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Briefing Paper

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Credit Unions in Northern Ireland: a preliminary consideration

RaISe

This Briefing Paper presents a preliminary consideration of key issues regarding reforming financial services currently offered by credit unions in Northern Ireland.

This information is provided to Members of the Legislative Assembly (MLAs) in support of their duties, and is not intended to address the specific circumstances of any particular individual. It should not be relied upon as professional legal advice, or as a substitute for it.

Key Points

- A credit union is a not for profit, financial co-operative, owned and controlled by its members. To become a member, individuals need to demonstrate that they satisfy a common bond.
- A key element is a savings account offered by the purchase of shares. The minimum initial shareholding is usually very small and differs for each credit union.
- Credit unions are subject to different legislation and regulatory regimes in Northern Ireland, Great Britain and the Republic of Ireland.
- Credit unions in Northern Ireland can offer only a range of basic financial services, such as share accounts, loans and life assurance. However, legislation in Great Britain and the Republic of Ireland allow credit unions to offer extra services such as current accounts, mortgages and insurance.
- Credit unions in Great Britain and the Republic of Ireland can lend to and borrow from other credit unions. This is not currently the case in Northern Ireland.
- Regulation of credit unions in Great Britain and Northern Ireland is undertaken by the Financial Conduct Authority and the Bank of England's Prudential Regulation Authority. The Irish Central Bank is the regulator for credit unions in the Republic of Ireland.
- In recent years, the Irish League of Credit Unions and the Ulster Federation of Credit Unions have campaigned for legislative reform and financial support for credit unions in Northern Ireland.

Introduction

This Briefing Paper presents initial consideration of key issues regarding reforming financial services currently offered by credit unions in Northern Ireland. It is prepared at the request of the Committee for the Economy (the Committee).

Section 1 provides general contextual information on credit unions, namely, membership rules and the financial services currently available in Northern Ireland, Great Britain and the Republic of Ireland. Thereafter, Section 2 outlines current legislation and regulatory bases underpinning the establishment and operation of credit unions throughout the United Kingdom and the Republic of Ireland.

Section 3 outlines the case for reform of Northern Ireland credit unions, as advocated by the Irish League of Credit Unions and the Ulster Federation of Credit Unions, among others. It presents issues, relevant to Northern Ireland credit unions that may merit consideration, namely, an imbalance in legislative and financial support from central and devolved governments for credit unions in Northern Ireland, Great Britain and the Republic of Ireland. The Paper then concludes outlining key takeaways, for the Committee's further consideration.

It may also be helpful to note two previous RaISe papers, prepared for the Assembly's Finance Committee, namely, NIAR 151-24 Current Financial Services Landscape in Northern Ireland (dated 11/10/24) - which highlighted key themes concerning access to cash services and NIAR 292-24 Mutual Banking in Northern Ireland: preliminary considerations (dated 17/01/24) - which outlined issues regarding the potential introduction of a "mutual banking" ownership model.

1 Credit Unions: a brief overview

This Section provides background information on credit unions in Northern Ireland, Great Britain and the Republic of Ireland.

1.1 What is a Credit Union?

A credit union is a not for profit, financial co-operative, owned and controlled by its members. Members enjoy equal rights to vote (one member, one vote) and participate in decisions affecting the credit union such as electing: a Board of Directors; a Credit Committee which considers loan applications; and a Supervisory Committee, which audits the accounts of the credit union and evaluates its operation.[1]

Each credit union provides members with a range of basic financial services such as savings and loans. Some may also offer additional services, such as financial advice, will making and financial counselling. Loans and savings are insured at no direct cost to an eligible member. A loan can be paid back earlier without any penalties, or it can be restructured if there is a change in the borrower's circumstances.

Common Bonds, Share Accounts and Dividends

Each credit union has a common bond which determines who can join it. The common bond may be: people living or working in the same area; people working for the same employer; or people belonging to the same association, such as a church or trade union. To become a member, individuals need to demonstrate that they satisfy the common bond.

A key element is a savings account offered by the purchase of shares in the credit union. The minimum initial shareholding is usually very small and differs for each credit union. Shares are synonymous with savings at all credit unions. The object is to save; and most members will have higher shareholdings than the minimum.

[1] House of Commons Library (2015) *Credit Unions*: https://commonslibrary.parliament.uk/research-briefings/sn01034/

Any income generated by the credit union is returned to members in the form of a dividend, as a reward for saving with them. Income may also be used to improve and enhance services. The return on savings for members will vary from credit union to credit union, depending on the surplus income available at year end.

