

# CU Focus



Irish League  
of Credit Unions

The magazine of the **Irish League of Credit Unions** – Spring 2018

## CREDIT UNION ART COMPETITION GALA AWARDS CEREMONY



Donore Credit  
Union Ltd.  
Reaches 60  
Year Milestone



CP 109: Positive  
Changes for  
Credit Unions





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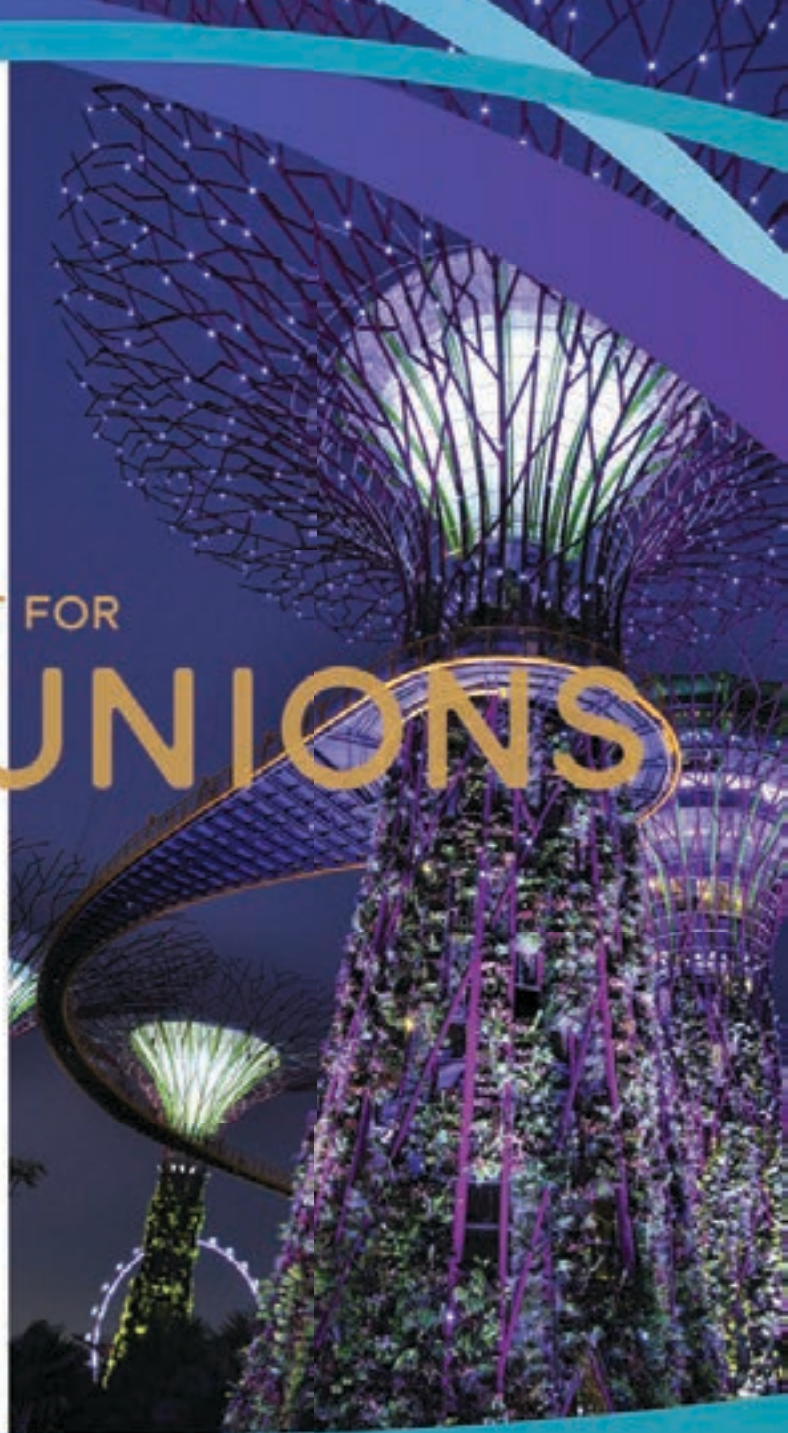
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# Editorial

*"Plus ça change, plus c'est la même chose"*. Having one's point of view constantly rejected may lead to cynicism and even the iron-willed to conclude that "the more things change the more they stay the same." In some ways, post Celtic Tiger Ireland is increasingly a difficult place for credit unions to survive, let alone thrive. In our gloomier moments we might be forgiven for thinking that the system is destined to work against us.

Three years ago, the Irish League of Credit Unions (ILCU) began an Advocacy initiative entitled the **Six Strategic Steps**. This included an 'ask' - to permit credit unions to invest in social housing. Having lobbied extensively over an extended period, the ILCU warmly welcomes the recent CP 109 feedback which confirms that credit unions will finally be enabled to invest in social housing. This is a solid achievement for the ILCU and the movement in general. Yes, further work is needed to convince Government to provide an appropriate financial vehicle, but there is no denying we are now on the road to expanding our investment classes.

Another success story is CUSOP which continues to prosper. Projections show up to 160 credit unions were on-board by year-end. Last year, 7.7 million member transactions were delivered (value €1.8 billion) and plans are now afoot to deliver a debit card solution to the movement. A strong viable CUSOP, owned and controlled by credit unions, is a huge asset to this movement and the ILCU welcomes all credit unions to become part of this success story.

The ILCU's Home Loans CUSO is well on the way to providing credit unions with a best-in-class, safe and secure delivery mechanism for home loans. Building and delivering Home Loans CUSO will address a fundamental business-model challenge that our movement has wrestled with for years. Feedback on Central Bank of Ireland themed visits on current home loan practices suggests there is an urgent need to provide a centralised and standardised support system for home loan delivery. Home Loans CUSO will become the industry standard, and an indispensable asset to all credit unions in future years.

Considering all our collaborative successes, it's sad that we still stand accused at times of being a dysfunctional movement. Surely successes, such as those outlined above, prove we can and do successfully collaborate. However, we know much more collaboration is necessary if we are to address our challenges, - and we must pursue our biggest goals on a united front.

A truly united and democratically attuned movement would be extremely positive for all credit unions. A united credit union proposition would be almost irresistible - both to regulatory and governmental authorities. The ILCU is keenly focussed on movement unity and a return to genuine democracy. Genuine moves towards collaboration among stakeholders are welcomed and all credit unions on this small island, without exception, are invited to join with the ILCU and get involved in the participative endeavours which are central to a truly cooperative approach.

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**Cover image:** Pictured at the Credit Union Art Competition Gala Awards Ceremony at Croke Park were RTE presenter and MC, Marty Whelan, ILCU President, Charles Murphy, and some of the competition winners

The lucky winner of the winter 2017 CU Focus competition was Paul Gibbons of Castleblayney Credit Union, Co Monaghan.

## CONTRIBUTIONS

Letters to the Editor / contributions may be submitted via email to [editor@creditunion.ie](mailto:editor@creditunion.ie).

**Editorial Committee:** Gerry Thompson, William Breen and Emmet Oliver. Volume 3 Issue 12 ©.

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# DONORE CREDIT UNION LTD

## Donore Credit Union Ltd. – Ireland's first Credit Union

This year marks a unique anniversary for the credit union movement as Donore Credit Union Limited reaches its 60th Anniversary. This is the first community credit union in Ireland, and can also lay claim to still counting the first community credit union account holder in Ireland as an active member; Ms Aingil ni Bhroin. Ms ni Bhroin was one of the founders of Donore Credit Union and a pioneer in the Irish credit union movement.

