

Cross-Party Group on Credit Unions

Minutes of the meeting held at 1pm on Tuesday 13 June in
Committee Room 6, Scottish Parliament

Present

Ruth Maguire MSP (Convener)	Scottish Parliament
Claudia Beamish MSP (Deputy Convener)	Scottish Parliament
Ben McPherson MSP	Scottish Parliament
Clare Adamson MSP	Scottish Parliament
Richard Sullivan	Scottish Parliament
Ashley Douglas	Scottish Parliament
Carol MacHarg	1 st Alliance Ayrshire Credit Union
Ann Robertson MBE	1 st Alliance Ayrshire Credit Union
Nancy MacGillivray	West Lothian Credit Union
Kenneth Pentland	Scottish Government
Karen Hurst	Association of British Credit Unions Ltd
Rosanna Donovan	Association of British Credit Unions Ltd
Archie Ferguson	Glasgow Credit Union
Eric Bennett	Sovereign Credit Union
Roger Marsh	Prudential Regulation Authority
Charles Sim	Co-op Credit Union
William Thomson	West Lothian Credit Union
Andy Wright	1 st Class Credit Union
Bruce Devenport	1 st Class Credit Union
Elizabeth Ross	1 st Class Credit Union
James Coventry	1 st Class Credit Union
Martin Docherty	1 st Class Credit Union
Stephen McLarty	1 st Class Credit Union
Sonia Johnstone	Capital Credit Union
Dr Robbie Mochrie	1st Universities Credit Union
Cathie Gibson	Georgia Credit Union Affiliates
Dan Denning	Georgia Credit Union Affiliates
Eric Broome	Georgia Credit Union Affiliates
Greg Gibson	Georgia Credit Union Affiliates
Jodi Everson	Georgia Credit Union Affiliates
Keith Everson	Georgia Credit Union Affiliates
Lee Boutwell	Georgia Credit Union Affiliates
Marshall Boutwell	Georgia Credit Union Affiliates
Stas Preczewski	Georgia Credit Union Affiliates
Louise Scott	media co-op
Logan Taylor	NHS Credit Union
Nicola Dobson	NHS Credit Union
Noreen Shields	NHS Credit Union
Robert Kelly	NHS Credit Union
Kenny MacLeod	Scotwest Credit Union
Alison Dowling	Swarm
Gary Collins	Swarm
Martin Cook	The Co-operative Energy Co
Tim Cunliffe	The Co-operative Energy Co
Alice Connolly	Wishaw Credit Union
Harry McCrossan	Wishaw Credit Union
Rose Mavin	Wishaw Credit Union
Jim Garrity	Pollok Credit Union
Jamie Hogg	Pollok Credit Union

Apologies

Lori Forsth	East Kilbride Credit Union
Norman Crawford	Dalmuir Credit Union
John Hendrie	Kingdom Credit Union
Beth Welsh	Pioneer Mutual Credit Union
Cathy Greig	Vale of Leven Credit Union
Andrea Duncan	Glasgow Credit Union
Karen Hunter	Church of Scotland/CMCU
Marion Carr	Highland Communities Credit Union
Bobby Gould	CUNA Mutual
Martin Sime	SCVO
Johann Lamont MSP	Scottish Parliament
Andy Wightman MSP	Scottish Parliament
Steven Cunningham	Alexander Sloan Accountants
Angela Hampson	Drumchapel Community Credit Union
Gerry Docherty	East Kilbride Credit Union

Introduction

Ruth Maguire MSP welcomed the group to the meeting, and noted the time would be restricted as the committee using the room beforehand had over-run. It was noted that the minutes of the previous meeting were available for comment, alongside agendas and attendee lists.

It was noted that today's speakers would be from Georgia USA, where 45% of the economically active population is a member of a credit union, and the NHS Credit Union, which had formed a partnership with our Georgia guests.

Speakers

Eric Broom spoke on behalf of Georgia Credit Union Affiliates, and outlined what he had learned from the partnership with the NHS Credit Union. He noted the different scale of the sector in the USA, where there are 109 million members. However, he highlighted the common issues between the two countries: technology, competition from the 'fintech' and for profits sectors.

To the MSPs in the room, he noted that he hoped they would continue to support the sector to ensure better consumer choice, and serving those who lack access to banking.

Robert Kelly, CEO of the NHS Credit Union in Glasgow, spoke about the partnership. He noted his thanks to Ruth and her staff for arranging the meeting, and also to ABCUL for arranging the partnership.

He outlined the scale of his own credit union, and the differences and similarities he had observed since the partnership began. The main points he had taken were: the importance of being relevant; co-operation; value proposition; innovation; maintaining the 'credit union difference'.

Questions and discussion

Following the speakers there was some discussion of the topic:

- Marshall Boutwell, Peach State CU, noted that he had taken from the partnership that it's important not to forget why credit unions exist. He also advised of a successful partnership with the Polish credit union sector, which had been ongoing for a number of years.

- One member noted that they felt it was important for the sector to be central to the Scottish Government's Social Security agenda, given recent research by the Child Poverty Action Group.
- There was a question regarding how the American credit union sector addresses pay day lenders. It was noted that they focused on reasonable rates, though it was also a challenge for them. Another Georgian credit union advised that they offer small loans at no profit for credit union, but recognized that this was also only 'scratching the surface of the problem'.
- One credit union raised frustrations about the current CU regulation in the UK, which he feels restrict investment options. A PRA representative noted that he disagreed with this interpretation, though the PRA could only enforce existing legislation. He also noted that he felt the main issue for the sector was being relevant to people and raising awareness of services offered.
- One attendee noted that the sector should look to embrace disruptive technologies, which was agreed by many of those present
- Ben MacPherson MSP noted that he worked closely with Castle Community Bank, a credit union in his Edinburgh constituency, and that he was interested in how credit unions promote themselves, not just in terms of marketing, but also in working with membership and communities.

Ruth Maguire MSP thanked every for attending and brought the meeting to a close.