018, we understand that we need to be able to demonstrate the necessity of processing under this schedule condition, and are required to have an Appropriate Policy Document (APD) in place.

### Safeguarding of children and of individuals at risk

*18(1) This condition is met if*

- (a) the processing is necessary for the purposes of—*
    - (i) protecting an individual from neglect or physical, mental or emotional harm, or*
    - (ii) protecting the physical, mental or emotional well-being of an individual,*
  - (b) the individual is—*
    - (i) aged under 18, or*
    - (ii) aged 18 or over and at risk,*
  - (c) the processing is carried out without the consent of the data subject for one of the reasons listed in sub-paragraph (2), and*
  - (d) the processing is necessary for reasons of substantial public interest.*
- (2) The reasons mentioned in sub-paragraph (1)(c) are—*
- (a) in the circumstances, consent to the processing cannot be given by the data subject;*
  - (b) in the circumstances, the controller cannot reasonably be expected to obtain the consent of the data subject to the processing;*
  - (c) the processing must be carried out without the consent of the data subject because obtaining the consent of the data subject would prejudice the provision of the protection mentioned in sub-paragraph (1)(a).*
- (3) For the purposes of this paragraph, an individual aged 18 or over is “at risk” if the controller has reasonable cause to suspect that the individual—*
- (a) has needs for care and support,*
  - (b) is experiencing, or at risk of, neglect or physical, mental or emotional harm, and*
  - (c) as a result of those needs is unable to protect himself or herself against the neglect or harm or the risk of it.*
- (4) In sub-paragraph (1)(a), the reference to the protection of an individual or of the well-being of an individual includes both protection relating to a particular individual and protection relating to a type of individual.*

### Safeguarding of economic well-being of certain individuals

*19(1) This condition is met if the processing*

- (a) is necessary for the purposes of protecting the economic well-being of an individual at economic risk who is aged 18 or over,*
- (b) is of data concerning health,*
- (c) is carried out without the consent of the data subject for one of the reasons listed in sub-paragraph (2), and*

<sup>12</sup> Paragraph 18 of Part of Schedule 1 of the Data Protection Act 2018

<sup>13</sup> Paragraph 19 of Part 2 of Schedule 1 of the Data Protection Act 2018

*(d) is necessary for reasons of substantial public interest.*

*(2) The reasons mentioned in sub-paragraph (1)(c) are—*

*(a) in the circumstances, consent to the processing cannot be given by the data subject;*

*(b) in the circumstances, the controller cannot reasonably be expected to obtain the consent of the data subject to the processing;*

*(c) the processing must be carried out without the consent of the data subject because obtaining the consent of the data subject would prejudice the provision of the protection mentioned in sub-paragraph (1)(a).*

*(3) In this paragraph, “individual at economic risk” means an individual who is less able to protect his or her economic well-being by reason of physical or mental injury, illness or disability.*

## **Extract from Appendix 1 to FCA FG 21/1 relating to Data Protection considerations**

### **Bases on which firms can process data**

13. Under the GDPR, there must be specific grounds for processing and a lawful basis on which to process personal data. Article 6 of the GDPR details the 6 lawful bases on which firms can rely when processing personal data. Where firms process personal data in interpretation of this Guidance, firms will need to consider which of the 6 lawful bases is the most appropriate in the circumstances.

14. We have set out below the lawful bases that may be the most relevant for firms when interpreting the Guidance. Firms should note that this is not an exhaustive list of the lawful bases on which they may process personal data, and they should therefore consider Article 6 of the GDPR as a whole. As outlined in the ICO's blog about consent, firms should also note that consent is not the only basis they can/ should rely on and may not be appropriate to rely on in all cases. The ICO also provides further information about when firms can change the lawful basis.

- Basis (a), Consent: the individual has given clear consent for a firm to process their personal data for a specific purpose. Firms should consider the ICO guide on valid consent when seeking to understand what determines consent.
- Basis (b), Contract: the processing is necessary for a contract a firm has with the individual, or because they have asked the firm to take specific steps before entering into a contract.
- Basis (f), Legitimate interests: the processing is necessary for a firm's legitimate interests, the legitimate interests of a third party, or wider societal interests, unless there is a good reason to protect the individual's personal data which overrides those legitimate interests. This may be most appropriate where firms use customers' data in ways the customer would reasonably expect and which have a minimal privacy impact, or where there is a compelling justification for the processing.

15. In determining whether legitimate interests can be relied upon as a lawful basis, firms will need to consider the three-part test set out by the ICO:

- Purpose test: are you pursuing a legitimate interest?
- Necessity test: is the processing necessary for that purpose?
- Balancing test: do the individual's interests override the legitimate interest?

16. Firms could use a legitimate interest assessment to help determine whether they should use it as a basis for processing. The ICO provides more information on legitimate interests in their guide to data protection.

17. Firms should be aware that, depending on the customer's circumstance, the Article relied on to process data under may differ. Firms should also be mindful that there are additional protections needed to process some data. For example:

- When processing personal data about criminal convictions or offences where firms must have both a lawful basis under Article 6 and either legal authority or official authority for the processing under Article 10. The ICO provides further information on processing data about criminal convictions or offences [here](#).
- When processing Special Category Data under Article 9 GDPR (see below).

### **Special Category Data**

18. Some personal data that are processed about vulnerable consumers may be Special Category Data as defined by the GDPR.

19. It may not always be immediately obvious that information about a consumer is Special Category Data. For example, information about changes made for a consumer because of their health may not specifically identify the health issue, but would be likely to constitute Special Category Data as their health issue could be inferred.

20. GDPR also gives extra protection to special category data due to its sensitivity. In addition to identifying a lawful basis under Article 6 (see above), firms need to identify a separate condition under Article 9 of the GDPR. This Article details the additional conditions for Special Category Data, only one of which needs to be met. We set out the potentially most relevant conditions below: explicit consent (Article 9(a)) and substantial public interest (Article 9(g)). Firms should be mindful that they should choose the condition that is most appropriate and that relying on explicit consent may not always be appropriate for their circumstances. The ICO provides guidance on this here and in its myth buster blog makes clear that consent is not the only way to comply with the GDPR. Depending on the Article 9 condition relied upon, firms should also note that there are additional requirements that may need to be met under Schedule 1 DPA 2018.

### **Explicit Consent**

21. Firms may be able to obtain explicit consent from their customers to process the special category data, under condition (a) of Article 9. Explicit consent does not have to be written, and can also be oral, however, it is more difficult to prove explicit consent when it is not in writing. Explicit consent requires a very clear and specific statement of consent.

### **Substantial Public Interest**

22. Another condition in Article 9 which firms may find appropriate to use is processing necessary for reasons of substantial public interest in Article 9(g). Where relying on Article 9(g), firms must also refer to Schedule 1 Part 2 of the DPA 2018 and identify the further relevant condition, for example safeguarding economic wellbeing or insurance.

#### **Substantial Public Interest – Safeguarding Economic well-being**

23. A substantial public interest condition that may be appropriate for firms to rely on is safeguarding economic wellbeing, under paragraph 19 of Schedule 1 DPA 2018. Firms can process (which includes recording and sharing) health data without the customer's consent if:

- they believe it is necessary for the purpose of protecting the economic well-being of an adult at economic risk, and
- it might be unreasonable to expect them to obtain consent concerning physical or mental injury, illness or disability, or
- if obtaining consent would adversely affect the provision of the protection.