### How It All Began

In 1957 at a presentation in Skerries, the National Co-Operative Council showed a film about credit unions in Australia. This piqued the interest of two sisters from Donore parish in Dublin - Eileen and Aingil ni Bhroin. Following some information-gathering, the sisters decided to see whether their neighbours would also be interested in setting up a credit union, so they invited some people to their home on 35 Hamilton St to see if anyone was interested in their idea. A number of fireside chats were held, and it was at one of these chats that it was decided to reach out to credit union representatives in the United States, Canada and Australia to gather as much information as possible.

Following this, the group of neighbours and friends decided to set up Donore Credit Union, however, with no legislation in existence, the pioneer group did what was needed and registered as a Friendly Society in August 1958, under the name Cumann Muintir Dun Oir with registered offices at 35 Hamilton St.

### The first Committee was;

Ms Eileen Ni Bhroin, Mr Frank Brennan, Mr Lewis Lawless, Ms Aingil Ni Bhroin, Mr George Feeney, Mr James Silke, Mr John Byrne, Mr Oliver Hogan, Mr John Yeates

At the time a credit union was a new concept, it was innovative, courageous and visionary. Credit union legislation followed in 1966 as the numbers and popularity of credit unions increased in Ireland. The



*Donore Credit Union's first account holder and co-founder, Ms Aingil ni Bhroin, with CEO David McAuley*



*60th Anniversary launch with Ms Aingil ni Bhroin, first community credit union account holder*



# CELEBRATES 60 YEAR MILESTONE

founding of Donore Credit Union - a story titled How It All Began was penned by Aingil Ni Bhroin - and the credit union's humble beginnings were documented in Donore's Golden Jubilee Book, which was reproduced in full in this year's Donore 60th Celebrations Booklet. Donore Credit Union was delighted that Ms Aingil ni Bhroin was in attendance at the recent AGM and was proud to recognise her vision and inspiration. It is remarkable her "fireside chats" led to a credit union movement that is loved and respected by Irish people. In 1969 Donore Credit Union had grown to a size that necessitated a manager and a new premises on Ebenezer Terrace. In February 1991, Donore Credit Union moved into a purpose-built credit union building on 22 Rutledge Terrace, one of the first of its kind in Ireland - purchased and built with no borrowing required.

## Blazing a Trail

From an early stage, Donore Credit Union was a benchmark for other communities. The founders of Donore Credit Union were extremely generous with their time, and were always available to other communities who looked to replicate their achievements. It was not uncommon for their families to be loaded into the car and driven to Galway for a meeting in the morning, and another in Kerry in the evening, such was the enthusiasm and generosity of the spirit of the credit union pioneers. Donore Credit Union takes great pride when sister credit unions, whether they be in Donegal, Kerry, Antrim or Waterford, mention the credit union. Today, the Board of Donore Credit Union are committed to continuing the cooperation and sharing of knowledge with like-minded colleagues from all over Ireland.

## A Remarkable Journey

Donore Credit Union is the first credit union to reach the milestone of 60 years. While the credit union is extremely proud of this, it is also determined to re-invoke the pioneering spirit and drive the credit union forward. In the last number of years, the credit union movement has undergone significant changes and questions have been posed on the relevance of credit unions in modern Ireland. Donore Credit Union believes that it is right for credit unions to reassert their relevance to current and



*Donore Credit Union today*



*First offices of Donore Credit Union on Hamilton Street and Donore Avenue*



*Ms Aingil ni Bhroin cutting the 60th Anniversary cake*

potential members, by continuing to provide the core, traditional services while supplementing these with improved technology-based channels and media. This is achieved with a collective will. Donore Credit Union has earned the trust of its members for 60 years, and this is a testament to what members want. Donore Credit Union is, as it has always been, clear on its identity and its ties to the community it proudly serves.

**Challenges Ahead**

The Board has overseen the successful implementation of key changes to strengthen the credit union into the future, and the strategic plan for Donore Credit Union is both ambitious and realistic. The credit union is working to future-proof dividends and services for members. In 2017, the credit union invested in IT platforms, moved to eliminate inefficiency and automated processes. Overheads were managed efficiently while ensuring compliance with legal and regulatory requirements. The current website is being updated and the credit union is actively encouraging members to register on the website. Social media platforms have been launched recently and the credit union is exploring all options to further enhance their profile in the local community.

In 2017, the credit union overhauled internal lending processes to target quick decision making and turnaround of loan applications while committing to being a prudent lender. The credit union has continued to diversify its loan products and lending options for members, and will continue to do so on a business-case evaluation basis.

A core challenge this year is the further reinforcement of partnerships with local community and sports groups. Donore Credit Union has already engaged with the local third level institute and has begun collaborating on mutually beneficial programs. Donore Credit Union continues to work to reaffirm the message of community and cooperation.

**Looking to the Future**

The future of Donore Credit Union is as a relevant, community-based organisation for



*Donore Credit Union 50th Anniversary Celebrations*



*Andy Tyrrell, Molly Kane and Larry O'Neill*



*Founder members George Feeny, Eileen Caroll (née Ní Bhroin), James Silke*



*Ms Aingil ni Bhroin, co-founder, with Ms Agnes Heffernan, former Chair, Mr Michael Burke, former Lord Mayor of Dublin and Mr Samuel Adair, former ILCU President, at the unveiling of the 50th anniversary plaque*

members and prospective members who want a local, independent, democratic and ethical financial institution, where personal service remains, complemented with modern technology in a recognised safe and secure regulated entity.

Electronic banking services are now available to all members of Donore Credit Union via CUSOP, and in 2018 online facilities will be further enhanced to allow members to move money to and from their credit union accounts from the comfort of their own home via a mobile app. Donore Credit Union remains committed to providing face to face service in a friendly welcoming environment and members will never be directed to a machine.

Donore Credit Union has lasted due to volunteers. The credit union will continue to increase its pool of volunteers and

encourages anyone who wishes to volunteer to contact the Nominations Committee. Without volunteers, the credit union would simply not be sustainable.

During 2018, Donore Credit Union will be arranging a number of events to recognise the significant milestone of the 60th Anniversary. While the focus will be on celebration and fun, with prizes and goodies on offer, this year will be used to grow the credit union and continue with necessary changes in order to maintain modern and relevant services for members.

**Final Thought**

Donore Credit Union throughout its history has seen many changes, periods of ups and downs, recession, growth, boom and busts. Yet in its 60 year history, Donore remains true to its core mission to serve members.



The credit union has emerged through the recent recession and is financially stable and very positive for the future. While challenges remain, the future is bright and the credit union is looking to the future with confidence.

Donore Credit Union has, and remains, a benchmark for all credit unions in Ireland. Its unique position as the first community credit union means there is a special onus to maintain, grow and continue to fly the flag for the credit union movement in Ireland.

Donore Credit Union is the natural, locally-run home for financial services for everyone in the Liberties, South Circular Road and Dublin 8 who want the services of a community credit union. Its members are proud of the achievements of the credit union, its history and status.

Donore Credit Union's early days saw great innovation, imagination, and sacrifice and in the year of its 60th Anniversary, it is determined to maintain the same energy and innovation and courage in dealing with issues. Donore Credit Union looks forward to another 60 years of service to members.

### Remembering Brendan Lynch

In January 2018, following over 50 years of service to Donore Credit Union, long time stalwart and former Lord Mayor of Dublin, Mr Brendan Lynch passed away. Donore Credit Union, in line with commitment to community, announced in association with Griffith College, the joint sponsorship of an academic scholarship to Griffith College beginning in September 2018. This scholarship will be named the Brendan Lynch Scholarship in recognition of the tireless work Brendan put into the credit union. Brendan was first elected to the Board in 1965 and following stints on various committees, he became Chair and later Treasurer.

Many people in the wider credit union movement will remember Brendan, he was always a contributor at the Irish League of Credit Unions' (ILCU) AGM and always remained passionate to the credit union ethos.

