

# Cross-Party Group on Credit Unions

Minutes of the meeting held Tuesday 2 October 2018  
Committee Room 6, Scottish Parliament

## Present

Ruth Maguire MSP (Convener)	Scottish Parliament
Claudia Beamish MSP (Deputy Convener)	Scottish Parliament
Clare Adamson MSP	Scottish Parliament
Linda Fabiani MSP	Scottish Parliament
Kenneth Pentland	Scottish Government
Karen Hurst	Association of British Credit Unions Ltd
Chinyere Adeniyi-Alade	Grampian Credit Union
Trisha Butler	Drumchapel Credit Union
Rose Mavin	Wishaw Credit Union
Katherine Connelly	Wishaw Credit Union
Alice Connelly	Wishaw Credit Union
Karen Hunter	Church of Scotland
Beth Welsh	Pioneer Mutual Credit Union
Ann Robertson	1 <sup>st</sup> Alliance Ayrshire Credit Union
Carol McHarg	1 <sup>st</sup> Alliance Ayrshire Credit Union
Jim Suddon	Capital Credit Union
Sonia Johnston	Capital Credit Union
Cathy Greig	Vale of Leven Credit Union/UKCU
John McClay	West Lothian Credit Union
Maria Paterson	Baillieston Credit Union
Chris Donald	Prudential Regulation Authority
Declan McGaggly	CU Apps
Jack Allison	CU Apps
Charles Meehan	Dalmuir Credit Union
Ruth Kerr	Drumchapel Community Credit Union
Angie Taylor	IFA World
Gerry Docherty	East Kilbride Credit Union
Joe Berry	East Kilbride Credit Union
Stephen Sherriff	East Kilbride Credit Union
Kirsten Smith	Financial Conduct Authority
Maggie Craig	Financial Conduct Authority
Anna-Lena Zug	First Scottish Universities Credit Union
Derek Penman	First Scottish Universities Credit Union
Archie Ferguson	Glasgow Credit Union
David Ross	Glasgow Credit Union
Euan Johnston	Glasgow Credit Union
Frances McCann	Scotwest Credit Union
Lawrie Morgan Klein	Stepchange Debt Charity
Emma McBride	Swarm
Gary Collins	Swarm
Angela Fishwick	ACE
Ian McGowan	West Lothian Credit Union

## Apologies

Angus MacDonald MSP  
Jackie Baillie MSP  
Alison Harris MSP  
Robert Kelly, ABCUL  
Diane Dunn, Renfrewshire Council  
Karen Wallace, Renfrewshire Wide Credit Union

Nancy MacGillvray, ACE  
Angela Hampson, Drumchapel Community Credit Union

## **Introduction**

Ruth Maguire MSP, Convenor, welcomed the group to the meeting and noted her colleagues Claudia Beamish MSP, Clare Adamson MSP, and Linda Fabiani MSP were in attendance.

It was noted that the AGM, although advertised, would take place at a later date with the members of the group.

## **Update from Scottish Government**

Kenny Pentland, of the Scottish Government, provided an update on the credit union awareness campaign, which is due to launch in November.

- The campaign will launch on 12 November for 4 weeks, across radio stations, outdoor adverts, social media and local press.
- Credit unions are encouraged to update the Find Your Credit Union site, and pass on any case studies that could be useful for press activity.
- There were questions about where the outdoor adverts will run, whether the campaign will target young people and the reach of the activity.

## **Credit Unions in Partnership**

The convenor introduced three credit unions to speak about the work they are doing in partnership at the moment.

### *East Kilbride Credit Union Home Start Scheme*

Stephen Sherriff, of East Kilbride Credit Union spoke about the scheme they launched earlier this year, which aims to assist first time buyers onto the property ladder. The scheme works in partnership with an independent financial advisor, and requires all participants to save for a set period of time, before providing them with a loan for a deposit.

The discussion covered the following points:

- How much of a savings commitment would be required before the loan was given, when the money was released, and the APR.
- The risk to the credit union – the loan as given as a second charge mortgage, though to date East Kilbride has seen no delinquency in the scheme.

### *1<sup>st</sup> Alliance Ayrshire Credit Union/Better Off North Ayrshire*

Carol McHarg, Chief Executive of 1<sup>st</sup> Alliance Ayrshire Credit Union, spoke about the partnership the credit union has with both their local council and other partners in the area. The scheme is funded by the European Social Fund and the Big Lottery Fund and aims to collectively improve money management in the area. Because the scheme aims to ensure that those in need of advice are not being passed around, the scheme prioritises partnership working – the credit union has employed a case worker to offer holistic advice to those who they are in contact with, for example energy advice, housing advocacy, white goods provision.

The scheme has presented several challenges, including individuals with complex needs, a higher delinquency rate on loans, and as a result the credit union has had to adjust their loan policies. However, it has also resulted in 201 loans being issued (52 for furniture), 459 people receiving budget support, 886 people receiving energy advice, 700 people receiving online money guidance, and 206 people receiving debt advice.

There was some discussion about the scheme, which covered the following points:

- How the credit union can ensure the learning from it is not lost from this, and whether there is any chance it could be a sustainable scheme beyond the reach of the funding.
- The support that can be given in relation to Universal Credit.
- How this impacts the credit union's lending.

### *Global Woman's Leadership Network*

Beth Welsh, Pioneer Mutual Credit Union, firstly updated the meeting on a scheme Pioneer Mutual has launched with Renfrewshire Council due to start in September, to coincide with the launch of UC in the area. This will involve a money management account to help members. Beth also briefly discussed the DIY Dunterlie project, which is also funded by the EU through ESF Aspiring Communities Fund.

However, her main topic was about the Global Woman's Leadership Network, which she recently received a scholarship to participate in at the World Credit Union Conference in Singapore. The mission is to empower women within the sector worldwide. As a result, with the support of WOCCU, Beth is bringing together a network of credit union women within Great Britain. The priorities are to determine the real obstacles to women becoming leaders, and also to engage men in the conversation.

There was a discussion about this, which covered the following points:

- The lessons learned from attending the conference, mainly that the sector could be better at telling its stories, and also that the same problems are experienced by credit union sectors throughout the world.
- How the sector compares to others in terms of female leadership, and what difference this makes to its impact.

There was no other formal business and so the formal part of the meeting was brought to a close. The details of future meetings will be circulated by email.