24. Applications of paragraph 19 of Schedule 1 could include the context of third parties sharing and recording health data where consent from the customer is not possible, for example:

- between product providers and other involved third party firms, for example brokers; or
- where a third party is claiming to be in contact on behalf of the customer but no formal arrangement with the third party (such as Power of Attorney) is currently in place. In such a case, firms will have to satisfy themselves that the third party is truly acting on the customer's behalf, because of the informal nature of the arrangement.

25. Firms should also be aware that they need to be able to demonstrate the necessity of processing under this schedule condition, and are required to have an Appropriate Policy Document (APD) in place. The same also applies under some of the other conditions.

26. The ICO provides more information on conditions for processing special category data and APD's here.

### **Data Sharing**

27. Data protection legislation provides a framework to ensure fair, lawful and proportionate data sharing, and should not be perceived as a barrier to appropriate information sharing. Sharing data with third party individuals or organisations may be important in achieving good outcomes for a vulnerable customer.

28. In order to comply with relevant data sharing obligations, firms should consider whether they are a controller, joint controller, or processor of personal data. According to the ICO:

- The controller 'determines the purposes and means of the processing of personal data'.
- The processor 'processes personal data on behalf of the controller'.
- Joint controllers are 'two or more controllers that jointly determine the purposes and means of processing'.

29. Firms should understand that, where they are the controller, they are able to share data within their organisation provided that the data is processed for a purpose that is compatible with that for which it was originally collected under the original lawful basis under Article 6 and, where applicable, the relevant condition under Article 9. The ICO provides further detail on this here.

30. As with wider sharing, firms should assess whether they need to carry out a DPIA to share data with third party individuals or organisations. Firms should also consider what information needs to be shared, why they are sharing this, the risks associated with sharing, and how to share this information.

31. Firms must identify a lawful basis for sharing personal data. If the firm is sharing Special Category Data, firms must identify an additional condition under Article 9(2) and, if required, under Schedule 1 of the DPA 2018. Firms must also ensure they share information in compliance with the principles laid out in Article 5 of the GDPR.

32. The ICO recently published its Data sharing Code of Practice. It also provides other information through its Data Sharing Hub and suite of resources, including case studies. These provide practical advice to businesses and organisations on how to carry out responsible data sharing.

## **Financial Ombudsman Service**

The Financial Ombudsman Service (the ombudsman service) has also been clear that data protection is not a barrier to recording relevant information

The ombudsman service recommends:

- recording things in the member's own words
- not making assumptions, and
- recording the needs or adaptations that the member asks for rather than an assumed underlying condition as useful tips

## **Involvement of a third party**

**How should you respond when a third party (such as a relative or carer) is involved with someone's finances (as is often the case with some vulnerable members)?**

It is true that firms cannot disclose information about a member's account to a third party without authorisation or an arrangement such as a power of attorney. However, if a member needs assistance in making a call, and the nominated person has the security information they need to conduct a transaction, they should be enabled to carry out the call on the member's behalf.

In addition, if a third party contacts a firm to let them know that a member cannot manage their financial affairs for a while, because of, for example, a deteriorating health condition

or a sudden crisis, there is nothing to stop a firm making a note of the circumstances so that appropriate action can be taken when they can be in contact with the member.

This does not involve disclosing any information to the caller. Sometimes this is all that is required to reassure concerned relatives that the firm understands the situation.

Credit unions may also want to use the information provided by a third party to investigate further and seek a separate conversation with the member when appropriate to do so.

This may be important in preventing abuse as well as clarifying the member's needs.

## Appendix 17 - Helping Credit Union staff communicate with vulnerable individuals

### Extract from Section 3 of Money Advice Trust – Vulnerability, GDPR, and Disclosure- Overview Guide

#### ***The disclosure process***

*Every vulnerability disclosure will differ. At the same time, a firm will want to achieve the same set of common goals. it will want to:*

- *establish what harm or detriment a customer is vulnerable to;*
- *listen to any customer views on what support they know or believe would help;*
- *collect the most relevant information – such as what is causing the vulnerability – to help inform support over time;*
- *use this information to take action to prevent, minimise, or avoid the harm a customer is vulnerable to;*
- *ensure the absolute minimum of the most relevant information is recorded, so a consistent level of support is given across a firm, and customers do not have to repeatedly disclose their situation;*
- *make sure that a 'flag' system and other measures are in place – to alert staff during future contacts, and to allow data from individual disclosures to flow-into aggregate management indicators;*
- *ensure that any recorded information is periodically reviewed to assess whether it is still accurate, relevant, and necessary for a firm to hold these data;*
- *monitor trends in vulnerable customer data, and evaluate whether outcomes are as good as non-vulnerable customers;*
- *use all this insight to encourage more customer vulnerability disclosures.*

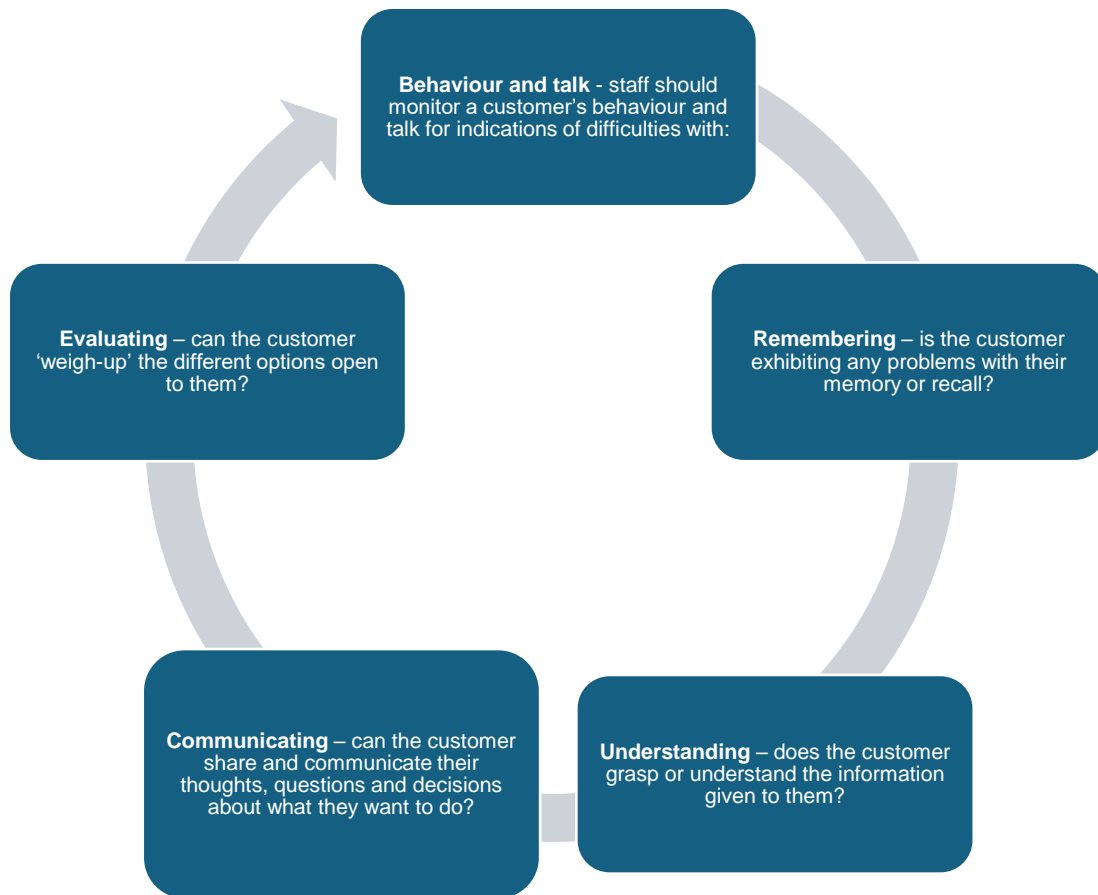
The Royal College of Psychiatrists and Money Advice Trust<sup>14</sup> have developed a number of protocols which are practical tools to assist staff in dealing with conversations around vulnerability.