1.2 Financial Services Offered by Credit Unions

Under current legislative provisions, credit unions in Northern Ireland have a remit to offer a range of basic financial services, such as share accounts, loans and life assurance. However, legislation in Great Britain and the Republic of Ireland allow credit unions to offer extra services such as current accounts and mortgages for members (see Section 2 below). Table 1 below outlines key financial services currently offered by credit unions in Northern Ireland, Great Britain and the Republic of Ireland:

Table 1: Key Financial Services offered by Credit Unions[2]

Financial Services	Northern Ireland	Great Britain	Republic of Ireland
Share Accounts	Yes	Yes	Yes
Personal Loans	Yes	Yes	Yes
Corporate loans	Yes	Yes	Yes
Loans to other Credit Unions	No	Yes	Yes
Life Assurance	Yes	Yes	Yes
Online Banking	Yes	Yes	Yes
Current Accounts	No	Yes	Yes
Insurance	No	Yes	Yes
Mortgages	No	Yes	Yes

[2] https://www.creditunion.ie/what-we-offer/savings/return-of-savings/

2 Legislation and Regulation: Comparative Perspective

Credit unions are subject to different legislation and regulatory regimes in Northern Ireland, Great Britain and the Republic of Ireland. This section outlines key legislation and regulatory bases for credit unions in these jurisdictions.

> Note: this is a very complicated legal area and the Committee may wish to seek legal advice on the interpretation of provisions listed in this section.

2.1 Great Britain

Key legislation concerning the lawful operation and regulation of credit unions in Great Britain include:

- Credit Unions Act 1979
- Co-operative and Community Benefit Societies Act 2014
- Financial Services and Markets Act 2000
- Financial Services and Markets Act 2000 (Regulated Activities) Order 2001
- Financial Services and Markets Act 2023

2.1.1 Registration and Regulation

Credit unions in Great Britain are registered as co-operative societies under the Co-operative and Community Benefit Societies Act 2014 (previously the Industrial and Provident Societies Act 1965). Regulation of credit unions in Great Britain (and Northern Ireland) is undertaken by the Financial Conduct Authority (FCA) and the Bank of England's Prudential Regulation Authority (PRA).

Under the Financial Services and Markets Act 2000 (FSMA) and the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, credit unions must apply for permission from the FCA and PRA before carrying out certain regulated activities.[3] Additionally, credit unions must submit annual returns to the FCA, and to be subject to the "year of account" provisions in the Co-operative and Community Benefit Societies Act 2014.[4] These accounts are published on the FCA's Mutuals Public Register.

Provisions in the FSMA relating to FCA regulation concern oversight of the conduct of organisations offering financial services, including the protection of consumers, market integrity, and the promotion of healthy competition. Provisions contained in the FSMA relating to PRA regulation focus on ensuring the organisation's stability and resilience, including guaranteeing capital and risk management.

2.1.2 Specified Financial Activities

The Credit Unions Act 1979 (1979 Act), as amended, specifies the financial products and services that credit unions can provide. Under the 1979 Act, the maximum interest a credit union may charge on loans is 3% per month. Schedule 14 of the Financial Services and Markets Act 2023 (FSMA 2023) amends the 1979 Act by permitting credit unions in Great Britain (not in Northern Ireland), to expand their services beyond the traditional savings and loans offerings. The new services include:[5]

- entering into conditional sale agreements, as the seller
- entering into hire purchase agreements, as the person from whom goods are hired
- providing insurance distribution activities.

Schedule 14 also caps the interest that a credit union can charge on hire purchase agreements and conditional sale agreements at 3% per month. This is equivalent to the cap that already had been in place for credit union loans.[6] Also

[3] A public record of credit unions regulated by the FCA and the PRA under the FMSA is held on a Financial Services Register, operated and updated by the FCA.

[4] https://www.legislation.gov.uk/ukpga/2014/14/section/89

[5] https://www.fca.org.uk/firms/credit-unions/legislation-changes

[6] https://www.theyworkforyou.com/pbc/2022-23/Financial_Services_and_Markets_Bill/08-0_2022-11-01a.239.1

under Schedule 14, the United Kingdom Government can amend the cap in future *via* secondary legislation. Moreover, Schedule 14 also empowers His Majesty's Treasury to add further products or services *via* a statutory instrument**.**

Loans to other Credit Unions

FMSA 2023 also makes provision for a credit union's ability to lend to and borrow from other credit unions regardless of whether they have a membership link.

