

Cross-Party Group on Credit Unions

10 September 2025, 18:00-19:30

Location: Hybrid – MS Teams / Scottish Parliament

Present

MSP Group Members:

- Stephen Kerr MSP – Convenor
- John Mason MSP

Invited Guests:

Sharon MacPherson – Associate with Financial Inclusion for Scotland

David Ross – Glasgow Credit Union

Dawn Vear – UKCreditUnions

Trisha Butler – Drumchapel Credit Union

Gayle Adyana – 1st Class Credit Union

Caroll Gillon – 1st Alliance Community Bank

Stephen Mooney – NHS Credit Union

Robbie Mochrie – Dalmuir Credit Union

Chinyere Adeniyi-Alade – Grampian Credit Union

Stacy Mitchinson – 1st Class Credit Union

Lauren Langton – Incuto

Brian Connolly – Scottish Enterprise

Jim Garrity – Pollock Credit Union

Jonathan Day – Grampian Credit Union

Lynne Kearney – South Coatbridge Credit Union

Nancy MacGillivray – Caledonian Credit Union

Shiobhan Wright – Caledonian Credit Union

Derek Penam – First Scottish University Credit Union

Allan Gray – SCVO Credit Union

Julie Reddin – Mosshill Credit Union

Rose Mavin – Wishaw Credit Union

Chris Cook

Non-MSP Group Members:

- Natalie McQuade – ABCUL
- Josiah Cadman – ABCUL

Apologies:

Dermot O'Neill – SLCU

Adrian Sargent – Castle Community Bank

Phoebe O'Carroll-Moran – FCA

Paul Sweeney MSP

Michelle Thompson MSP

Matt Bland – ABCUL

Cathy Greig – UKCreditUnions , Vale of Leven CU

Meeting Start:

Minutes from the previous meeting

June meeting minutes: approved, proposed and seconded

Key topics from the meeting:

- **Speaker:** Sharon MacPherson, Financial Inclusion for Scotland (FiFs)

Financial exclusion

Despite gains, it was mentioned that Scotland faces significant challenges from these areas. Scotland has one of the highest unbanked populations in the UK.

Higher reliance on cash in Scotland than in some areas of the UK. – Access to bank branches and local facilities is important. Compared to other nations.

Fair4All finance work – the highest proportion of the most financially vulnerable customer segments than anywhere else in the UK. A growing gap in the availability of affordable credit.

Banks won't offer sub £1000 loans – there is a reliance on community organisations such as Credit Unions.

FiFs aims to tackle financial exclusion. The lead organisation is Social Investment Scotland.

Ambition – to make sure everyone in Scotland has access to fair, affordable and sustainable financial services. Aiming to have that one voice in financial inclusion across Scotland

Discussion explored why Scotland has this level of financial exclusion, why we are in this situation.

Poverty, financial inclusion go hand in hand. Unbanked populations are unbanked from mainstream banks rather than from challenger banks.

A lot of bank branch closures – visibility and availability of the financial product of a bank account, are impacted by digital exclusion as well. Partly due to the rural nature.

Issues around identification in opening a bank account

It was discussed that research has suggested that some people choose not to have bank accounts. Income and expenditure are much easier to take control of through cash instead of banking. 'De-banked' the voluntary removal from the banking sector.

There was some agreement around 'de-banked' and FifS also welcomed the FCA's work to introduce the basic bank account and to widen the availability of this.

Dormant Assets

Looking to push for investment from the Dormant Assets Fund for Financial inclusion.

Additional funds to use in Financial Inclusion – a key ask for FiFS

Strategy to align nationally with all four nations.

Stephen Kerr asked if Sharon thought Scottish Ministers were willing to adopt this.

It was highlighted that Credit union loans of around £400 are critical for borrowers and that Scotland is the only nation that doesn't utilise dormant assets for financial inclusion. The dormant assets would allow for credit unions to lend to people who would not be risked to lend to, and dormant assets could underwrite the loans to allow for credit unions to loan to people seen as riskier. It was mentioned that credit unions don't want to risk members' money to risk riskier loans.

Income Maximisation

There is £15 billion of unclaimed benefits

The question arose about how to get young people interested in credit unions; it was linked back to the dormant assets. Finding the funds to be technology forward, fair4all finance can fund to building of infrastructure, fintechs, to create apps to attract new members to market themselves.

Small Sum Loans

Sharon highlighted that small-sum loans are not financially viable wholesale.

Fair Banking Act

FiFS is calling for the Fair Banking Act

David Ross' involvement with FIS

Aim to get alignment and work collaboratively across the sector.

Digital innovation project on the go. 41 credit unions signed up.

'Conduit between FIS and credit union sector' aims
to get a consistent message across.

Core product is aligned across credit unions – savings

It was noted that Financial education is an important piece of the puzzle; this financial knowledge can lead to financial independence, resilience. Resilience is seen as an outcome.

Borrowing is just as important as saving – borrowing brings in the income.

AOCB:

No AOCB

Next Meeting:

Next Meeting TBD

Close of Meeting:

Stephen thanked everyone for attending the meeting.