



Undeb Credyd Sir Drefaldwyn
Robert Owen
Montgomeryshire Credit Union

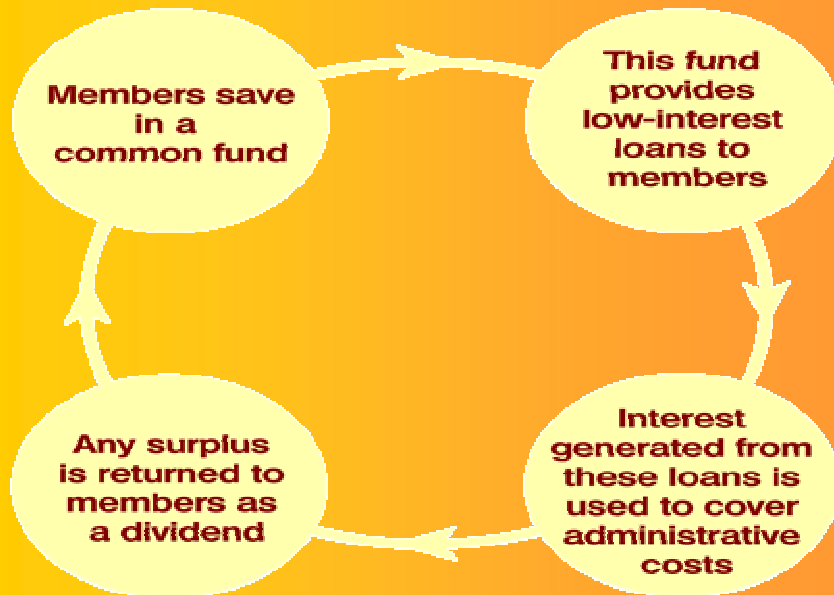
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The Savings & Loans Co-operative

Membership of the **Robert Owen Montgomeryshire Credit Union Limited (ROMCUL)** is open to all those who live or work in Montgomeryshire.

ROMCUL is a finance co-operative which is owned and controlled by its members and which welcomes everyone regardless of age, background or ethnicity.

ROMCUL is a not-for-profit organization whose aim is to provide an excellent service tailored to each individual member's needs.



- **What is a credit union?** It is a savings and loans co-operative, in the common ownership of its members. Members can make regular savings, no matter how small, into their accounts *and* take out very low cost loans should they ever need to.
- **Who runs it?** A credit union is owned and managed by its members. It is a non-profit-making community enterprise, run by local people for the benefit of local people. (ROMCUL's organizational structure is based upon the standard *Association of British Credit Unions Limited* model.)
- **Membership** is open to anyone who lives or works in the catchment area of the credit union (its "Common Bond").
- **Security and privacy** The credit union is **insured against theft and fraud** and is regulated by the *Financial Services Authority*. There are strict legal guidelines on how it is run, with regular audits and controls. All officers and collectors abide by **strict rules of confidentiality**.
- **Savings** may be built up to a maximum of £5000. The credit union is there to help members to make regular savings so that they build up into a sizeable sum. Instead of interest being paid, a **dividend is given at the end of most years**.
- **Withdrawal of money** members can have access to their savings at any time.
- **Eligibility for loans** any member over 18 may apply for a loan, although credit checks are carried out.
- **Insurance** Members' savings and loans are covered by **free insurance** (depending on age).
- **Cost of loans** By law credit unions are not allowed to charge more than 2% per month interest. There are **no hidden costs or extra charges**. There are **no penalties for early repayment**: there is no "settlement fee" and, since interest is paid on the diminishing balance, doing so will always save the borrower money.

PARTNERS Welsh Assembly Government, Powys County Council, Wales Rural Regeneration Unit, Welshpool Town Council, Sure Start, Open Door Children's Centre, Trehafren Children's Centre, Powys Health Board, Powys CAB, Bro Ddyfi Advice Centre, PAVO, WCVA, Centre for Alternative Technology, Cae Post, Oldford Communities First, Bro Ddyfi Communities First, Clwyd Alyn Housing Association, Mid Wales Housing Association, WEA/Coleg Harlech Llanidloes Resource Centre and Llanidloes Energy Solutions.

FUNDERS Tudor Trust, WCVA, DWP, British Gas Energy Trust, Welsh Assembly Government, PAVO, Communities First and Co-operative Community Fund.

SERVICES PROVIDED BY THE CREDIT UNION

Savings services

- **A secure place for savings** – no matter how small. All credit unions are now regulated by the Finance Services Authority and are covered by a Share Guarantee Scheme.
- **Robert Owen Christmas Club** to help members to save for Christmas and to provide an alternative to the many hamper and voucher schemes which exist.
- **Savings which are linked to borrowing.** This usually applies to larger loans.

Loans services

- **Funds for holidays**
- **Low cost loans** with a maximum interest rate of 2% a month. The credit union has a policy of lending responsibly and credit union loans are based on the member's ability to repay. All loan applicants are interviewed and credit checks carried out where necessary. The following packages are available:
- **Loans of up to £5,000 to existing members** who save regularly and have a share account
- **Loans of up to £600 to new members** on benefits or low income. This initiative is supported by the DWP and is designed to prevent the most vulnerable being prey to unscrupulous doorstep lenders and loan sharks.
- **Nappy loans** of £150 to new and existing members to enable the purchase of real nappies which are a far cheaper alternative than disposables. This scheme is run in partnership with Sure Start, Powys County Council and the Powys Health Board.
- **Micro loans of up to £5000** for setting up and expanding small businesses. We get referrals from *Finance Wales* and have enabled many mechanics, gardeners, carpenters and hairdressers to turn their dreams into reality.
- **Car loans of up to £5000.** The need for car ownership is almost inescapable in rural Montgomeryshire and many families struggle to make ends meet as a result of the costs of running a car.
- **Home Improvement Loans**

Insurance products

- **Competitive insurance** on vehicle, holidays and house contents.
- **Family Protection Plan** where for as little as £9.60 a month a family of 6 is insured with immediate payment of £2000 a person.

Other products

- **Discount at all the leisure centres in Montgomeryshire.** Credit union members can use the swimming pool and the gym as many times a week as they like for £140 a year under the Powys County Council Corporate membership scheme. A loan for this amount will help members spread the costs and works out at a repayment of £3 a week.

Financial Capability

- **Budgeting advice and help.**
- **Bill payment service** provided free of charge.
- **Energy efficiency advice** from our qualified staff.
- **Grant help** for British Gas customers in arrears.
- **Financial literacy sessions** with groups.
- **Fast track access to Powys CAB money advisors.**
- **Partnership with Bro Dyfi Advice Centre.**
- **First Savers** for the younger credit union members, collection points already in place 15 schools around Montgomeryshire.
- **Confidential interviews** can be arranged by appointment..

Methods of payment into share or loan account

- at the credit union's **branch offices**
- by **Standing Order**
- by direct payment of **benefits**
- through **PayPoint**
- through the **Payroll Deduction Scheme**

Future products and services will be announced as they become available.