2.2 Northern Ireland

Key legislation concerning the lawful operation and regulation of credit unions in Northern Ireland include:

- Co-operative and Community Benefit Societies Act (Northern Ireland) 1969
- Credit Unions (Northern Ireland) Order 1985
- Financial Services and Markets Act 2000
- The Financial Services and Markets Act 2000 (Regulated Activities) Order 2001

2.2.1 Registration and Regulation

Credit unions in Northern Ireland are registered as co-operative societies under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 (as amended). Regulation of credit unions in Northern Ireland like those in Great Britain is undertaken by the FCA and the PRA. Under the Financial Services and Markets Act 2000 (FSMA) and the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, credit unions in Northern Ireland must also apply for permission from the FCA and PRA before carrying out certain regulated activities.

2.2.2 Specified Financial Activities

The key legislation relating to the financial activities of credit unions is the Credit Unions (Northern Ireland) Order 1985 (the 1985 Order).[7] Under Article 28 of the 1985 Order, the maximum interest which a credit union may charge on loans made by it, is 1% per month. Article 24 of the 1985 Order (as amended), expressly prohibits credit unions in Northern Ireland from carrying out the business of banking. Table 2 below contains a summary of key provisions under the 1985 Order:

Table 2: Key Provisions of the Credit Unions (Northern Ireland) Order 1985[8]

Provision	Summary
Registration as a Credit Union	An organisation must submit an application with details such as its name, objectives, and membership criteria to register as a credit union.
Incorporation and Limited Liability	Once registered, a credit union becomes an incorporated entity, meaning members' personal assets are protected from the union's liabilities.
Use of Name "Credit Union"	Only registered entities can use the term "credit union" in its name.
Minimum Number of Members	A credit union must have at least 21 members to operate.
Membership and Voting Rights	All members have the right to vote on electing the board of directors.
Members Under the Age of 18	Minors can join the credit union with certain restrictions, such as requiring a guardian's approval for withdrawals.

[7] The 1985 Order, consolidated with amendments (and repealed) the provisions of the Industrial and Provident Societies Act (Northern Ireland) 1969 under which credit unions were first regulated as a special category of society.

[8] https://www.legislation.gov.uk/nisi/1985/1205/contents

Remedy for Debts from Members	If a member defaults on a loan, the credit union can take steps such as negotiating a repayment plan or, as a last resort, taking legal action.
Nomination to Property in Credit Union	A member can nominate a beneficiary to receive their savings in the event of their death.
Provision for Small Payments on Death	The credit union can make small payments to the family of a deceased member without requiring probate.
Loans to Corporate Members	Loans to corporate members are limited to 10% of the outstanding balances on all loans made by the credit union to members.

It is important to note that the legislative framework with regard to credit unions in Northern Ireland is devolved. As such, the Credit Unions Act 1979 and the Financial Services and Markets Act 2023 provisions do not apply to credit unions here.

Consequently, credit unions in Northern Ireland cannot legally offer the financial services contained in those statues, namely, hire purchase agreements, conditional sale agreements, insurance and loans to other credit unions.

2.3 Republic of Ireland

Key legislation concerning the lawful operation and regulation of credit unions in the Republic of Ireland include:

- Credit Union Act (1997) (as amended)
- Credit Union (Amendment) Act 2023
- Credit Union Act 1997(Regulatory Requirements) Regulations 2016
- Credit Union Act 1997 (Regulatory Requirements) (Amendment) (No. 2) Regulations 2024

2.3.1 Registration and Regulation

Credit Unions in the Republic of Ireland must be registered under Section 6 of the Credit Union Act 1997. Registration and regulation of credit unions is undertaken by the Central Bank. Section 6 of the Credit Unions Act 1997 states that a society may be registered as a credit union if the registrar (Central Bank) is satisfied that each of the following conditions are fulfilled:[9]

- the promotion of thrift among its members by the accumulation of their savings;
- the creation of sources of credit for the mutual benefit of its members at a fair and reasonable rate of interest;
- the use and control of members' savings for their mutual benefit;
- the training and education of its members in the wise use of money;
- the education of its members in their economic, social and cultural well-being as members of the community; and,
- the improvement of the well-being and spirit of the members' community.