In addition to his work with Donore Credit Union, Brendan was one of the founders and Chair of Liffey SW MABs, and was an elected councillor on Dublin City Council for 25 years, culminating in his election in 1996 as Dublin's Lord Mayor. This led to a number of Board meetings being held in Dublin's iconic Mansion House, which may be another first for a credit union!

Brendan was inducted onto the ILCU Roll of Honour in 2011. Many credit unions in Ireland have their own 'Brendan Lynch' and to all of them, Donore Credit Union extends many thanks for their commitment, service and vision for their communities.



*Donore Credit Union Social Events over the years*



*David McAuley CEO of Donore Credit Union*



*Christine Costelloe, Assistant Manager Donore Credit Union*



*Brendan Lynch*

# ILCU Welcomes Central Bank Changes Permitting Credit Union Investment in Social Housing

## ILCU extensively lobbied the Central Bank on Consultation Paper 109 (CP 109)

On February 1st 2018, the Central Bank of Ireland (CBI) issued its feedback statement and amended regulations for the changes to the Investment Framework for the Credit Union Act 1997 (Regulatory Requirements) (Amendment) Regulations 2018 ("The Regulations"). The Regulations will be effective from March 1st 2018.

### SOCIAL HOUSING

Following continuous engagement by the Irish League of Credit Unions (ILCU) with the CBI and other stakeholders, the 2018 Regulations finally permit credit unions to invest in social housing through a regulated investment vehicle via Tier 3 Approved Housing Bodies. The maximum level of investment that credit unions could provide for social housing under the 2018 Regulations would be €700 million, which on the basis of 70% finance provided by credit unions at an average notional social house cost of €200,000, would fund close to 5,000 homes. This would be a major contribution to the housing crisis and an initiative in keeping with the social ethos of the credit union movement.

The remaining stumbling block is now the establishment of a financial vehicle as committed to in *Rebuilding Ireland*, the Government's Action Plan for Housing and Homelessness of July 2016. It is imperative that the establishment of this financial vehicle is prioritised by Government so that credit unions can start at last to invest in social housing.

### NEW INVESTMENT ASSET CLASSES

The 2018 Regulations also introduce two additional investment asset classes for credit unions- Supranational Bonds and Corporate Bonds. In addition, credit unions can now invest in UCITs comprising Irish and EEA state securities, Supranational Bonds, Corporate Bonds, Bank Bonds and Accounts in Authorised Credit Institutions subject to a minimum fund asset size of €150m.



### CHANGES TO CP 109

Over the last numbers of months, ILCU representatives engaged with the CBI, the Department of Finance, the Credit Union Advisory Committee, the Minister for Finance and the Spokespersons on Finance of the main political parties to discuss the movement's significant concerns in respect of the proposed changes to the investment framework that were originally proposed by the CBI in Consultation Paper 109 (CP 109).

As a result of these efforts, there have been some important improvements made to the final regulations compared to the original investment framework that was set out in CP 109:

- The liquid assets definition has been expanded to include Irish and EEA State Securities, Bank Bonds and Supranational Bonds subject to certain discounts.
- The short term liquidity ratio requirement has been reduced from 5% of unattached savings to 2.5% of unattached savings.
- The minimum credit rating limit for investment in Supranational Bonds and collective investment in Corporate Bonds has been amended from a credit rating of "A" to

investment grade (BBB- or equivalent).

- The concentration limit for investment in Supranational Bonds has been increased from 50% of regulatory reserves to an overall concentration limit for Irish and EEA State Securities and Supranational Bonds of 70% of total investments.
- The concentration limit for Corporate Bonds has been increased from 25% to 50% of regulatory reserves subject to a counterparty limit for direct investment in Corporate Bonds of 5% of regulatory reserves.

### REGULATORY REQUIREMENTS SHOULD BE FIT-FOR-PURPOSE AND PROPORTIONATE

The Joint Committee on Finance, Public Expenditure and Reform, and Taoiseach (Joint Committee) in their Report on the Review of the Credit Union Sector (October 2017) stated that the regulatory requirements applicable to the credit union sector should be fit-for-purpose and proportionate in the context of the post economic-crisis period. The ILCU considers that the severe restriction of investment in bank bonds from March 1st 2018 and the decrease in the counterparty limit from 25% to 20% from March 1st 2020 is disproportionate and does not reflect the investment environment which credit unions now operate in.

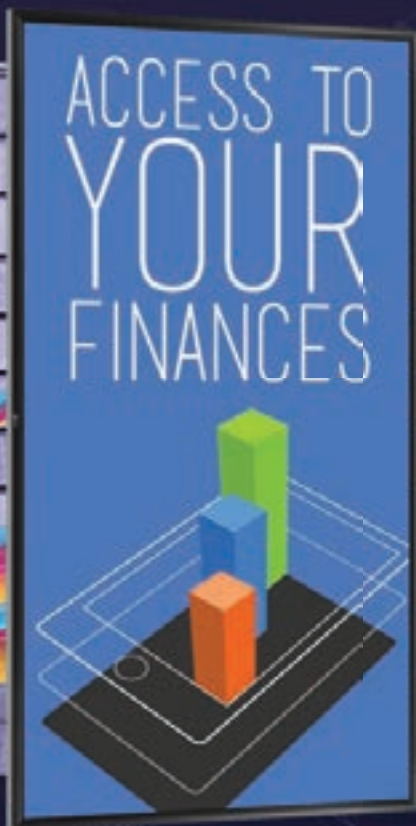
The CBI has indicated that a review of the 2018 Regulations will be undertaken two years post commencement of the Regulations assessing the impact on credit union investment portfolios.

The ILCU would welcome your feedback on the 2018 Regulations as work continues to pro-actively engage with the CBI in relation to the investment framework.

**If you have any queries or comments in relation to the 2018 Regulations, please do not hesitate to contact David Malone, ILCU Financial Controller at (01) 614 6940 or [dmalone@creditunion.ie](mailto:dmalone@creditunion.ie).**



# Ensure your **Community** knows all you **offer** them



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## Our Clients



Frank Cronin  
IPC - CEO

Frank grew up steeped in the credit union, during the 1960s his father was a director of the local credit union and Chapter representative working closely with the Irish League of Credit Unions. While qualifying as a chartered accountant with Ernst and Young he audited a number of Credit Unions.



18 Herbert Street, D2, Dublin  
Call Frank on 01 6940080  
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*Lauren Dolphin, who has been a winner a number of times, was a joint-merit winner in the 14 to 17 years category with this beautiful portrait of her cousin. She entered through Naomh Brendáin Credit Union Ltd.*



## **IMAGINATION UNLEASHED AT NATIONAL ART COMPETITION PRIZE- GIVING GALA CEREMONY**

The winners of the 2017 All Ireland Credit Union Art Competition gathered in Croke Park on Sunday February 11th to receive their prizes. This year, 30,000 entries were received for the annual competition, now in its 34th year. The ten individual winners and one group winner attended the gala ceremony accompanied by family and friends. They received cash prizes from well-known broadcasting personality Marty Whelan, and also had an opportunity to have photographs taken with him.





Winner in the 18 years and over category, Megan Lennon, (Dungarvan Credit Union) with her work of art, MC Marty Whelan and ILCU President Charles Murphy.



Venus Reilly, a several-times-winner in the annual art competition, won the 18 years and over category (special) with this artwork. She entered through Gorey Credit Union Ltd.



William O'Riordan, runner-up in the 8 to 10 years category, has his eye on the prize with MC Marty Whelan. William entered the competition through Wiclow and District Credit Union Ltd.



Cathal Devlin, runner-up in the 14 to 17 years category (special) created this image of a koala bear after a trip to Australia. He entered the competition through Blackrock Credit Union Ltd.



Winning entry in the 14 to 17 years category by Erin King Englishby, who entered the competition through Drogheda Credit Union Ltd.