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<sup>14</sup> Lending, debt collection and mental health: 12 steps for treating potentially vulnerable customers fairly  
[http://media.wix.com/ugd/0e662e\\_920a4dc186774747ab429e6765b777d8.pdf](http://media.wix.com/ugd/0e662e_920a4dc186774747ab429e6765b777d8.pdf)

## The Bruce Protocol

How to identify and spot customers with decision-making difficulties

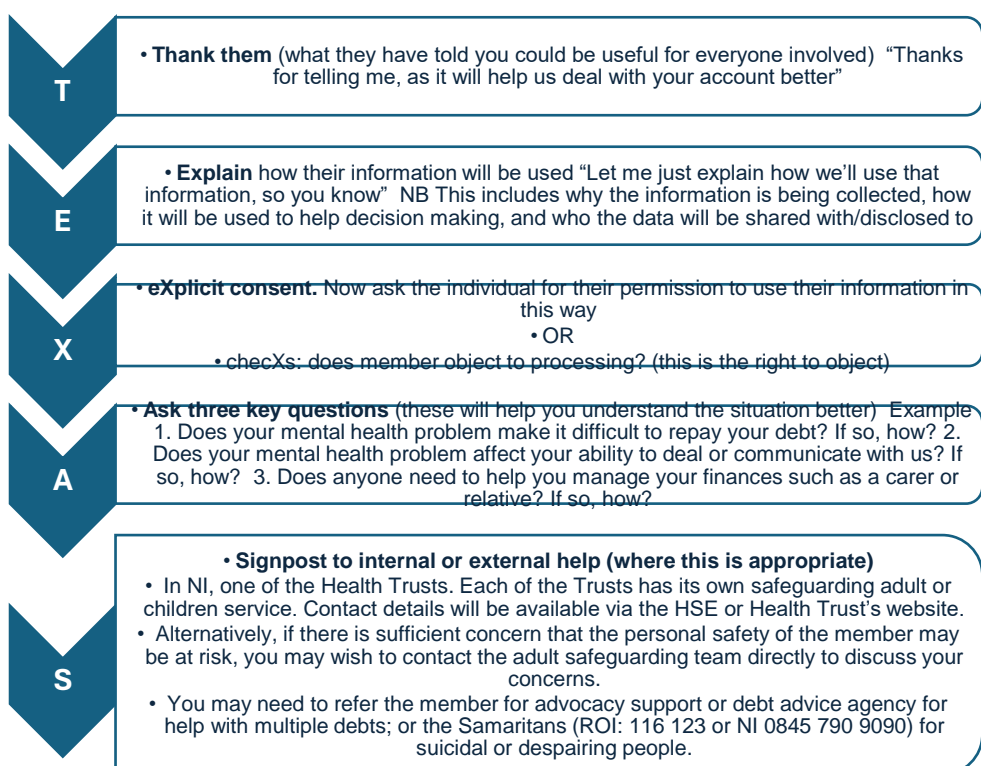




## TEXAS drill

The TEXAS protocol can help all frontline staff manage disclosures effectively which is a key part of creating an organisation where members are confident to disclose. It can be used as a training tool for managing initial conversations<sup>15</sup>.

|  |   |
|--|---|
| <b>OPTION A:</b><br>TEXAS paired with consent (Article 6) & explicit consent (Article 9)<br>Thank the member<br>Explain how their disclosed information will be used<br>eXplicit consent is sought (this can be withdrawn at any time)<br>Ask the member questions to find out key information<br>Signpost or refer to internal or external support                              | Option A reflects how most firms use the TEXAS protocol at the current time.<br><br>Strengths: - member are clearly told how their disclosed information will be used - member decide whether their data will be processed on this basis - consent can be refused or withdrawn<br><br>Challenges: - if consent is refused, then data cannot be processed using another lawful basis   |
| <b>OPTION B:</b><br>TEXAS with Legitimate Interests (Article 6) & Substantial Public Interest (Article 9)<br>Thank the customer<br>Explain how their disclosed information will be used<br>checXs: does member object to processing? (this is the right to object)<br>Ask the member questions to find out key information<br>Signpost or refer to internal or external support. | Option B is a newer pairing of processing bases made possible under the DPA 2018.<br><br>Strengths: allows for processing where a member cannot give consent - consent cannot be obtained by the credit union getting consent might stop measures being put in place to protect the customer's economic well-being<br><br>Challenges: - can only be used in defined circumstances where a member is at 'economic risk' because of a mental or physical injury, illness, or disability - member has right to object to processing, but this can be over-ridden by the credit union |



<sup>15</sup> Adapted from Money Advise Trust TECHNICAL GUIDE 2: CUSTOMERS AND CARERS

## IDEA

The IDEA protocol can be used by specialist staff to help structure and manage more in depth conversations, ask the right questions, and identify relevant information.

### I

**Impact** – staff should ask what the mental health problem either stops the member doing in relation to their financial situation, or what it makes harder for them to do. This will help provide insight into both the severity of the condition, and its consequences.

### D

**Duration** – staff should discuss how long the member has been living with the reported mental health problem, as the duration of different conditions will vary. This can inform decisions about the amount of time someone needs to be given to retake control of their situation.

### E

**Episodes** – some people will experience more than one episode of poor mental health in their lives. Creditors will need to take such fluctuating conditions into account in their decision-making.

### Assistance

– Consideration as to whether the member has been able to get any care, help, support or treatment for their condition. This may help in relation to collecting medical evidence. Throughout, creditors should keep in mind not only the commercial outcomes they wish to achieve, but also the steps that would bring about better member outcomes for their health and financial

## CARERS

This drill was developed to assist with handling disclosures from carers to ensure that helpful information is not lost due to staff concerns about data protection.

Personal data should be: “adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed”

Information collected from carers or third parties should therefore be adequate, relevant and limited.

**C**

• **Check for authority** – if the carer can supply evidence of their authority to act on the member’s behalf, a more detailed discussion can be arranged once this is received – if the carer cannot supply this evidence, or needs to share information about the member now, the following steps should be taken:

**A**

• **Avoid** discussing any account details, making sure to explain to the carer why this isn’t possible

**R**

• **Reassure** the carer that their concerns can still, however, be recorded as observations (unverified) on the member’s account, and these can be looked into

**E**

• **Explain** to the carer that their observations will need to be shared with the member, colleagues, and potentially any clients. Carers will need to give their consent for this.

**R**

• **Record** the carer’s observations, listening carefully, and ensuring: – you have checked why the member is unable to speak directly with the creditor about these issues (is there, for example, a communication issue?) – you are clear how the member’s mental health problem affects their ability to repay – you have confirmed with the carer what information has been recorded, and how long these unverified observations will be held on file while they are being checked.