Under Section 84 of the 1997 Act, the functions of the Central Bank are to administer the system of regulation and supervision of credit unions, with a view to the:[10]

- protection by each credit union of the funds of its members; and,
- maintenance of the financial stability and well-being of credit unions generally.

2.3.2 Specified Financial Activities

Under the 1997 Act, credit unions in the Republic of Ireland offer more financial services than those available in Northern Ireland (see Table 1 above). The Credit Union (Amendment) Act 2023 further extended these services by including provisions whereby a credit union can agree to participate in a loan to a member of another credit union.

[9] https://www.irishstatutebook.ie/eli/1997/act/15/enacted/en/print#sec6

[10] https://www.irishstatutebook.ie/eli/1997/act/15/enacted/en/print#sec84

2.3.3 Extension of Exempted Services

Credit union exempt services are financial services that credit unions may provide without obtaining an "additional services" approval from the Central Bank. In November 2024, the Credit Union Act 1997 (Regulatory Requirements) (Amendment) (No. 2) Regulations 2024 exempted the following services; thereby reducing credit unions' regulatory burden:[11]

- current account services
- a broader range of insurance intermediation services
- investment intermediation services
- mortgage intermediation type services

3 The Case for Reform in Northern Ireland

This section outlines the case for reform of Northern Ireland credit union legislation, as advocated by the Irish League of Credit Unions and the Ulster Federation of Credit Unions, among others.

3.1 Legislative and Regulatory Imbalance

As highlighted in Section 2 above, recently there has been significant legislative change in Great Britain and the Republic of Ireland. Credit unions in these jurisdictions can now extend services for members beyond basic savings and loan facilities. However, credit unions in Northern Ireland are not currently empowered to offer any new services beyond those contained in the 1985 Order.

Paragraph 23 of Schedule 3 to the Northern Ireland Act 1998 reserves the following to Westminster:[12]

- financial services, including investment, business, banking and deposit taking, collective investments and insurances

[11] Central Bank of Ireland (2024) Implementation of the Credit Union Act 1997: Regulatory Requirements) (Amendment) (No. 2) Regulations 2024. Page 7.

[12] Northern Ireland Act, 1998

- financial markets, including listing and public offers of securities and investments, transfer schemes and insider dealing

However, that Schedule continues:

> *…this does not include the subject matter of the... [*Credit Unions (Northern Ireland) Order, 1985*].*

Therefore, under Northern Ireland's current devolution arrangements, credit unions in Northern Ireland currently have narrower scope to deliver financial services. They must operate only in devolved areas - called "transferred matters" under the Westminster-enacted Northern Ireland Act 1998. They cannot act in non-devolved areas – called "reserved matters" under the 1998 Act. Consequently, they are prohibited from providing services contained in Schedule 14 of the FSMA 2023 Act, such as hire purchase and insurance, unlike their counterparts in Great Britain, which are empowered to do so.

In a recent evidence session on credit unions, the Chair of the Northern Ireland Assembly Finance Committee highlighted the above, when he stated:

> *For credit unions in Northern Ireland, the legislative framework is both devolved and reserved, which is an interesting hybrid.*

At the same evidence session, the ILCU stated:

> *….in conversations that we have had with officials and regulators, the view from London has always been that we, as credit unions in Northern Ireland, can have legislative reform that is in parity with Great Britain but goes no further. A number of years ago, legislative reform in Great Britain introduced additional insurance distribution activities for credit unions. The Assembly was not sitting at that stage, so we asked whether we could tack on to the back of that. We were told that we could not, even though that had been part of the earlier discussions.*

Given the apparent legislative and regulatory imbalance between credit unions in Northern Ireland and their counterparts in Great Britain, the ILCU and the Ulster Federation of Credit Unions have advocated for legislative reform and financial support for credit unions here in Northern Ireland. For example, in 2024, the ILCU published a policy manifesto containing "key asks" from the Northern Ireland Assembly to support the growth of credit unions here. The ILCU's key ask from the Northern Ireland Assembly with regard to legislative and regulatory reform is reproduced below:

ILCU's Legislative and Regulatory Ask[13]

Modernise credit union legislation in Northern Ireland which is now almost 40 years old. The legal framework has been updated in the Republic of Ireland and Great Britain. This would allow credit unions to develop and offer financial products to meet their members' needs.