Keisha McCann, winner of the 11 to 13 years category, larks around with MC Marty Whelan. Keisha entered the competition through Castleblaney Credit Union Ltd.

'Set Your Imagination Free' was the theme of the 2017 competition, which was specifically designed to give a wide-ranging scope to entrants to express their creativity and individuality. In addition to the ten individual winners and one group winner, there were 22 runner-up and merit awards. Age categories encompassed 7-years-and-under to 18-years-and-over. The competition was facilitated by more than 200 participating credit unions in the Republic of Ireland and Northern Ireland.

Winning entries featured such imaginative interpretations of the theme as underwater scenes, space oddities, mythical creatures and city skylines. The winners hailed from all four corners of Ireland stretching from Westport to Wexford to Cork and Irvinestown in Northern Ireland.

Addressing the winners at the prize-giving ceremony, ILCU

President, Charles Murphy said: "There is a thriving creative and artistic culture in local communities across the island of Ireland and the credit union movement is dedicated to supporting and developing this culture. Our annual art event is just one example of the great work credit unions do in their local communities to ensure that both young and old have an outlet for their creative skills."

Mr Murphy continued "I was greatly impressed by the depth of talent demonstrated in the beautiful artwork on display in Croke Park today. It was very interesting to see how uniquely each of the artists interpreted the theme. I extend a huge congratulations to each and every artist that participated in this competition and I look forward to seeing more artistic creations in the future."

The full list of art competition winners is listed overleaf.





Mia McGrath's colour-tastic entry claimed the runner-up prize in the 11 to 13 years category. She entered through Blessington and District Credit Union Ltd.



Nathan Richardson, winner in the 7 years and under category (special) with Marty Whelan. Nathan entered through Nenagh Credit Union Ltd.

## ART COMPETITION WINNERS GENERAL CATEGORY

Category	Name	Credit Union	Position
7 years & under	Rían Gavin	Westport	Winner
7 years & under	Grace Mary Holden	Tullow	Runner Up
7 years & under	Páidí Herlihy	Kilmallock	Merit
8 to 10 years	Niall Murray	Drogehada	Winner
8 to 10 years	William O'Riordan	Wicklow & District	Runner Up
8 to 10 years	Liam Allen	Kanturk	Merit
11 to 13 years	Keisha McCann	Castleblayney	Winner
11 to 13 years	Mia McGrath	Blessington & District	Runner Up
11 to 13 years	Sandra Dulnik	Blackrock	Merit
14 to 17 years	Erin King Englishby	Drogheda	Winner
14 to 17 years	Veronica Petrisor	Halston Street	Runner Up
14 to 17 years	Cameron Chung	Caherdavin	Joint Merit
14 to 17 years	Lauren Dolphin	Naomh Breandáin	Joint Merit
18 years & over	Megan Lennon	Dungarvan	Winner
18 years & over	Andrea Tesarova	Banagher	Runner Up
18 years & over	Hannah Wright	Rathmore and District	Merit

## SPECIAL CATEGORY

Category	Name	Credit Union	Position
7 years & under	Nathan Richardson	Nenagh	Winner
7 years & under	Roisin O'Brien	Kilmallock	Runner Up
7 years & under	Caydyn Molloy	Clanmaurice	Merit
8 to 10 years	Mary Ann McMackin	Beragh	Winner
8 to 10 years	Noah Lavery	Emyvale	Runner Up
8 to 10 years	Bruce Fitzpatrick	Wexford	Merit
11 to 13 years	Thomas O'Dwyer	Kilrush	Winner
11 to 13 years	Dylan Murphy	Clanmaurice	Runner Up
11 to 13 years	Max Smith	Cootehill	Joint Merit
11 to 13 years	Michael Singleton	Irvinestown	Joint Merit
14 to 17 years	Callum Marks Power	St Dominic	Winner
14 to 17 years	Cathal Devlin	Blackrock	Runner Up
14 to 17 years	Kevin Meenan	Cuchullain	Merit
18 years & over	Venus Reilly	Gorey	Winner
18 years & over	Britney Arendse	Virginia	Runner Up
18 years & over	James Wellwood	Thurles	Merit
Group	Primrose Class St Hilda's Special School	Athlone	Winner



# COLLECTIVE ENERGY BUYING INSTRUMENTAL TO TRANSFORMING THE IRISH MARKET

Credit unions to play a key role in reducing Irish gas and energy bills

Nearly two decades ago Ireland opened up its electricity and gas market to competition. Despite being able to save up to €300 per year by switching suppliers, the Commission for the Regulation of Utilities (CRU) estimates that less than half of Irish energy customers have actually switched. Much of this has to do with low consumer awareness. By embracing collective energy buying, credit unions in particular could play an important role in helping consumers benefit from an open energy market.

## Activating Irish energy consumers

In December 2017 the CRU published a paper called 'Review of Competition' noting that few Irish consumers currently have an energy plan that fits their lifestyles. The paper emphasizes the lack of understanding amongst consumers when it comes to prices and deals available to them.

When it comes to choosing their energy provider, consumers have lots of power to negotiate. They can contact their providers directly, consult price comparison websites or participate in collective buying.

## Advantages of collective energy buying

Collective energy buying empowers organisations, like credit unions, to negotiate lower energy prices for its members. Collective buying bundles large numbers of households together and uses their collective purchasing power to negotiate lower prices. During these 'auctions' energy providers literally bid against each other; the provider offering the best deal wins. This enables credit unions to radically reduce the gas and electricity bills of their members without having to invest more time than they already are. Cheaper energy with less effort – that is what makes collective buying a real game-changer.

Participation is easy, the process is completely transparent and there are no strings attached. The terms and conditions of every auction are determined in advance, and once the auction is completed members have no obligation to join.

## Extra service for credit union members

The most successful collective energy buying auctions are those that involve the greatest number of people. The more members involved, the stronger the collective. Collective buying even offers credit unions extra services as well as a potential source of extra revenue.

Collective energy buying is a win-win situation. Credit unions provide the membership base; Pricewise the proven expertise and know-how to execute campaigns from sign-up to auction, communication and eventual switchover. Because Pricewise takes care of all back-office tasks, running a collective requires almost no extra effort or resources from your union.

## Teaming up with an institution

Pricewise is a major player in the global collective energy market. Based in Amsterdam, we actively partner with non-profits, homeowner associations, governments and large organizations to facilitate collective buying programs that significantly reduce energy bills. Since 2011, we have helped over 2.5 million households switch over to better, cheaper and more customer-friendly energy contracts.

## Credit unions benefits

- ✓ Build loyalty by offering additional services to members
- ✓ Use existing resources

## Member benefits

- ✓ Savings on current energy bills
- ✓ Easy and free
- ✓ No obligations
- ✓ Customer service to help them switch

## European Pricewise switchers Facts & Figures 2010-2016



## Pricewise touring Ireland in March

From March 19 to 22, Pricewise will be in Ireland to present the benefits of collective energy buying for the Irish market.

March 19th **Belfast**      March 21th **Cork**  
March 20th **Dublin**      March 22th **Limerick**

To attend one of our events or simply find out more information about collective energy buying, please contact us directly or visit: [pricewise.com/creditunion](http://pricewise.com/creditunion)



**Ruth Tainsh**  
Partnerships UK & Ireland  
[ruthtainsh@pricewise.com](mailto:ruthtainsh@pricewise.com)  
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Be wise. Check your price.

# INTERNAL AUDIT; HERE TO HELP!



Credit union management and staff, and indeed financial services staff everywhere, can harbour feelings that they can do without the kind of help associated with an audit visit. The prospect of having to prepare for the audit can be daunting. Having to find everything on the list, breaking the news of the impending visit to the team and coping with the stress of allocating resources to the audit process when there is a business to run, may not be the most appealing. However, Internal Audit teams are often professional, independent and unbiased, focusing on where the greatest risk lies and communicating openly and honestly with auditees. Audit reports generally display fairness, clarity and brevity.