**S**

• **Summarise** the available next steps, which might include: – you (or a colleague) speaking with the member concerned to establish if there is a problem, including checking the unverified observations made by the carer – the carer discussing with the member a potential mandate to act on their behalf – the carer and member working together to collect supporting medical evidence

## Appendix C

### Directory of services to help improve mental health and emotional wellbeing

These five directories list the names, numbers and web addresses (where applicable) of organisations that offer services to help improve mental health and emotional wellbeing. Where possible, additional information has also been provided, such as email addresses and contact details within each Health and Social Care (HSC) Trust area.

Click on the link below or each HSC Trust area.

<https://www.publichealth.hscni.net/publications/directory-services-help-improve-mental-health-and-emotional-wellbeing>

|  |
|--|
| • <a href="#"><u>Belfast card 2019 final.pdf</u></a>       |
| • <a href="#"><u>Northern Card 2019 final.pdf</u></a>      |
| • <a href="#"><u>South eastern card 2019 final.pdf</u></a> |
| • <a href="#"><u>Southern card 2019 final.pdf</u></a>      |
| • <a href="#"><u>Western card 2019 final.pdf</u></a>       |

## Appendix D

### Online Access

|                                   | <b>If attorney(s) appointed to act<br/>'jointly and severally'</b>  | <b>If attorneys appointed to act<br/>'jointly'</b>                     |
|-----------------------------------|---|--|
| <b>General Power of Attorney</b>  | Online access will not be provided if with a general power of attorney.   | Online access will not be provided if with a general power of attorney |
| <b>Enduring Power of Attorney</b> | <p>If the donor wants to appoint an attorney to have access to online banking in place of the donor or is unable to use online access because of mental incapacity, we will provide the attorney with online access.</p> <p>Please note that only one individual can have online access at a time.</p> <p>Please note that if there are restrictions on the power, we may not be able to provide online access to the attorney.</p> <p>The attorney or member should contact the credit union so that we can talk through and assess the situation. We may seek further advice and guidance as appropriate.</p> | Online access will not be provided to attorneys acting jointly.        |
| <b>Controllership Order</b>       | Online access can be provided but may be subject to restrictions depending on court directions.   | N/A  |
| <b>Third Party Mandate</b>        | Online access cannot be provided  | Online access cannot be provided                                       |

## Appendix 18 - Checklist to ensure fair treatment of vulnerable members.

### **Instructions**

- Complete the risk assessment by considering whether the specified risks affect your credit union and ticking **YES** or **NO** as appropriate.
- Should your answer identify a risk, then proceed to outline the risk level and action or control measures you are currently implementing, or proposing to implement, to manage the risk.
- Should a risk not be applicable, please modify the template accordingly, or mark the risk as N/A. Should a risk or risks affect your credit union that are not identified, add these to the appropriate section and complete them in the same manner.

|   |  |
|---|--|
| <b>Size of credit union</b><br><br>(Members and assets)   | Nearly 15000 Adult Members > £70 million   |
| <b>Overview of main products and services offered</b>   | Savings & Loans with Associated Insurances   |
| What are the common vulnerabilities that may arise in the credit union's target market and member base? | <div style="display: flex;"> <div style="flex: 1;"> <ul style="list-style-type: none"> <li>Elderly and frail;</li> <li>Mental illness including dementia;</li> <li>Physical or sensory disability;</li> <li>Chronic illness;</li> <li>Social interaction problems;</li> <li>Learning disability;</li> <li>Severe physical illness;</li> <li>Substance misuser;</li> <li>Homeless;</li> <li>Emotional problems;</li> <li>Caring responsibilities;</li> <li>Individual experiencing a change in circumstances (e.g. job loss, bereavement, divorce);</li> <li>Lack of English language skills.</li> </ul> <p>In addition, the following can have a higher impact on vulnerable members:</p> <ul style="list-style-type: none"> <li>Financial exclusion.</li> <li>Difficulty accessing services.</li> <li>Disengagement with the market or partial exclusion.</li> <li>Inability to manage a product or service.</li> <li>Over-indebtedness.</li> <li>Buying inappropriate products or service and exposure to mis-selling.</li> <li>Scams and financial abuse.</li> </ul> </div> <div style="flex: 1; border-left: 1px solid black; padding-left: 10px;"></div> </div> |

| Areas of FCA focus in respect of fair treatment of vulnerable members   | Yes                                 | No                       | Provide further information about this area.  | Risk Level to the credit union:<br>High/Med/Standard<br>Lower |
|---|-------------------------------------|--------------------------|---|---|
| Understanding nature and scale of characteristics of vulnerability  |                                     |                          |   |   |
| 1. Has the credit union taken steps to identify any complex or overlapping vulnerabilities that it might face in its area or service offered? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>During the loan process the financial stability of members is investigated. Bank statements are requested, and for higher amounts credit checks. It is assessed at this point as to whether member vulnerabilities have been identified.</p> <p>In addition, when frontline staff communicate with members face to face, or over the phone, it is assessed whether the member has any vulnerabilities, whether mental, physical, of because of a special category such as age, employment, addiction, language barriers etc.</p> <p>The supervisory committee is on hand for more complicated loans and situations.</p> <p>In addition to the above vulnerabilities identified the credit union is also mindful of members that may experience gambling related issues, with leaflets posted in the office detailing support available. ILCU guidance is vital in this area.</p> <p>All staff go through robust training annually on how to identify member vulnerabilities in relation to the credit union's services that are offered to members.</p> <p>Loan Policy, Cash Handling Policy, Complaints Handling Policy, Training and Ethics Policy are among the documents the Board has put in place to shape a</p> | High  |

|  |                                     |                          |   |        |
|--|-------------------------------------|--------------------------|---|--------|
|  |                                     |                          | culture that is tailored to helping vulnerable members.   |        |
| 2. Is it easy for members to disclose information about themselves, or their situation, to the credit union? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>There is a robust loans process and Loans Policy. Loan officers and frontline staff undertake yearly training on identifying vulnerable members through CU Learn.</p> <p>The member can contact the credit union via website, phone app, phone, email and in person, with open channels of communication.</p> <p>The credit union has secure offices. Confidentiality is enforced, with particular attention paid the GDPR legislation. There is a Data Protection policy that covers the need to protect the data of vulnerable members.</p> <p>There is a Data Breach Policy and register to record breaches and report to the authorities. There is a dedicated DPO in place.</p> <p>There is a Complaints Handling Policy and process. Should members feel concerned about levels of service or their information they can make a formal complaint. There is a dedicated Complaints Handling Officer.</p> <p>A declaration of own use is needed for members over the age of 80 years old.</p> <p>Children fall into the vulnerable group also. The operating parent that opened the account must be present when withdrawing money or if conversations take place. Parents sign for children under 7, children over 7 need to sign themselves in the presence of the operating parent.</p> <p>There is a Child Vulnerability Policy new in place.</p> <p>Health related vulnerabilities are recorded and where necessary a Health Declaration Form completed and sent to</p> | Medium |



