

2024 AGM

Board of Directors Report – 2023

Introduction

GMBCU is 100% owned and operated by GMB members and regulated by the FCA (Financial Conduct Authority) and the PRA (Prudential Regulatory Authority). GMBCU has been very successful in recent years growing to become part of a regulatory peer group classed as large Credit Unions with total assets above £12 million and more than 10,000 members.

As a mutual business, which means being owned and responsible to our members, we think about a trading surplus to share with members not simply profit. Our mission is to provide GMB members with a unique, fairer, ethical, financial service. We must work hard to get the correct balance between retaining sufficient surplus to remain financially strong whilst sharing our success with members through competitive rates on savings and loans.

We advised in 2022 that we were having a tough trading year. However, if anything 2023 has been a bigger challenge as we continue to adapt to living with the aftermath of a global pandemic and the ongoing cost of living crisis. Last year saw more change and new challenges, yet throughout GMBCU has continued to focus on its members and retaining our financial strength.

GMB members have of course been hit very hard by the ongoing cost-of-living crisis and BOE interest rate changes. However, GMBCU is here to support our members for today and in the longer term. We need to look to the future and plan. One thing that has become more apparent in this challenging economy is the importance of GMB members developing good money habits and saving and we will do everything we can to promote this culture.

The GMBCU Board is fully aware of the increased challenges and risks of trading in the hostile operating environment which will prevail for much of the next three year planning period. Concern about the future is understandable. However, the climate will improve and the Board will ensure that we continue to enhance our operating resilience, improve our risk management, compliance and governance processes in parallel with our continued commitment to deliver digital service improvements for members.

Key Strategic Aims & Objectives

The GMBCU Board remains committed to sustainable growth and in the economic climate which is likely to prevail for much of this three-year plan and we will continue to plan our progress with great care.

The Board's has four strategic aims for the period of our next business plan :

-  To increase the operational resilience of GMBCU and maintain a strong balance sheet whilst complying with key regulatory ratios.
-  To sympathetically support the financial wellbeing of GMB members by providing fast, fair, flexible savings and loan services. Provide access to other resources which will enhance our members financial resilience.
-  To embed risk management and compliance into our daily operational routines.
-  Develop and maintain strong Governance and closer working relationships with our key stakeholder GMB Trade Union.

To support these strategic aims the Board has the following objectives:

-  To improve existing and introduce new internal controls and reporting channels where appropriate. Through education and training, ensure that GMBCU has a continuous and clear understanding of its risk appetites and compliance responsibilities.
-  To effectively implement a cohesive digital service platform and digital marketing programme whilst remaining focused on improving the financial resilience and wellbeing of GMB members.

- ✓ To grow our membership by working in partnership with GMB regionally and nationally to promote new savings and loans services in a consistent manner through shared compliant digital marketing assets.
- ✓ To expand our Board agreed strategy on Customer Duty and provide GMB members with an excellent service which will include a mixture of digital and personal support.

Looking ahead to a brighter future

As always GMBCU remains positive about the future and our plans reflect the enormous opportunity we have to grow our GMB membership nationally.

Finally, the GMBCU Board would like to thank our staff who have again gone the extra mile to support GMB members.

For us, being able to provide support for our GMB community has made 2023 another year to remember for the right reasons.

2024 is also the year we celebrate our 25th anniversary. From small beginnings in GMB Lancashire and Midland East Coast Regions we have evolved into a successful national credit union exclusively for GMB members and their families.

We thank everyone who has contributed to our success and the Board believes the one thing we have learned on this journey is that we are just getting started!

Margaret Fennell

Chair & Board Director

15 March 2024

GMB Credit Union

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