The Irish League of Credit Unions (ILCU) Internal Audit Services Ltd. (IAS) has a very experienced, professional and knowledgeable team. This is borne out by testimonials from existing credit union clients and from the results of a recent marketing survey. IAS is now actively seeking to recruit new credit union clients to discuss their internal audit function and how the IAS team bring added value.

#### **Why do you need help?**

There will always be that conflict between the front line necessity to keep the credit union show on the road and get through every busy day looking after members, versus the requirement to meet procedural and regulatory

standards. Every financial services model needs robust oversight and review to manage this conflict. This is because there is a very fine line between getting the job done to your immediate stakeholder's satisfaction and allowing unjustifiable risks to go unchecked. The regulator sees it as part of its role to protect the integrity of the entire financial services platform, including credit unions, and to safeguard the assets and interests of consumers of financial products, including credit union members. From a member's perspective, they also want sound/safe credit union operations. There is no doubt that the bar has been raised as far as Risk Management goes in 21st century credit union services. IAS is here to help.



# EVERY FINANCIAL SERVICES MODEL NEEDS ROBUST OVERSIGHT AND REVIEW TO MANAGE THIS CONFLICT

## How can IAS help?

IAS was set up as an independently operated company within the ILCU in 2014 to offer its services exclusively to credit unions in Ireland. Operations are conducted in accordance with best practice and in line with the professional auditing standards of the Institute of Internal Auditors. IAS is subject to continuous peer review – (yes, somebody checks the checkers!). Because IAS operates as a separate corporate entity from the ILCU, it can operate independently in its interaction with individual credit unions, yet still operate within the ethos of the credit union movement in that it is a not-for-profit organisation with fees based on cost recovery only. Obviously therefore there is an onus to maximise the efficiency and effectiveness of the audit processes, and IAS has achieved this by using a system-based information and data collection point testing appliance and reporting tool. This software doubles as a communication platform with auditees so that each client credit union benefits from a consistency of approach in terms of Risk Analysis, Audit Planning, Testing, Auditee Response, reporting and follow-up. It operates in real time and is sufficiently adaptable to cater for large and small credit unions.

Real people on the IAS team (also known as Auditors) will still make sure you get a site visit and allow professional and helpful interaction as part of the audit process. Internal Auditors are usually chosen from mainstream activities because they display skills such as clear oral and written communication, they are naturally inquisitive, they are at ease with statistical analysis and have already excelled in managing some aspects of the business. They will also have demonstrated qualities such as honesty, integrity, and in the case of credit unions, a belief in the ethos of co-operative self-help. Most importantly they enjoy their work. They enjoy testing and engaging to the level required, liaising with credit union Boards and credit union management, but most of all they enjoy acting on the opportunity of assisting credit union staff in recognising and correcting control

deficiencies where they arise.

## Who is IAS?

Internal Auditors at IAS have a combination of credit union experience at the frontline, up to and including manager, director and treasurer roles. They have experience at other financial institutions including marketing, compliance, quality assurance, risk management, personal lending and mortgages. The team has the benefit of qualified accountants and qualified compliance officers on board. The team has extensive internal audit experience. All staff have Senior Auditor status which means that credit unions which are signed up to IAS are guaranteed audit work to a very high standard. Work must meet regulatory and professional auditing standards. IAS is committed to the credit union movement and is determined to highlight and share best

practice, IAS is determined to call out where improvement in adherence to procedures and regulation is needed, so that good work can be agreed on to ensure speedy resolution and help credit unions maintain the reputation they have for caring for their members and safeguarding their assets.

## What's next?

If you are ready to switch to IAS now, or if you are in mid-contract with your existing Internal Audit provider, please contact IAS on 01-614 6917 and ask for Jacob Berg or Cormac Oates to discuss the process for switching and the fee structure. You can also email; [internalaudit@creditunion.ie](mailto:internalaudit@creditunion.ie).

IAS will gladly provide you with testimonials from the existing client base and explain how the team can bring added value to your credit union.

IAS looks forward to hearing from you.

## Cormac Oates

Cormac Oates is the new Marketing Officer for IAS. He is hoping to contact as many credit unions as possible over the coming months to discuss different options available for outsourced services, the fee structure for IAS and most importantly the added value IAS can bring as a dedicated credit union specific Internal Audit function. Cormac has 37 years' experience in financial services across Ireland and the UK, most recently as a Branch Manager with Permanent TSB and as an Internal Auditor with AIB prior to that. He has also served on the Board of his local Chamber of Commerce in Donegal Town as their Treasurer.

Asked about his new role with IAS, Cormac said "I am delighted to be involved in a sector of the financial services industry which is based on a co-operative, not-for-profit, membership model. I see my role as promoting a seriously professional internal audit service that is ingrained in the credit union ethos".



Cormac Oates (right) with Jacob Berg at ILCU offices

**Cormac can be contacted on  
087-2922001 and at  
[coates@creditunion.ie](mailto:coates@creditunion.ie)**

# Broadstone CIE Employees Credit Union Ltd.

# 50th ANNIVERSARY

On Tuesday January 9th 2018, Broadstone CIE Employees Credit Union Limited held its very significant 50th AGM, and this year celebrates its 50th Anniversary. For those 50 years the credit union has been providing financial services to its members at Broadstone CIE (now Bus Éireann) Depot. Throughout that time the overriding priority of the credit union has been service to members and remaining true to the credit union ethos of not for profit. Generations of families have availed of the savings and loans facilities provided by the work based credit union for the financial needs of ordinary everyday life. From First Communion to weddings, Christmas and holidays, cars and home improvements, the credit union has been there for the members. A special tribute is due to the ongoing loyalty of the members and also to the dedication of officials, boards of directors and volunteers over all these years.

## BRIEF HISTORY

On January 24th 1968 a first meeting was held in the Broadstone CIE Accounts Office to discuss the possibility of setting up a local credit union branch for CIE employees. The meeting was addressed by Mr Phil Ryan of the Credit Union League. Nora Herlihy of the League was also present. Approximately 50 members of CIE staff attended. At the meeting, 21 CIE staff members undertook to become part of a study group to study the by-laws of the credit union movement. This they did over the following days and weeks. A second meeting was held on February 9th 1968 where Mr McGuinness of Navan Road Credit Union Limited explained the credit union accountancy systems. Four members of the study group visited that credit union to see it in operation. A third meeting was then held on February 14th 1968, at which date it was decided to form a credit union, affiliate with the Credit Union League Of Ireland and to accept the standard by-laws of the credit union. Navan Road Credit Union agreed to sponsor Broadstone to the Credit Union League of Ireland, and Broadstone

CIE Employees Credit Union Limited came into being. The credit union opened its doors to the staff of CIE Broadstone and all attached depots to include Cabra Cement Depot, Kingsbridge Freight Depot and the Midland Yard North Wall, all in the Broadstone CIE area at that time. At a meeting on February 21st 1968, it was decided that the credit union would open from March 1st 1968. A current account was opened with Munster & Leinster on March 4th 1968 and a sum of £49 - 10s. was lodged.

Within the first few weeks the Treasurer reported 227 members and £825 in savings, and at the first AGM the balance sheet reported £6,345 in savings, £6,499 in loans and total assets of £6,542.

The balance sheet, dated September 3rd 2017, shows €3.3 million in savings, €0.7 million in loans with assets totalling €4.2 million.