|   |                                     |                          |  |        |
|---|-------------------------------------|--------------------------|--|--------|
|   |                                     |                          | <p>ECCU, the credit union's insurance provider.</p> <p>All information is stored and record on the IT system in line with current legislation.</p>   |        |
| 3. What types of harm or disadvantage may members be vulnerable to? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>The credit union strives to put the member first per Business Strategy and Vision. Vulnerable members may be exposed to:</p> <ul style="list-style-type: none"> <li>• Financial exclusion.</li> <li>• Difficulty accessing services.</li> <li>• Disengagement with the market or partial exclusion.</li> <li>• Inability to manage a product or service.</li> <li>• Over-indebtedness.</li> <li>• Buying inappropriate products or service and exposure to mis-selling.</li> <li>• Scams and financial abuse.</li> <li>• Changes in a member's ability to fully comprehend their financial circumstances, or make future financial decisions, due to health reasons.</li> </ul> <p>The credit union has provided training to all staff on the fair treatment of all members, particularly vulnerable members.</p> <p>Products are continually monitored to ensure they are fair, add value, are fully transport and that support to the member is available.</p> <p>The credit union has in place a Consumer Duty champion.</p> | Medium |

| Skills and capability   |                                     |                          |  |        |
|---|-------------------------------------|--------------------------|--|--------|
| 4. Do staff and officer understand what is meant by a "vulnerable member"?  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>All credit union staff undertake training yearly through CU Learn. Training covers identifying vulnerable members and ethical behaviour, and what is meant by vulnerable.</p> <p>In addition, there is great management oversight, with weekly team meetings to address changes or issues affecting members. One to one performance meetings occur between the management team to address performance concerns, particularly with how members and vulnerable members are being treated.</p>   | Medium |
| 5. Does the credit union monitor the needs of its vulnerable members?   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>The needs of vulnerable members are constantly evaluated. The credit union monitors its demographics, with the IT system in place able to break down member by age group, and reason for using the credit unions services etc.</p> <p>During the loan process vulnerabilities are identified, such as mental, health, age, addiction etc. Members with loan balances over 8k per policy require a Health Declaration Form to be completed.</p> <p>Mental vulnerabilities are of particular importance. The credit union protects members accounts, savings etc. Family members or deemed persons can only act on a vulnerable members account with the appropriate legal document issued i.e. power of attorney (Issued by the Court of Care and Protection).</p> <p>The credit union consults ILCU guidance on such matters to ensure it is acting in line with current legislation.</p> | Medium |
| 6. Does the credit union carry out regular checks to ensure that it is only offering appropriate products and services to its vulnerable members? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>The credit union assesses each member on a case-by-case basis. There is a robust joining process, loans process, and cash handling process.</p>   | Medium |

|   |                                     |                          |   |                   |
|---|-------------------------------------|--------------------------|---|-------------------|
|   |                                     |                          | <p>Members are assessed at each interaction with the credit union. Staff are trained on how to communicate with vulnerable members. Training is provided annually through CU Learn.</p> <p>The Training Policy is reviewed annually by the Board of Directors.</p>  |                   |
| 7. Do frontline staff understand how to actively listen out for information that could indicate vulnerability?                            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>The Board of Directors oversees and reviews the Safeguarding and Vulnerability Policy annually. There is a Training and Ethical Behaviour Policy.</p> <p>All credit union staff receive annual training through CU Learn on how to identify and deal with vulnerable members.</p>  | Medium            |
| 8. Do frontline staff understand how to obtain information from vulnerable members to help them respond to their needs?                   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>There is a detailed Loans Policy outlining the Loan Process. There is a Membership Policy, Ethical Behaviour Policy, and Training Policy. In addition, the Safeguarding and Vulnerable Member Policy is updated annually by the Board.</p> <p>Staff are given training through CU Learn on how to obtain information from vulnerable members.</p> <p>There is process in place to protect vulnerable members, including secured, private offices.</p> <p>The Data Protection Policy outlines how special categories of data are to be treated. And staff are provided with training on protecting the data of vulnerable members through CU Learn.</p> <p>There is a DPO in case breaches occur.</p> | Medium            |
| 9. Is someone senior in the credit union responsible for championing a culture that prioritises the fair treatment of vulnerable members? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>The Board retains responsibility for the fair treatment of vulnerable members.</p> <p>There is a Consumer Duty champion, who ensures products and services are fair, add value, communicated and fully transparent.</p>  | Standard<br>Lower |

|  |                                     |                          |   |                   |
|--|-------------------------------------|--------------------------|---|-------------------|
|  |                                     |                          | <p>The Board of Directors ensures staff training is adhered to, and that there is a suite of policies that ensures members are protected and that services meets their needs.</p> <p>The Business Strategy outlines the credit union's goals in meeting member expectations.</p>  |                   |
| 10. Is there regular training for frontline staff on understanding and dealing with vulnerable members | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>All loans officers receive annual training through CU Learn on how to deal with vulnerable members, including those with mental or physical disabilities, those of a particular age etc.</p>   | Medium            |
| 11. Do frontline staff have the opportunity to share knowledge and experiences with other colleagues?  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>The Board and management team provide great oversight in this area. There are clear lines of communication.</p> <p>Regular one to one's with staff are carried out to address performance-based issues.</p>  | Standard<br>Lower |
| 12. Do frontline staff know how to record and access information about vulnerable members?             | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>The Board review the Data Protection, Retention and Breach Policy Annually.</p> <p>All staff receive training relating to GDPR legislation and protecting information of vulnerable members annually through CU Learn.</p> <p>There is a DPO officer in place to address data risk and report to the relevant authorities where necessary.</p> <p>The IT system in place is encrypted, and password protected. The Board recently upgraded the IT system. Staff actions, including the inputting of data can be fully audited.</p> <p>There is an internal audit function to ensure processes are fit for purpose.</p> | Medium            |

| Product and service design  |                                     |                                     |   |        |
|---|-------------------------------------|-------------------------------------|---|--------|
| 13. Do the features of a new product or service, or changes to an existing product or service, exploit vulnerable members?                                    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <p>All products and services are accessible by all members inside the common bond. No one member receives favourable terms. The Loan and Lending Policy is reviewed annually in line with legislation, as is the Membership Policy.</p> <p>There is a supervisory committee in place for more complex loans, and staff loans.</p> <p>Before a new product or service is introduced a risk assessment is carried out by the risk officer and is reported to the Board of Directors.</p> <p>For guidance the credit union consults the ILCU as an affiliated member.</p> <p>Changes to products and services are communicated to members in branch and online.</p> <p>The annual AGM reviews changes that affect members including interest rebate and dividend relating to existing products, and any new changes or new products.</p> | Medium |
| 14. Have the needs of vulnerable members been considered when considering how to launch a new product or service?   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <p>All new products are launched with consideration to vulnerable members. There is a Consumer Duty champion that ensures products and services, add value for the member, are transparent and that support is available.</p> <p>The ILCU is a great source of guidance for the credit union when considering new products and services or when looking to amend current products and services.</p>   | High   |
| 15. Is there flexibility in a product to respond to the needs of members impacted by temporary vulnerability, such as a period of unemployment or ill-health? | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <p>The Board have systems and control in place to mitigate risk in this area. There is Loans and Lending Policy, Credit Control Policy, Bad Debt Provisioning Policy.</p> <p>The credit control function actively monitors those members in arrears or</p>  | Medium |

