



Ms Arlene Foster MLA
Minister for Enterprise, Trade & Investment
Netherleigh
Massey Avenue
Belfast
BT4 2JP

26th April 2012

Dear Arlene

Credit Unions – Outstanding Recommendations from the Previous Committee’s Inquiry

At its meeting on 19th April 2012, the Committee for Enterprise, Trade & Investment considered a briefing paper from Assembly Research Services on the above matter. The paper highlights the main recommendations from the inquiry which remain to be implemented.

Recommendation 1 called for credit unions to be enabled to expand their range of services to include those services which credit unions in Britain can currently offer. Recommendation 7 called for credit unions to be permitted to offer group membership. The Committee welcomes your correspondence of 12th January 2012 in which you state that these issues will be addressed through a Credit Union Bill during the current mandate.

Recommendations 5 & 6 call for financial measures to be put in place to assist credit unions to manage the change to regulation by the Financial Services Authority. The Committee welcomes your correspondence of 29th March 2012 in which you agree to provide assistance to support credit unions in the initial period following transfer of regulatory duties to the FSA.

Recommendation 9 calls for credit unions to be permitted to reinvest assets into appropriate community development programmes and community enterprises. The FSA’s position is that to enable such a change would require legislative intervention at Northern Ireland level. The Committee therefore requests that you consider how provision can be made in the forthcoming Credit Union Bill to enable credit unions to reinvest a proportion of assets in the communities they serve.

Members recognise that, in common with the Committee, you wish to ensure the proper legislative framework is in place at the earliest opportunity. For this reason, the Committee would like to

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engage with the Department at the earliest opportunity and work to ensure early agreement on the policy proposals prior to the legislation being drafted. The Committee would therefore like to meet with officials following the development of options for the provision of financial support to credit unions. As well as discussing this matter, the Committee would like to engage with the Department on the time line for the Credit Union Bill, policy proposals for the Bill and provision to enable credit unions to reinvest a proportion of assets in community programmes and community enterprises.

The Committee would welcome an early response and early engagement with the Department on the matter. In the meantime, I would like to take this opportunity to thank you for your continued interest in and cooperation with the Committee on this important issue.

Yours sincerely



Mr Alban Maginness MLA

Chair

Committee for Enterprise, Trade and Investment

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