## ALONG THE WAY

At the inaugural meeting in 1968 Jimmy Whelan was elected first president of the credit union. Willie O'Keeffe was elected treasurer and for the years that followed became the driving force behind the credit union. He served as treasurer/administrator for 42 years until 2010 when he sadly passed away. Tony Moore was elected assistant treasurer in 1968 and has the unique distinction of serving on the Board for each of the 50 years since then. He is current Chair of the Board of directors. Previous longtime chairman Michael O'Keeffe was another driving force behind the success of the credit union and still serves on the Board today with over 40 years' service. Of the members who joined in 1968, five currently serve on either the Board, or Board Oversight Committee. These include Willie Kavanagh, Karl Rogers, Gerry Lawlor, Tommy Kinnear and Tony Moore. Other longtime members of the various Boards and Committees are Eamon McGann, John McIntyre and Noel West.

CIE facilitated and cooperated with



CIE 50th Cake



CIE 40th Anniversary



Willie O'Keeffe (Treasurer) with Mick O'Keeffe at the 25th Anniversary



Cutting the 50th Anniversary cake





*Present Committee, (Back Row Left To Right): Eamonn McGann, Tommy Kinnear, John McIntyre, Noel West, Lynda McMaguire, Mick O'Keeffe (Front Row Left To Right): Gerry Lawlor, Joanne Downey, Noel Weldon, Willie Kavanagh, Tony Moore*

the credit union helping keep overheads to a minimum and keeping the credit union close to its membership. They provided the credit union with the use of premises within the Broadstone complex along with a large heavy-duty fire-proof safe which is still there to this day and still used. Great credit is due to successive CIE and Bus Éireann management for the ongoing facilities provided.

The credit union celebrated its Silver Jubilee in 1993 and by then the number of members had reached 400 with shares in excess of €300,000. Payment to the credit union by payroll deduction had just been introduced and was a great success, with take-up by employee members close to 100%. This greatly aided the work of the credit union and proved of great benefit in facilitating regular savings and/or loan payback. In 1998 the 30th Anniversary was marked with a bus tour to Carlingford and the Cooley Mountains with many of the founding members still actively involved.

By 2002 shares had reached €2 million and loans were €1 million. In 2004 the value of loans granted in one year exceeded €1 million for the first time and by 2008 loans stood at €2 million. The 40th Anniversary was celebrated that year and the dedication of the volunteers and directors was recognised.

Noel Weldon took over the treasurer/administrator role in 2010 with responsibility for the day-to day operational, financial accounting and treasury functions of the credit union. This role was designated as manager in 2013, in line with the new credit union legislation

in 2012. In 2012 Lynda Maguire was elected to the Board of directors and is current secretary of the board. Joanne Downey joined the team in 2013 and currently serves on the Board Oversight Committee.

Broadstone CIE Employees Credit Union currently has several members who have long since retired from the workplace. A number of these come in every Thursday afternoon as much for the social interaction as for transaction purposes. The credit union affords them the opportunity to meet and talk to former work colleagues on a regular basis. Broadstone has always operated as one big family where the officers and members are all individually known to each other. This has been a significant aspect in the ongoing success of the credit union where knowledge of members and the provision of a friendly and personalised service are key components of the overall operation.

The credit union has retained its original model. Surplus funds are invested in bank deposits only. All loans granted are for personal purposes with no ventures undertaken in commercial or business type loans. This has ensured that members' funds were never exposed to undue risks in the hope of short term gain. For each of the 50 years, Broadstone CIE Employees Credit Union has generated a surplus and paid a dividend as high as 8% in some years. From 1999 onwards an interest rebate has been paid along with the dividend. DBI is provided for all members as an operational expense. The credit union has built up large reserve funds and all its assets are financial.

#### PLANNING FOR THE FUTURE

Broadstone CIE Employees Credit Union has always adapted to any challenges that have presented. For the past 50 years the credit union has enjoyed great success in the provision of financial services to its members as an alternative to banks and moneylenders. Whilst acknowledging this success, the Board also recognise that the credit union movement is experiencing the impact of the changing economic climate. Banks offer little return on credit union term deposits and the overall appetite for personal borrowing is reduced. As a small industrial credit union, Broadstone C.I.E Credit Union does not have the same opportunity for membership growth as other credit unions.

Although membership has grown from the initial number, current membership stands at 458. Changes in the regulatory and legislative framework governing credit unions have resulted in increased financial burden. With this in mind, along with the need to upgrade and improve services, Broadstone CIE Employees Credit Union has embraced the idea of joining with a larger credit union. The Board believes that this will afford the credit union the opportunity to retain its core values and also to strengthen and consolidate the provision of services to current and future generations of members in Broadstone. As part of a much larger entity the credit union will be in a position to offer members a wider range of products with improved services and up to date facilities to fulfil their legitimate expectations of a modern financial service.

# YOUTH AND MARKETING CONFERENCE 2018

**There was a great attendance at the annual Credit Union Youth and Marketing Conference at the Tullamore Court Hotel in February. The two-day conference focused mainly on digital marketing and social media, with the keynote address from JOE.ie's Head of Content, Paddy McKenna, focussing on the creation of compelling content for younger generations.**

## **Content is King**

The focal point of Mr McKenna's address was on creating and using content that is compelling, resonates with your audience and most importantly, is true to your tone of voice and your brand.

Together with directing content creation for JOE.ie, Mr McKenna is co-presenter of the JOE Show, a custom-made for social media video broadcast on JOE.ie's social media channels. The show is so successful that it has just won in the Best Use of Video category at the renowned Digiday Europe Awards. This follows on from the JOE team's win in 2016 in the Best Use of Social category. Mr McKenna, who was at the helm of both award-winning teams, explained that the key to successful content, as JOE.ie sees it, is producing content that is genuine, interesting and tailored for your audience.

You can see a more in-depth discussion of social media in 2018 with Mr McKenna in the interview overleaf.

## **The Impact of Technology on Communications**

Next up was technology correspondent with Newstalk 106 FM, Jess Kelly. Ms Kelly hosts her own technology show, Tech Talk, on the radio station. Ms Kelly delivered a talk on how technology is impacting on the way we interact and communicate, and how emerging and future tech trends will irreversibly change the nature of communication.

Ms Kelly brought her artificial intelligence personal voice assistant, the Amazon Alexa, with her for an eye-opening demonstration of the advances that have already taken place in how we use technology to communicate

## **Breakout Time**

There were also a number of 'breakout' sessions during the conference where attendees were free to choose from a range of talks outside of the central conference. These sessions included Unlocking the Power of Google Analytics with digital marketing strategists from Arekibo. The presentation looked at the basics of implementing Google Analytics, customising implementation in order to achieve the particular goals of the credit union and custom event-tracking via Google Tag Manager.

A group discussion on Reaching the 16-24 Year Market was also facilitated by the National Youth Committee. This focused on identifying opportunities for credit unions to

bridge the gap with the 16-24 year old demographic.

A second panel discussion looked at converting loan leads, with participation from Shane Melia of First Choice Credit Union Ltd., Roisin Gilroy of St. Canice's Credit Union Ltd. and Claire Lynch of WBR Credit Union Ltd.

Other key topics highlighted and discussed at the conference were the use of the 'newer' social media platforms that are popular with Generations Y and Z, Instagram and Snapchat.

David McDonnell of Naomh Breandan Credit Union Ltd. and Anne McLnerney of Gort Credit Union Ltd. outlined for attendees the successes of Cultivate, a new agri-loan product developed by a number of Galway credit unions. While People First Credit Union Ltd.'s Carol Murphy shared insights on how the credit union connects with second-level students and their parents to advise them on how they can help with the financial burden of third level costs.

The audience were also treated to a review, featuring some great video highlights, of WYCUP (World Council Young Credit Union Professionals Programme) by Mark Gannon (Westport Credit Union Ltd.) and Declan Lally (St Anthony's and Claddagh Credit Union Ltd.).