|  |                                     |                          |   |                   |
|--|-------------------------------------|--------------------------|---|-------------------|
|  |                                     |                          | <p>struggling to pay. Based on member information provided, loan payments can be temporarily reduced to pay interest only or rescheduled over a long time up to a maximum of ten years.</p> <p>The credit control function provides monthly reports to the supervisory committee, with regular monthly reports to the Board.</p> <p>There is a bad debt provision in place of over 1.4 million. Recently increased to take into consideration bad debt.</p> <p>The ILCU is a good source of guidance on products, responding to member needs and dealing with vulnerable members who are unable to pay.</p> |                   |
| <b>Customer service for vulnerable members</b>   |                                     |                          |   |                   |
| 16. Where necessary, are staff able to respond flexibly to the needs of vulnerable members?  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>Staff are provided training annually through CU Learn to identify and respond to the needs of vulnerable members.</p> <p>Ethics training is provided annually.</p> <p>The Training Policy is reviewed annually by the Board.</p>   | Medium            |
| 17. Do frontline staff have the skills and capability to recognise characteristics of vulnerability and respond to individual member needs where a member has shared a need, or where there are clear indicators of vulnerability? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>Staff through induction training and continuous ongoing training through CU Learn and inhouse training can respond to individual member needs, where the member has shared a need, or where a clear indication of vulnerability has been identified.</p>   | Standard<br>Lower |
| 18. Are frontline staff aware of any specialist support for vulnerable member, such as an internal specialist team or an external charity?   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>Frontline staff are aware of support and additional services available for vulnerable members.</p> <p>Posters and information detailing additional support services are posted in</p>  | Medium            |

|  |                                     |                          |  |                   |
|--|-------------------------------------|--------------------------|--|-------------------|
|  |                                     |                          | the main office, for example gambling and addiction support.   |                   |
| 19. Are frontline staff proactive in raising the availability of any support services for vulnerable member?   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>All staff are proactive in raising the availability of support services for vulnerable members.</p> <p>All credit union loans officers and frontline staff receive training through CU Learn and in house on how to deal with vulnerable members.</p> <p>The Safeguarding Vulnerable Members policy is a good source of guidance for frontline staff and is available on the credit union's shared drive.</p> | Standard<br>Lower |
| 20. Are frontline staff trained to recognise signs of vulnerability and encourage the member to discuss their needs when interacting face to face or over the telephone?                 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | All loans officers and front-line staff receive training annually through CU Learn on how to deal with vulnerable members.   | Standard<br>Lower |
| 21. Can staff "stop the clock" on a case if they feel the member needs more time or support to understand information and make a decision?   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Loans officers and frontline staff actively encourage all members to take their time when making a decision. Loans Policy gives members up to six weeks after a loan application to make a decision. Even after this point the member can make a fresh application.  | Standard<br>Lower |
| 22. Do the credit union's systems and processes allow customer service staff to record and access information that will be useful to respond to vulnerable members' needs in the future? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>The Board of Directors recently upgraded the IT system. There is a full audit trail of actions taken by staff, with the ability to make notes on the members current situation.</p> <p>All vulnerable member data is protected under GDPR. All IT systems are encrypted, and password protected.</p>  | Medium            |
| 23. Are there systems in place to minimise the number of times a member has to inform credit unions about any particular vulnerability they have?  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>The current IT system in place allows for information on vulnerable members to be input and stored with a time stamp. Data is protected under GDPR.</p> <p>The Data Protection Policy is updated annually.</p>  | Medium            |

|  |                                     |                          |   |                   |
|--|-------------------------------------|--------------------------|---|-------------------|
|  |                                     |                          | <p>There is a Data Retention Policy that outlines for how long information should be stored.</p> <p>For health-related vulnerabilities there may be a need to complete a Health Declaration Form if the total loan balance is over £8,000.</p> <p>This is then stored on the IT system for future reference.</p> <p>When necessary for insurance purposes, the health form may need to go to ECCU, the credit union's insurance provider.</p> |                   |
| 24. Do systems have the functionality to allow staff to record a description of the member's needs, such as a free-text box on systems or notes on a member file?                        | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>The IT system has the functionality to record a description of the member's needs via the notes section on the member's account.</p> <p>These notes are time stamped.</p>  | Standard<br>Lower |
| <b>Communicating with vulnerable members</b>   |                                     |                          |   |                   |
| 25. If needed, does the credit union offer vulnerable members extra explanation or thinking time to ensure they understand what is being communicated and can make an informed decision? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>All credit union staff receive training annually and in house on dealing and communicating with vulnerable members.</p> <p>All staff are aware that vulnerable members may need extra time, and this will be provided.</p>   | Medium            |
| 26. If needed, are vulnerable members directed to sources of independent help and guidance?  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>Frontline staff actively aim for the best outcome of vulnerable members and will guide them to independent help and guidance where necessary.</p>  | Standard<br>Lower |
| <b>Monitoring and evaluating fair treatment of vulnerable members</b>  |                                     |                          |   |                   |
| 27. Does the credit union have an up-to-date safeguarding and vulnerable member policy in place?   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>The Safeguarding and Vulnerability Policy is reviewed by the Board of Directors annually.</p> <p>In addition, there is a Child Safeguarding Policy in place reviewed annually by the Board of Directors.</p>   | Standard<br>Lower |



|  |                                     |                                     |  |        |
|--|-------------------------------------|-------------------------------------|--|--------|
| 28. Do you review complaints data to understand experiences and outcomes from complaints? This could also include file reviews of incidents.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <p>The Board have systems and controls in place to mitigate against this risk. There is a Complaints Handling Policy reviewed annually.</p> <p>There is a designated person/Complaints Handling Officer who deals with, manages, responds, records and reports on complaints made.</p> <p>There is a DPO that records complaints that may relate to data breaches.</p> | High   |
| 29. Do you test the experiences of vulnerable members through processes such as mystery shopping?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | At present the credit union has not conducted mystery shopping.  | High   |
| 30. Do you allow staff and officers to feedback honestly when they think processes for vulnerable members could be improved  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | All staff are encouraged to provide feedback on how processes can be improved for vulnerable members. This is done at the weekly team meeting and during performance reviews.  | Medium |
| 31. Do you use formal and informal feedback from members to identify trends and areas for improvement (for example, complaints and comments made to the credit union, but also comments and complaints on social media). | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <p>The credit union has a formal complaint handling process. This is informed by the Complaints Handling Policy which is updated annually by the Board of Directors.</p> <p>Members can also informally express feedback, this is then recorded through notes on the IT system with action taken by the Board of Directors where necessary.</p>                        | Medium |
| <b>Data protection</b>   |                                     |                                     |  |        |
| 32. Has the credit union considered any data protection issues that may arise when obtaining, using, storing, and sharing personal data relating to vulnerable members?  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <p>The credit union understands that data protection of vulnerable members is of vital importance. The credit union has a Data Protection Policy, which is updated annually by the Board of Directors.</p> <p>The credit union also has a Data Retention Policy and Data Breach register.</p>  | High   |

|   |                                     |                          |   |        |
|---|-------------------------------------|--------------------------|---|--------|
|   |                                     |                          | There is a dedicated DPO. Any breaches to the data of vulnerable members are reported to the IOC and relevant authorities.  |        |
| 33. Is it likely that the credit union will be recording and sharing information where it is necessary for the safeguarding of children and of individuals at risk or the safeguarding of economic well-being of individuals? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <p>Any action the credit union takes in the sharing of data of vulnerable members is guided by the Data Protection Policy, which was formed with GDPR legislation being the reference material.</p> <p>The credit union can also refer to the ILCU for guidance on the sharing of data.</p> <p>The Safeguarding of Vulnerability Policy and Child Safeguarding Policy are good sources of guidance also and are updated annually by the Board.</p> <p>Current policies to be signed of.</p> | High   |
| 34. If yes, does the credit union have an Appropriate Policy Document in place and understand that it needs to demonstrate the necessity of processing under those conditions under the Data Protection Act 2018?             | <input checked="" type="checkbox"/> | <input type="checkbox"/> | The Data Protection Policy was created under the Conditions of GDPR legislation and the Data Protection Act 2018 which is the UK's implementation of GDPR.  | Medium |
|   |                                     |                          |   |        |
| Name of Officer   |                                     |                          |   |        |
| Signature and Date:   |                                     |                          |   |        |

