# Easypay – decision to remove service

Easypay was set up to support members with the purchase of products that would help support everyday living. Technically RNIB have been providing a financial service by extending credit and when the scheme was launched it was set up within strict guidelines. This included limiting the amount of risk and funding by fixing a £150 minimum spend and £1,000 maximum spend and that membership was required to be active for at least two months. We have met the costs of administering the service and ensuring payments are collected without charging users of the service any fees.

We reviewed the service two years ago and were uncomfortable with the way the scheme had been set up without credit checks on individuals. We investigated other options including seeking a regulated third party but due to the scale of our requirements this was not a viable option. This type of credit is covered by the Financial Conduct Authority (FCA).

As a charity and as we do not charge interest and amounts are repaid within 12 months, we are currently able to use an exemption which means we do not have the burden of complying with all of the FCA rules. If we wanted to conduct credit checks, we would need to charge interest to cover the costs of these but this would then mean we need to meet a higher administrative burden and ensure we have the appropriate financial services skills.

Where other charities (such as Age UK) have payment plans in place, they seem to be always via a commercial partner, so it is not the charity itself offering credit. The nature of the products we offer our customers means that our suppliers are not set up to offer credit to individuals in this way. We ruled out approaching the small loans companies as not being appropriate for our customers.

Following this investigation, we decided to continue to reactively offer it to those who asked rather than remove the facility for members.

However, many of the additions to our product portfolio now are high tech products which we know our customers want at the best price possible and this caused us to think innovatively in terms of delivery and support arrangements to keep costs down and manage the significant cash flow burden and financial risk. We have implemented many supply contracts whereby product goes direct from supplier to customer enabling financially efficient arrangements to be put in place for all parties.

We amended Easypay with effect from 30 July 2015 so that we only offered Easypay on items which we carried in our warehouse. Other items were removed from the Easypay scheme as they were subject to special terms and conditions of sale, including 'no returns'. We have to make a special upfront financial purchase for these items, one in which we are committed and not able to return for credit or to re-sell. These orders placed RNIB at an unacceptable financial risk for items bought using Easypay if a customer returned the item to us without full payment having being made.

Our most important consideration is always our customers. The overriding driver for us has been to give customers more choice at a great price. For instance the RNIB Talking Computer range is available 33 per cent cheaper than from any other source in the market. We felt this was more important to customers than the ability to also use Easypay for such drop shipped products.

With the launch of RNIB Connect, if we retained the Easypay service, we would offer it to all blind and partially sighted customers and this would be without the mitigation of someone having to be a member for at least two months. The current uptake is low at around 75 people. We have reluctantly decided to remove the service.

There are grants available from other areas of RNIB for products such as the Emma Nye endowment fund which can be accessed by blind and partially sighted people.