Mark and Declan shared their experiences and insights from the event, where they engaged with other young credit union leaders from across the globe. Wide Eyed Media brought the conference to a close with a look at how credit unions can effectively use cinema advertising.



Jess Kelly, Tech Correspondent with Newstalk 106FM, demonstrates the Amazon Alexa



There was a great turnout for the conference



## INTERVIEW

## PADDY MCKENNA

*Following the conference, CU Focus sat down with Paddy McKenna and asked him a number of questions about social media in 2018*

**CU Focus:** In your opinion, which social media platform is best for customer-focused businesses?

**Paddy McKenna:** It really depends on what your business or brand stands for and the kind of connection you want with your users. Every social platform does something different and fulfils different roles for your business. For instance with JOE, our traffic to the website primarily stems from referral from our social accounts on Facebook, Twitter and Instagram stories.

**CU Focus:** What do you predict to be the biggest social media trend (or trends) for 2018?

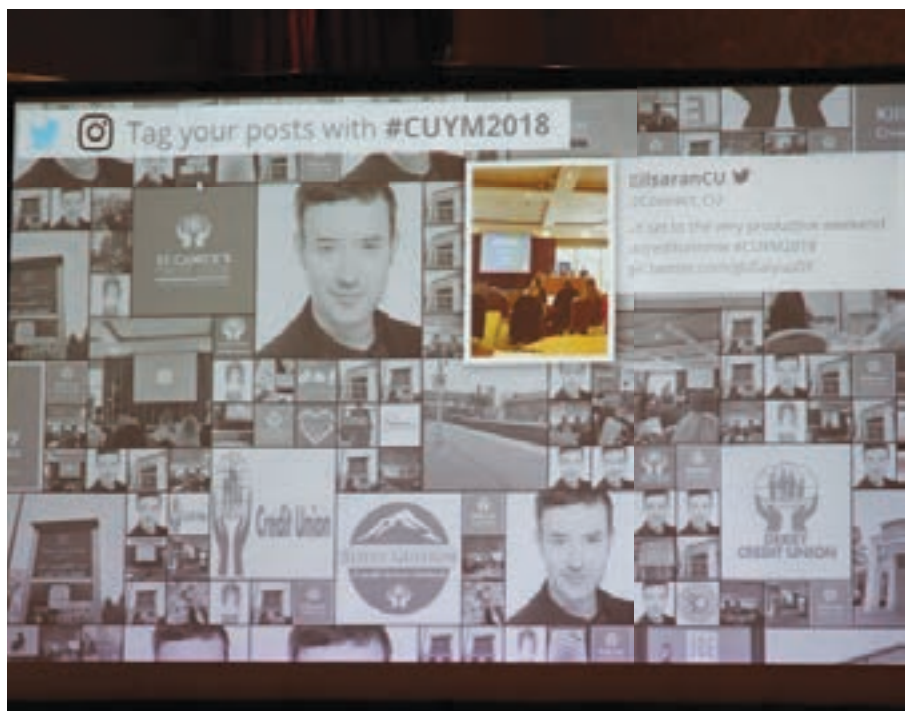
**Paddy McKenna:** More focus on Instagram over Snapchat for brands. And more time spent for users on Instagram over Facebook. Also, as regards Facebook, more visibility on News Feed for local pages, which is good news for credit unions and would be a platform worth leveraging.

It's worth taking a special look at Facebook because it is the behemoth of social media brands, matched only by Google. Mark Zuckerberg has already predicted that the recent changes to the Facebook News Feed, that amongst other things prioritises the comments and shares of your friends, will see users spend less time on Facebook. So it's a very bold move. They've gone to war on clickbait, eyebait and low-quality content in general. It was urgently needed because that time spent on Facebook was becoming less rewarding.

Ultimately what that means for individual brands is that the creation of quality original content is absolutely key. To some readers that might seem a really obvious statement but in the world of digital media where so many brands are focused on scrapping content or copying what's already out there, it's not something that can be taken for granted. If you really want your business to be taken seriously, you have to produce your own content that speaks for your brand. It's the only way to stand out. It's why we spend a lot of time in JOE identifying the best young talent to hire, whether they are writers, social media creators, presenters, videographers or graphic designers.



*JOE.ie's Head of Content Paddy McKenna opened the conference with a lively and entertaining talk on creating great content*



*The Tweet Beam was a huge hit at the conference, where the official hashtag was #CUYM2018*

**CU Focus:** What would be your three top tips for brands such as credit unions using social media?

**Paddy McKenna:**

1. Don't copy, don't scrape – create and innovate.
2. Don't spam. Make sure what you say is relevant, interesting and authentic.
3. Don't be fake. There is so much noise on social media. Look at the stuff that goes viral. How often does it come from real people, expressing real sentiment and has authenticity at its core? The businesses who do best on social know exactly who they are and talk to their users in a tone of voice they recognise and can relate to.

**CU Focus:** Are there any social media platforms which you don't think will survive and won't be used in the future?

**Paddy McKenna:** Well, I would refer to the comments about Facebook. They had to make radical changes, and they have, by prioritising posts and comments from friends above brands and publishers. That's not disastrous for quality, trusted publishers. Quite the opposite in fact. Its desired aim is to weed out the opportunistic publishers, the copyists and the fakes. Which would be great! But will it work? And if it does, will it be enough to ensure it can survive the present turmoil? Time will tell.

**CU Focus:** What do you think distinguishes the content on JOE.ie from its competitors?

**Paddy McKenna:** It's the strength of the brand and the talent of the people who create content for it. We would pride ourselves on understanding our users. It's a bit of a starry-eyed cliché, but what interests them is genuinely at the heart of everything we do. We find out very fast if what we are doing is what they want to consume. That's the terrifying beauty of social!

**CU Focus:** What is your favourite thing about social media?

**Paddy McKenna:** The power for social change is my favourite thing. For example the role that #HomeToVote played in the marriage referendum. When it's been used positively, it's a hugely powerful social connector. The most powerful social connector the human race has ever had. Just think about that for a second.

**CU Focus:** And what is your least favourite thing about social media?

**Paddy McKenna:** On the flip side, right now it can be easily manipulated to create chaos and social discord. It's such a hugely powerful tool that has very quickly become a huge part of our reality. You can ignore social media. You can delete all your social



*Paddy McKenna looks at the ingredients for successful content*

accounts, you can disconnect entirely but unless you move to the moon, it doesn't matter. It will unquestionably influence aspects of your life. The scariest part of social is that our global society (which social media has helped realise) has had no chance to take stock and forge a common, beneficial path forward. There won't be a chance of course, the best we can hope for is that people with the incredible power like Mark Zuckerberg and Sundar Pichai (CEO of Google), make good decisions that benefit society. Essentially, they are both decent men who want to do right by humanity. When it falls into the wrong hands though, it's poisonous and potentially ruinous for society and common social bonds. It's that powerful and scary. Right, I'll stop now, that's for another day.

**CU Focus:** Any final words of wisdom or advice for credit unions using social media?

**Paddy McKenna:** Make sure that the content for your social media – whether that's pictures, video or just written updates – is

created with an understanding of social media and for the specific social media platform you are using. It's generally a good idea to have people who use social media in their own time, and have been using it for some time, to create the content.

Asking someone who has never used Instagram to post content to your new Instagram account is pointless and will probably end up damaging your brand. It probably means finding people who are 'digital natives' and investing in them to ensure that they are creating excellent content for your business that engages with your members.

And given the trends towards local community and local pages, ensure that your Facebook page doesn't necessarily just talk about credit union business! Make a place for local conversation and talking points - but ensure that it's well moderated so it doesn't become toxic. The best way to do this is establish rules and enforce them. I think that could be a powerful connecting place on social for local credit union businesses.





