

The Future of Credit Unions in Ireland: A submission to the Commission on Credit Unions

As advised in the Board of Directors Update in our October newsletter, Dubco, together with a number of like-minded progressive credit unions, prepared a submission to the Commission on Credit Unions, with the intention to contribute to the debate on the future of credit unions in Ireland. Following the publication of the Interim Report of the Commission we were delighted to see reflected in the report some of the suggestions contained within our own submission.

Our submission set out a model for the structure, operation, governance and regulation of the credit union sector. We included new ideas together with an examination of, and proposals for, the improvement of some existing thinking. We hope that through our submission, together with further involvement in the strategic process, that we will bring new ideas and perspectives to the debate on the overall vision for the future of the credit union sector in Ireland going forward, on behalf of our members.

While we welcome this opportunity to be involved in the strategic planning of the credit union sector we also believe that it is unfortunate that this reform has been triggered by financial crisis. There have in the past been discussions surrounding the reform of existing credit union legislation and indeed piecemeal amendments have been undertaken before. We believe that fundamental changes in the credit union sector in Ireland are urgent, imperative and inevitable and that credit unions must be realistic, and proactive, in terms of the options available for the future growth and continued strength of the sector.

Central to our submission was the belief that the essential values and features of credit unions, which have become such an integral part of the economic and social fabric of communities over the last 50 years, should be protected as far as is possible and that credit unions should be seen more as part of the solution to the financial crisis rather than part of the problem. The credit union is an ethos-based model, and in particular the characteristics of self-help and collective action, are of particular value in these challenging times. The role of credit unions in communities throughout this country is one that focuses on social inclusion and supports financial education.

The changed financial environment in Ireland requires the further professionalisation of systems and procedures, and indeed higher standards of corporate governance across the financial sector, including in our credit unions. In Dubco we have welcomed the regulatory developments and guidance issued in the past number of years and we look forward to further developments in these areas.

As members will be aware, at Dubco we believe that in the current climate there is an opportunity for progressive, professional credit unions to extend their role in the financial services marketplace and increase the services available to members. This belief is highlighted in our 2011 Annual Report, in particular in the reports of our Chairperson and the Special Projects (Planning and Development) Committee. We believe very strongly that in the changed economic environment, where other forms of co-operative finance and mutual service providers (such as building societies for example) have contracted, and where less competition in the banking sector may well reduce consumer access and choice, credit unions have an opportunity to improve and expand. Any such development, however, requires a strong vision, and collective belief, in where the sector is headed.

Across the globe credit unions are not-for-profit financial cooperatives that provide an effective and viable alternative to for-profit financial institutions. While credit unions provide these services to more than 184 million members in 97 countries worldwide, existing to serve their members, providing a safe place to save money and access affordable loans, the range of services they provide internationally can vary dramatically. More developed and successful credit union industries in other countries, such as Australia and Canada for example, can offer us some insight into possible evolutionary paths for the Irish credit union model. However, it is imperative that a solution specific to Ireland, which reflects our heritage and current circumstances, is proposed.

The development of the issues and ideas that have been addressed in brief above will require a new business model incorporating levels of regulation and governance that are appropriate to the sector. The members of your Board of Directors, Supervisory Committee, Management Team, Staff and Volunteers will continue to work tirelessly on your behalf to ensure that these issues are given proper consideration as part of the overall sectorial review. Of course, further work is necessary to develop the detailed issues merely referenced here, but this summary is offered to you our members to involve you too in the process of discussion and development. Your feedback and engagement in the process is welcome and necessary.

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Congratulations Graduates!

Four Dubco Officers recently achieved the Professional Diploma in Credit Union Advice award as part of Dubco's Officer Development Programme. Congratulations to staff members Ingrid Lee Kin and David McAuley and to Directors Noel Cunningham and Jeff Kennedy, who are the second group from Dubco to have received the CUA designation.