## Appendix 19 – Consumer Duty - Risk Assessment

### Individual Risk Report

Risk ID: 122896

Context: SAG CU

| Risk Owner   | Portfolio Owner              |             |       |
|--|------------------------------|-------------|-------|
|  | Michael Johnston             |             |       |
| Risk Category  |                              |             |       |
| Operational > Business Processes >   |                              |             |       |
| Risk Description   |                              |             |       |
| Consumer Duty - Acting in the Members Interest -   |                              |             |       |
| Source   |                              |             |       |
| Disadvantaging members, disadvantaging vulnerable members, prioritising profit, acting unethically, lack of staff training   |                              |             |       |
| Consequences   |                              |             |       |
| Should this risk manifest, it could lead to serious regulatory sanctions as well as a loss of membership confidence. More egregious cases could even result in legal actions.  |                              |             |       |
| Status   | Evaluation Decision          |             |       |
| Evaluated  | <a href="#">Decide Later</a> |             |       |
| Control Strength   | CF2                          |             |       |
| 3  |                              |             |       |
| Evaluation Comment   |                              |             |       |
| Should SAG Credit Union be found to not be acting in the best interest of its members this could have severe consequence, and mean it is not meeting its Consumer Duty obligations. As a democratically run cooperative the credit union returns surplus profits after operational costs to the member in the form of interest rebate and dividends. |                              |             |       |
| Current Level of Risk  |                              |             |       |
| 05/04/2024   | Likelihood                   | Consequence | Level |
| Pre-Controls   | 4                            | 5           | 20    |
| Post-Controls  | 3.0                          | 4.0         | 12.0  |
| Previous Post Control Ratings  |                              |             |       |
| 05/04/2024   | 3.0                          | 4.0         | 12.0  |

| Objectives   |                     |          |                         |
|--|---------------------|----------|-------------------------|
|  |                     |          |                         |
|  |                     |          |                         |
|  |                     |          |                         |
| Identified   | 05/04/2024 01:55:36 | Analysed |                         |
| Evaluated  | 05/04/2024 02:30:46 | Modified | 05/04/2024 02:30:46     |
| Review Date  | 05/04/2025          |          |                         |
| Controls in Place  |                     |          |                         |
| Acting in the best interest of members is at the heart of the new Consumer Duty principal as set forth by the regulator. In relation to Consumer Duty, the BoD have put in place a Consumer Duty champion. The Consumer Duty Champion alongside the BoD have put in place a consumer duty implementation plan with key actions to be taken to reduce harm to members and increase benefits in relation to products and services offered. Staff training forms a big part of the member relationship. Staff training takes place annually through CU Learn. Training covers key aspects of the loan process and interreacting with the members, training covers key insurances that the credit union offers, protecting the data of members and responding to any concern, including complaints in a professional manner. |                     |          |                         |
| Additional Mitigation Options  |                     |          |                         |
| There is robust managerial oversight with one to one performance reviews. In addition there there is weekly team meetings to address concerns and issues. As an affiliate member the credit union also seeks guidance from the ILCU. The ILCU have a wealth of guidance on the new Consumer Duty requirements and best practice. There is a Complaints Policy should members have any concerns during their relationship with the credit union. There is also a Whistleblowing Policy for staff to report any unethical behaviour or actions to the BoD.   |                     |          |                         |
| Task Id  | Task Owner          | Due Date | Task Status Description |

Individual Risk Report

Risk ID: 122897

Context: SAG CU

|   |                     |             |       |
|---|---------------------|-------------|-------|
| Risk Owner  | Portfolio Owner     |             |       |
|   | Michael Johnston    |             |       |
| Risk Category   |                     |             |       |
| Operational > Business Processes >  |                     |             |       |
| Risk Description  |                     |             |       |
| Consumer Duty - Consumer Duty Champion -  |                     |             |       |
| Source  |                     |             |       |
| Appointed persons, lack of succession planning, lack of training, unaware of regulatory demands   |                     |             |       |
| Consequences  |                     |             |       |
| Should this risk manifest it could mean that the credit union fails to meet its full obligations under the FCA's new consumer duty principal. This could lead to regulatory sanctions. Adversely, not having a Consumer Duty Champion may impact members, the member experience and the relationship that the member has with the credit union. |                     |             |       |
| Status  | Evaluation Decision |             |       |
| Evaluated   | Tolerate            |             |       |
| Control Strength  | CF2                 |             |       |
| 3   |                     |             |       |
| Evaluation Comment  |                     |             |       |
| Under the new consumer duty it is vital that SAG Credit Union has in place a senior, skilled person as Consumer Duty Champion. It is the role of the Consumer Duty Champion in conjunction with the BoD to ensure that obligations are being met to the member and consumer duty.   |                     |             |       |
| Current Level of Risk   |                     |             |       |
| 05/04/2024  | Likelihood          | Consequence | Level |
| Pre-Controls  | 4                   | 4           | 16    |
| Post-Controls   | 3.0                 | 3.0         | 9.0   |
| Previous Post Control Ratings   |                     |             |       |
| 05/04/2024  | 3.0                 | 3.0         | 9.0   |

|  |                     |          |                         |
|--|---------------------|----------|-------------------------|
| Objectives   |                     |          |                         |
|  |                     |          |                         |
|  |                     |          |                         |
|  |                     |          |                         |
|  |                     |          |                         |
| Identified   | 05/04/2024 02:30:53 | Analysed |                         |
| Evaluated  | 05/04/2024 02:53:45 | Modified | 05/04/2024 02:53:45     |
| Review Date  | 05/04/2025          |          |                         |
| Controls in Place  |                     |          |                         |
| The BoD has since the implementation of the new Consumer Duty requirements taken several mitigating steps, including; 1. Appoint a senior, skilled person as Consumer Duty Champion; 2. Alongside the BoD, the Consumer Duty Champion has put in place a consumer duty implementation plan; 3. Managerial oversight - the manager ensures that robust controls are in place to ensure staff act in the best interests of members per consumer duty; 4. Staff training - staff are trained to meet membership needs and to provide a professional service. Training on key aspects of the loan process, interacting with members, data protection, and protecting against financial crime takes place through CU Learn. |                     |          |                         |
| Additional Mitigation Options  |                     |          |                         |
| ILCU guidance is sought where needed. The ILCU have an online portal providing a wealth of information on the new consumer duty requirements. In addition the FCA Consumer Duty Guidance is a great source of information.   |                     |          |                         |
| Task Id  | Task Owner          | Due Date | Task Status Description |