3.2 Imbalance in Government Financial Support

The ILCU also assert that there is an imbalance in the level of direct and indirect financial support given to credit unions by the United Kingdom Government and the Irish Government:[14]

> *Credit unions in Great Britain have been able to avail of a multitude of direct financial supports from the UK government over the last decade.*

And:

> *The absence of direct financial support for credit unions in Northern Ireland from the Northern Ireland or UK government*

[13] ILCU (2024) *The Northern Ireland Credit Union Movement: Policy Manifesto*: https://www.creditunion.ie/news/latest-news/credit-unions-launch-policy-manifesto-to-support-t/

[14] ILCU (2024) *The Northern Ireland Credit Union Movement: Policy Manifesto*: https://www.creditunion.ie/news/latest-news/credit-unions-launch-policy-manifesto-to-support-t/

has created disparities in resources and opportunities for credit unions.

3.2.1 Direct Financial Support

Table 3 below provides as summary of direct financial support for credit unions in Great Britain:

Table 3: Financial Support for Credit Unions in Great Britain[15]

Fund/Support	Summary
GB Growth Fund[16]	The Department of Work and Pensions (DWP) Fund aimed to improve access to affordable credit by increasing lending by third sector organisations, including credit unions and community development finance institutions. It was designed to benefit low-income and financially-excluded families living in deprived areas who might otherwise turn to high cost credit, such as pay day loans. 329,888 loans were made between July 2006 and October 2010.
Community Finance Resilience fund[17]	In 2024, Fair4All Finance (set up in 2019 through the Department of Culture, Media and Sport) announced a £5 million resilience fund for credit unions and other community financers. Core funding comes from the Dormant Assets Scheme which makes it possible for money from forgotten bank accounts and other financial products to be used for good causes.
Credit Union Expansion Project [18]	In 2013, the DWP awarded funding up to £38 million to the Association of British Credit Unions (ABCUL) to "modernise and grow the credit union industry, to help more people on low incomes have access financial services."

[15] **Refer to footnotes in Table 2**

[16] https://www.fincap.org.uk/en/evaluations/evaluation-of-the-dwp-growth-fund

[17] https://fair4allfinance.org.uk/who-we-are/

[18] https://www.gov.uk/government/news/credit-union-38-million-expansion-deal-signed

Credit Union Resilience Fund[19]	In 2024, the Scottish Government announced a credit union resilience loan fund to be managed by Social Investment Scotland, and the Third Sector Resilience Fund to provide grants and loans of approximately £20 million, to be shared by more than 100 credit unions across Scotland.
Scottish Community Lenders Fund[20]	In 2021, Scottish Government introduced a £15 million fund to support credit unions and Community Development Financial Institutions (CDFIs) which offer financial help to individuals with poor credit history.

Source: Refer to footnotes in Table.

3.2.2 Indirect Government Financial support

In addition to direct government financial support, credit unions in Great Britain and the Republic of Ireland benefit from several indirect forms of financial support. For example, credit unions in Great Britain can apply for specific discretionary business rates relief from their local authorities. This not the case in Northern Ireland, as highlighted by the ILCU:

> *Our credit union counterparts in Great Britain, can apply for specific discretionary rates relief from their local authorities. Indeed, the Welsh system has specific exemptions for credit unions. We also note the small business rate relief which has been made available for post offices in the past with the aim "to help maintain services in disadvantaged areas, particularly smaller, independent Post Offices". We see no reason given the equally crucial services that are provided by credit unions as to why due consideration should not be given to the introduction of a similar scheme for Northern Ireland credit unions. The current rating system is a levy on social capital.*

[19] https://www.abcul.coop/news/abcul-welcomes-scottish-government-announcement-of-new-credit-union-resilience-fund/

[20] https://www.gov.scot/news/launch-of-gbp-15-million-scottish-community-lenders-fund/

Moreover, in the Republic of Ireland, credit unions do not pay corporation tax. In evidence to the Northern Ireland Assembly Finance Committee in February 2025, a representative from the ILCU stated that credit unions in Northern Ireland paid £4·5 million in corporation tax last year.[21] Accordingly, the ILCU's key ask from the Northern Ireland Assembly with regard to financial assistance is reproduced below:

ILCU's Financial Assistance Ask[22]

Credit unions also need financial support for new digital platforms and services, to reflect changing consumer needs. Direct financial support has supported the transformation of credit union's digital platforms in Great Britain. In Northern Ireland, this would level the playing field with larger financial institutions, strengthen cybersecurity, and contribute to wider economic growth. A specific rates scheme exemption for credit unions would also go some way in supporting credit unions like that enjoyed by post offices and rural ATMs.