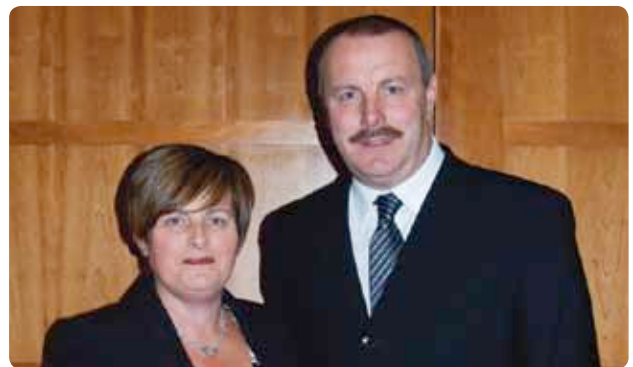
The Professional Diploma in Credit Union Advice is designed to provide Credit Union personnel a benchmark level of competency specific to the requirements of the Credit Union environment. The course includes four modules, which are Investments, Loans, Regulation and Credit Union Practices, and is accredited by UCD at Level 7 on the National Framework of Qualifications.

In addition to our latest CUA graduates, a number of staff members further built upon their studies and achieved the Professional Diploma in Financial Advice with the QFA designation. Congratulations to Paul Corscadden, Nicole Egan, David McAuley and Jane McBride who are the first Dubco staff to have received this designation. Recognised both inside and outside of the Financial Services Industry, the QFA designation is the industry benchmark for anyone providing or supporting financial advice and signals broad knowledge and understanding of financial services. The course includes six modules, three of which are common to the CUA (Investments, Loans and Regulation); the additional three modules are Pensions, Life Assurance and Financial Planning. The designation is accredited by UCD at Level 7 on the National Framework of Qualifications.

At Dubco we believe that our members are entitled to best practice standards of proficiency and competency from all Credit Union personnel, including elected representatives, volunteers, staff and management. We are committed to providing the highest possible level of service to our members and as such the development programme is ongoing, with all Officers required to complete Continuing Professional Development (CPD) annually.

The most recent graduation ceremony, for recipients of both CUA and QFA designations, took place on the 9th of November; however it was on that date, with great sadness that we learned of the sudden departure of our valued friend, mentor and esteemed colleague, John Kelly, Manager of Dubco. Ar dheis Dé go raibh an am uasal dílis. John was due to receive his QFA designation at the ceremony, however sadly instead a moment of silence was observed by those present and John's commitment to, and passion for, the credit union movement was acknowledged by the Registrar of Credit Unions, James O'Brien, who presented each of the graduates with their diplomas at the awards ceremony.

Images of graduates from top, left to right: David McAuley; Jeff Kennedy; Ingrid Lee Kin; John Kelly RIP; Nicole Egan, Jane McBride & Paul Corscadden; Fiona & Noel Cunningham following the 2010 ceremony.



The Matthew Dawson Bursary

Congratulations to the two recent winners of the Matthew Dawson Bursary draw, Caroline Cuddy who is studying Visual Arts Practice at Dun Laoghaire Institute of Art, Design & Technology and Conor Condon who is studying Electro Mechanical Engineering at the Institute of Technology Tallaght.

Members will be aware that the Bursary was established in 2004 following the death of our valued friend, colleague and Director, Matthew Dawson, in March of that year. Now in its eighth year of existence, Dubco has granted bursaries to a total of sixteen students, to the value of €58,500. Previous winners of the bursary draw continue to receive their funding while continuing in their chosen course, subject to terms and conditions.

Dubco remains committed to fostering and promoting education among our members. We feel that awarding these bursaries both supports this goal and also recognises the significant contribution to Dubco made by founding Director Matthew Dawson, who passed to his eternal reward in March 2004. We continue to treasure Matt's significant contribution to Dubco over almost 30 years, from the founding of Dubco in 1977 right up to the time of his death.

Monthly & Special Christmas Draw Winners

Congratulations to the latest lucky winners in the November monthly car draw, which was held on Wednesday the 16th of November. Twenty one delighted members won a total of €16,000 in cash prizes of amounts between €500 and €2,000. Michelle Cleary (Dublin Fire Brigade, Donnybrook Station) was the monthly winner of a new Volkswagen Polo.

The Special Christmas Draw was held on the same date, with prizes including two additional Volkswagen Polos and additional cash prizes totalling €15,000. The Special Christmas Draw winners are set out here and full details of the November monthly draw winners are located on Dubco's website, in the news section.