## Individual Risk Report

Risk ID: 122895

Context: SAG CU

|   |                              |                    |              |
|---|------------------------------|--------------------|--------------|
| <b>Risk Owner</b>   | <b>Portfolio Owner</b>       |                    |              |
|   | Michael Johnston             |                    |              |
| <b>Risk Category</b>  |                              |                    |              |
| Operational > Business Processes >  |                              |                    |              |
| <b>Risk Description</b>   |                              |                    |              |
| Consumer Duty - Loan Terms and Conditions -   |                              |                    |              |
| <b>Source</b>   |                              |                    |              |
| Inadequate terms and conditions, contradictory advice, lack of officer training, unclear language, poorly constructed or vague sentencing, poor communication of loan terms and conditions  |                              |                    |              |
| <b>Consequences</b>   |                              |                    |              |
| Should this risk manifest, it would likely lead to an increase in member complaints, cause reputational damage resulting in loss of membership confidence. This would also lead to possible regulatory sanctions and penalties.   |                              |                    |              |
| <b>Status</b>   | <b>Evaluation Decision</b>   |                    |              |
| Evaluated   | <a href="#">Decide Later</a> |                    |              |
| <b>Control Strength</b>   | CF2                          |                    |              |
| 3   |                              |                    |              |
| <b>Evaluation Comment</b>   |                              |                    |              |
| With the implementation of Consumer Duty there is an increased obligation on SAG Credit Union to ensure all forms of communication with members is clear, concise and transparent. This include the loan terms and conditions. The primary products and services the credit union offers is across loans and savings. |                              |                    |              |
| <b>Current Level of Risk</b>  |                              |                    |              |
| 05/04/2024  | <b>Likelihood</b>            | <b>Consequence</b> | <b>Level</b> |
| Pre-Controls  | 4                            | 4                  | 16           |
| Post-Controls   | 3.0                          | 3.0                | 9.0          |
| <b>Previous Post Control Ratings</b>  |                              |                    |              |
| 05/04/2024  | 3.0                          | 3.0                | 9.0          |

|   |                     |                 |                                |
|---|---------------------|-----------------|--------------------------------|
| <b>Objectives</b>   |                     |                 |                                |
|   |                     |                 |                                |
|   |                     |                 |                                |
|   |                     |                 |                                |
| <b>Identified</b>   | 05/04/2024 01:23:45 | <b>Analysed</b> | 05/04/2024 01:30:35            |
| <b>Evaluated</b>  | 05/04/2024 01:51:41 | <b>Modified</b> | 05/04/2024 01:51:41            |
| <b>Review Date</b>  | 05/04/2025          |                 |                                |
| <b>Controls in Place</b>  |                     |                 |                                |
| The BoD reviews the suite of policies it has in place that guides how loans services are delivered to members. This includes the Loan Policy including the Lending Policy. The BoD regularly reviews member needs in relation to products and services offered. Monthly reports detail member loan patterns including, borrowing needs, amounts etc. The BoD have also put in place a robust lending process, with all loan products having the associated terms and conditions in line with legislation. Staff training forms a big part of ensuring that members are well informed on loan terms and conditions. Member are given a copy of the loan terms and conditions. During the loans process, the loans officer will go over loan terms and conditions including total interest to be repaid, length of loan etc. Staff undergo training annually through CU Learn in relation to loans and associated insurances. Staff training is audited annually. |                     |                 |                                |
| <b>Additional Mitigation Options</b>  |                     |                 |                                |
| There is robust managerial oversight in place, with any performance concerns addressed in one-to-one meetings. Managerial oversight includes weekly team meetings where issues and changes to the loans process are discussed. The BoD have put in place a Consumer Duty Champion. The goal is to ensure harm to members is reduced and benefits maximised.   |                     |                 |                                |
| <b>Task Id</b>  | <b>Task Owner</b>   | <b>Due Date</b> | <b>Task Status Description</b> |

## Individual Risk Report

Risk ID: 122894

Context: SAG CU

| Risk Owner  | Portfolio Owner       |
|---|-----------------------|
| Michael Johnston  | Michael Johnston      |
| Risk Category   |                       |
| Operational > Business Processes >  |                       |
| Risk Description  |                       |
| Consumer Duty - Lack of Quality in Data Output and Communication -  |                       |
| Source  |                       |
| Poor or inaccurate literature, poor officer communication, contradiction of policy, lack of officer training  |                       |
| Consequences  |                       |
| Should this risk manifest, it could lead to an increase in member complaints and a loss of membership confidence. Further to this it could lead to financial sanctions and fines from the regulator.  |                       |
| Status  | Evaluation Decision   |
| Evaluated   | <a href="#">Treat</a> |
| Control Strength  | CF2                   |
| 3   |                       |
| Evaluation Comment  |                       |
| Consumer Duty was rolled out on the 31st of July 2023. It is vital that the credit union manages associated risks to minimise harm to members and maximise benefits of the product and services it provides, including the way it communicates said products and services to its member base. |                       |

| Current Level of Risk         |            |             |       |
|-------------------------------|------------|-------------|-------|
| 05/04/2024                    | Likelihood | Consequence | Level |
| Pre-Controls                  | 4          | 4           | 16    |
| Post-Controls                 | 3.0        | 4.0         | 12.0  |
| Previous Post Control Ratings |            |             |       |
| 05/04/2024                    | 3.0        | 4.0         | 12.0  |

| Objectives   |                     |            |                     |   |
|--|---------------------|------------|---------------------|---|
|  |                     |            |                     |   |
|  |                     |            |                     |   |
| Identified   | 05/04/2024 12:47:23 | Analysed   |                     |   |
| Evaluated  | 05/04/2024 01:55:14 | Modified   | 05/04/2024 01:55:14 |   |
| Review Date  | 05/04/2025          |            |                     |   |
| Controls in Place  |                     |            |                     |   |
| <p>The BoD have put in place several mitigating factors to manage the quality in data and communications with its members. These mitigating factors include; 1. A suite of policies guiding a culture of good communication and data quality output, including the Data Protection Policy, Data Breach Policy, Data Management and Retention Policy, Cyber Security Policy, IT Usage Policy, Training Standards Policy etc. 2. Managerial oversight - performance reviews take place to address training concerns and underperformance. Weekly team meetings take place to communicate changes and address concerns also. 3. Staff training - robust staff training on data protection and management, communication, ethics, and cyber security takes place annually through CU Learn. 4. Planning and development meeting - the planning and development meeting takes place monthly to address concerns across all oversight and operational functions. This is directly reported to the BoD.</p> |                     |            |                     |   |
| Additional Mitigation Options  |                     |            |                     |   |
| <p>In addition to the mitigating factors outlined there is also; 1. Consumer Duty Champion - to ensure all communication with members is in line with the new consumer duty principal and the consumer duty implementation plan. 2. Monthly board meeting - at the board meeting member concerns are addressed, as too are product and services and the way they are delivered in line with strategic aim per the Business Strategy and Plan 2024-2027. 3. Communication channels with members are reviewed, including through the website, app, in branch, over the phone and social media platforms. 4. There is a Complaint Policy should members have concerns. 5. There is a Whistleblowing Policy should there be any concerns with the professional service staff are delivering.</p>   |                     |            |                     |   |
| Task Id  | Task Owner          | Due Date   | Task Status         | Description                                   |
| 35396  | Michael Johnston    | 05/04/2024 | Open                | Review the consumer duty implementation plan. |