3.3 Individual Voluntary Arrangements

An Individual Voluntary Arrangement (IVA) is a legally binding agreement between a debtor and their creditors, which sets out how the debtor will pay off their debts over a certain period, usually five years. The debtor must pay for an IVA to be set up by an insolvency practitioner, with average fees standing at around £5,000.[23] At the end of the agreed period, if the debtor's payments into the IVA are not enough to repay all its debts in full, the balance tends to be written off. In evidence to the Northern Ireland Assembly Finance Committee in

[21] Committee for Finance (2025) Minutes of Evidence from 19/2/25: https://aims.niassembly.gov.uk/officialreport/minutesofevidence.aspx?&cid=9

[22] ILCU (2024) *The Northern Ireland Credit Union Movement: Policy Manifesto*: https://www.creditunion.ie/news/latest-news/credit-unions-launch-policy-manifesto-to-support-t/

[23] Correspondence to the Economic Secretary for Treasury, relating to Individual Voluntary Arrangements (IVAs) and credit unions in Northern Ireland, 19 January 2023

February 2025, the ILCU highlighted the following situation with regard to credit union loan debt and IVAs:

> *When people go to get debts written off, they are told that all debts have to be on the table. Suddenly, their £800 credit union debt is on the table, even though it is not a problem. Therefore, they lose their membership of the credit union and all their insurances. All their savings, maybe £500, are sent to pay off the £800. Then, to be honest, for the sake of something small within a big picture, their savings are wiped out, their membership is gone and they will not be able to rejoin until they pay off the outstanding loan. Who is the winner in all that? Certainly, the member is not the winner.*

In its 2024 policy manifesto document, the ILCU proposed the following reform with regard to IVAs:[24]

ILCU Reform proposal[25]

Acknowledgement of the unique circumstances of credit unions in personal insolvency. Exemption/ derogation for credit unions from individual voluntary arrangements (IVAs) and debt relief orders (DROs). Credit unions only recover their capital/principal interest and we do not top load our charges or interest rates. On the basis that we are being increasingly utilised as part of government policy in fighting financial exclusion, this should be explored.

[24] ILCU (2024) *The Northern Ireland Credit Union Movement: Policy Manifesto*: (page 12) https://www.creditunion.ie/news/latest-news/credit-unions-launch-policy-manifesto-to-support-t/

[25] ILCU (2024) *The Northern Ireland Credit Union Movement: Policy Manifesto*: https://www.creditunion.ie/news/latest-news/credit-unions-launch-policy-manifesto-to-support-t/

4 Key Takeaways

A comparison of the regulations governing credit unions in the three jurisdictions outlined above – Great Britain, Northern Ireland and the Republic of Ireland - highlights potential operational disadvantages facing Northern Ireland's credit unions going forward, particularly regarding the provision of financial services.

The statutory interest rate on loans in Northern Ireland is capped at 1% per month; whereas in Great Britain it is 3%. This means credit unions here are restricted in the amount of income they can generate compared with their counterparts in Great Britain. Furthermore, unlike credit unions in Great Britain and the Republic of Ireland, Northern Ireland credit unions cannot do the following: lend to other credit unions; provide current accounts; provide mortgages; offer hire purchase agreements; and, offer insurance or conditional sale agreements.

Additionally, in the Republic of Ireland, credit unions do not pay corporation tax; whilst credit unions here paid nearly £5 million in corporation tax last year. Business rates exemptions and reliefs available in Great Britain (but not here) are seen by the ILCU and others as a further indication of the imbalance in financial support for credit unions in Northern Ireland.

The ILCU argue that credit unions in Northern Ireland are uniquely placed to help stakeholders address financial exclusion and provide financial services and assistance to those in most need. In 2021, the FCA published Woolard review of change an innovation in the unsecured credit market echoed this view and also called for legislative action, stating:[26]

> *Credit unions offer an important alternative to high-cost credit and enable wider financial inclusion. To fully realise their potential there is a case for removing some of the current restrictions on their activities. The FCA should work with the*

[26] FCA (2021) *The Woolard Review - A review of change and innovation in the unsecured credit market*: https://www.fca.org.uk/news/press-releases/fca-publishes-woolard-review-unsecured-credit-market

Bank of England, Treasury and Northern Irish government to set the timetable on updating the Credit Unions Act 1979 and Credit Unions (Northern Ireland) Order 1985 to allow credit unions to expand their product offering.