Prize	Name	Pay Location
VW Polo	Brian Murphy	DFB Tara Street
VW Polo	Patrick Lindsay	Retired DCC
€3,000	Mary Noonan	DCC Ballyfermot Regional Office
€2,000	Eoin Carey	DCC Loans and Grants
€1,000	John Shanks	Retired DCC
€1,000	James Reilly	Retired DCC
€1,000	Stephen Brady	DFB Tallaght
€1,000	Michael Kennedy	DCC Cleansing
€1,000	William McCann	Retired DCC
€500	Brian Morgan	Retired DFB
€500	Emer Morgan	Dublin Institute of Technology
€500	John Harney	Retired DFB
€500	Francis Dawson	DCC Housing & Residential Services
€500	Brian Mongey	DCC Housing & Residential Services
€500	Derek King	DFB Tara Street
€500	Marian Smith	DCC Civic Offices Cleaning
€500	Ian O'Lone	DCC Parks South West
€500	Derek Dixon	DCC North City Area Office
€500	John Crehan	DCC Dangerous Buildings

2011 World Police and Fire Games – DFB teams sponsored by Dubco

More than 50 Dublin Fire Brigade fire fighters and officers travelled to New York to compete in the 2011 World Police and Fire Games. With about 15,000 athletes having taken part in the 2011 games, the event is the second largest multi-sport event in the world.

The DFB team, who were sponsored by Dubco, competed in many of the events including triathlon, boxing, swimming and athletics (road and track and field). Dubco would like to congratulate everyone who took part in the games and note that the team brought home an impressive total of 33 medals.



Competing members of the Dublin Fire Brigade pose with some of their medals at the event.

Fairness + Equality + Strength + Stability = the Dubco equation

At Dubco we are proud to say that despite another difficult financial year we continue to trade successfully and in the best interests of all of our members. In line with our expectations and annual projections, total member savings have remained at a constant level while lending rates decreased during the year under review. At the Credit Unions financial year end, 30th September 2011, statistics remained strong with member savings of €97.5 million and member loans outstanding of €54 million (a reduction of €5 million since 2010). This further reduction in lending activity during the year is in line with trends in the economy generally and with a prudent approach to lending which considers a members ability to repay as the primary criteria for lending decisions.

The Board of Directors is proposing a dividend rate of 1.5%. This rate of return, together with the competitive loan interest rates, is in line with Dubco's adopted policy to have prudent reserves, competitive loan interest rates as well as rewarding the saver with a reasonable and fair return.

Dublin City Council Safety Person of the Year Award – sponsored by Dubco

On the 20th of October 2011 the third annual Dublin City Council Safety Person of the Year Award was presented at the DCC bi-annual Health & Safety Briefing, which was held in Croke Park. The competition, which was sponsored by Dubco, aimed to encourage and promote good health and safety practices throughout Dublin City Council by recognising and rewarding ideas for health and safety improvements in the workplace. Employees of Dublin City Council from any department or division (subject to certain terms and conditions) were eligible to enter the competition.



The winner of the main award was Michael Doherty in Dublin City Council's IS Department (pictured above receiving the award). Michael's idea focused on information as the key to safety and suggested the creation of an intranet database of all health and safety information relating to both indoor and outdoor City Council staff.

Planning for Christmas

At Dubco we know that in addition to being a time of much joy, Christmas can put a lot of pressure on families. In response to the increasing number of members who have expressed budgeting and money management concerns, Dubco have put together our top tips for Christmas planning, budgeting and borrowing.

Pamphlets are available to all members either from the office, on request, or by download from the news section of our website.



An advertisement for CU safe Insurance. At the top, two hands hold a green padlock. The text 'CU safe Insurance' is prominently displayed, with 'CU' in blue and 'safe' in green. Below it, 'Protecting Credit Union Members' is written. The main headline is 'We Search The Market To Get You GREAT Quotes'. A red car is shown in the center. To the left, a red circle says 'COMPETITIVE MARKET QUOTES Plus An Additional +€45 DISCOUNT*'. To the right, a blue circle says 'EXCLUSIVE Credit Union Member Discount'. Below the car, it says 'Additional Products Available: PRIVATE MOTOR, COMMERCIAL, TAXI & PSV'. A red button says 'CALL 1850 287 233'. At the bottom, it says 'For All Your Insurance Needs Call or Go Online www.cusafe.ie or call 1850 287 233'. Small text at the very bottom explains the discount and terms.

Christmas Holidays – Office Closure Notice

The office will close on Friday 23rd December 2011 at 4:30pm and will reopen on Tuesday 3rd January 2012 at 10:00am.

The Board of Directors, members of the Supervisory Committee, Management and Staff of Dubco Credit Union wish all members and their families a happy Christmas and a peaceful New Year.