**IrishLeague**  
of **CreditUnions**

# Election 2018 Candidates for the Supervisory Committee



**Clarke, Bernard**

**Member of:** St Declan's Ashbourne Credit Union Limited

**Nominated by:** St Declan's Ashbourne Credit Union Limited

My name is Ben Clarke and I have been volunteering with St. Declan's Credit Union Ashbourne for almost 20 years. I am currently Chairman of Chapter 6 and have also been Chair of Ashbourne Credit Union. I served on several committees on both of these. I have run my own business for the past 18 years and am directly responsible for the financial running of the company and the monitoring of my staff daily. The future of the credit union movement depends on the co-operation among its co-operatives which in turn depends on the integrity of the ILCU. The integrity can only be guaranteed to you, the affiliates, by the robust supervisory and reporting system. When elected, I am confident this guarantee will be assured.



**De Porres Walsh, Martin**

**Member of:** Midleton Credit Union Limited

**Nominated by:** Midleton Credit Union Limited

I was appointed Peace Commissioner in 1987, appointed a Commissioner for Oaths in 1989. I hold an Honours Degree (LL.B) in Irish Law and studied International Human Rights Law (LL.M). I hold a certificate in Credit Union Governance (2014) and a Diploma in Cooperative Business Studies (2015). Currently, studying B.Sc in Cooperative Business Studies at UCC. I hold an International Distinguished Accreditation in Communication and Leadership Skills (DTM) from Toastmasters International, Mission Viejo, California, USA. Initial role in St. Gabriel's, Cork, was a Supervisor. Continuing my volunteerism in Midleton Credit Union Ltd., I held the post of Secretary, Chairperson of Nomination Committee, Chairperson of Credit Committee, Chapter XI delegate. Currently, Chairperson of the Board Oversight Committee. With my experience and qualifications, I believe my election to Supervisors Committee, ILCU would be a right and robust choice. My commitment to the credit union movement is absolute.



**Redmond, Terry**

**Member of:** An Post Employees' Credit Union Limited  
Members First Credit Union Limited  
Progressive Credit Union Limited

**Nominated by:** An Post Employees' Credit Union Limited  
Arklow Credit Union Limited  
Ayrfield Credit Union Limited  
Boyle Credit Union Limited  
Gorey Credit Union Limited  
Malahide & District Credit Union Limited  
Member First Credit Union Limited  
Progressive Credit Union Limited  
St Columba's Credit Union Limited  
Tubbercurry & District Credit Union Limited

I am seeking your support once again for election to the ILCU Supervisory Committee. I am at present a member of this Committee and I currently hold the position of Chair. I've been involved in the movement since 1992. I am currently a member of the Board Oversight Committee of Progressive Credit Union. I have served on the board of Balbriggan Credit Union for 18 years. This credit union has now been amalgamated to form Progressive Credit Union. I am a former Chairperson of Chapter 20. I have also served as Chairperson of the ILCU Nomination Committee. Your support at the movement's AGM in Killarney will be greatly appreciated.

# CUSOP FOCUS

## CUSOP Strength – 133 Credit Unions – Welcome Aboard



## Out & About - Northern Ireland User Forum in Cookstown



**Top left to right;** Dympna Haughian, Crossmaglen Credit Union & John Chapman, CUSOP. Diarmuid Hanrahan, Payments Specialist presenting to the audience. Michael Keegan, CUSOP and Eleanor Coulter of Portaferry Credit Union. Pauline Curran and Margo Cunningham of Kilkeel Credit Union with Martin Busch from Lisburn Credit Union. It was a cold day outside but the attendance was strong.



# CUSOP FOCUS

## Switching your electricity...gas...or phone?

### Spring is in the air... SWITCH your payment service provider to CUSOP ... it's easy!

Credit union & CUSOP agree the switch date – this will be determined by the notice period required by the credit unions existing payment service provider.

- All transactions cut-over on the agreed switch date (typically first Tuesday of the month).
- **No change** to credit union transaction processing (BICs, IBANs, Creditor IDs).
- **No change** to file processing with IT Service Provider (ITSP).
- **CUSOP manages** the agreement of the switch date with BPF1, with the existing payments services provider and the credit union ITSP, once the credit union gives notice to switch.

- **CUSOP liaises** with the ITSP in implementing and testing the cut-over. Once the credit union is live on CUSOP, the CUSOP Bulk Standing Order switch can be implemented.



### CUSOP serves the credit union – contact CUSOP today

Helpdesk email support – [info@cusop.ie](mailto:info@cusop.ie)

Helpdesk telephone support – 01-6146980

John Chapman ([jchapman@cusop.ie](mailto:jchapman@cusop.ie)) or Keith Lawlor ([klawlor@cusop.ie](mailto:klawlor@cusop.ie))

Cut-over Project Manager – Diarmuid Hanrahan ([dhanrahan@cusop.ie](mailto:dhanrahan@cusop.ie)).



Many financial institutions are predicting rising levels of fraud. It is increasingly relevant that credit unions are aware of latest financial fraud activity and trends. CUSOP is working in collaboration with the Banking and Payments Federation (BPF1) to introduce FraudSMART to the CUSOP credit unions.

In agreement with the BPF1, CUSOP credit unions can now use FraudSMART to be better informed on the latest fraud threats. CUSOP is conscious that raising awareness on fraud for staff in credit

unions plays an important role in mitigating threats.

Some of the excellent features of FraudSMART include:

- **Latest News & Alerts** – this includes updates on latest fraud trends and alerts to emerging frauds
- **Alerts** – credit unions can automatically receive fraud alerts
- **Jargon Buster** – explains the common fraud scams in plain English
- **Security awareness posters** – for use by credit unions
- **Useful information on security** – to help protect credit unions.

## PSD2 - The Game Changer for Payments

The revised European Union Payment Services Directive (PSD2) has been commonly described as a 'game changer' and is set to revolutionise the provision of banking and payments services within the European Single Market.

The most significant PSD2 changes are the obligations on payment service providers (PSPs) to open up their systems in order to provide third party providers (TPPs) wishing to offer financial services to consumers with access to the PSPs customer accounts (credit unions have been granted an exemption from this aspect of PSD2). Additional

important changes include improved consumer protection and payment security requirements.

PSD2 came into effect on January 13, 2018 and was transposed into Irish law through domestic implementing legislation.

PSD2 will undoubtedly have far reaching effects on the provision of payment services and payment service providers. Although, as previously mentioned, credit unions are currently exempt from the TPP requirements, the credit union business model is evolving and member services are being enhanced in line with

member demands such as the provision of a new account and payment services (i.e. Member Personal Current Account Service) and new access channels (internet and mobile).

*This is an excerpt from an article, written on behalf of the Credit Union Working Group of ACOI by Fiona Lawlor, which was first published in the Winter 2017 ICQ Magazine, an ACOI publication. The full article can be viewed on [www.cusop.ie](http://www.cusop.ie)*

*Some minor amendments have been made to the article for factual updates arising from the passage of time.*

## CONTACT CUSOP NOW – CUSOP is here to help you

We would be delighted to meet you and your team at the credit union. Please let us know if you would like to meet. 133 credit unions with c. 1.5 million members are using our proven and tested payments platform. We processed over 7 million payments worth almost €2 billion for credit union members in 2017. It's time for your credit union to consider CUSOP.

### Contact Us:

**CEO:** Michael Keegan

**Phone:** +353 1 6146980

**Email:** [info@cusop.ie](mailto:info@cusop.ie)

**Web:** [www.cusop.ie](http://www.cusop.ie)



# SOUTH DUBLIN CREDIT UNION LTD CELEBRATES 50 YEARS

**Formerly known as Stillorgan Credit Union Ltd – South Dublin Credit Union Ltd – is celebrating 50 years at the heart of the Stillorgan and South Dublin Community.**

## **A Bit of History**

The credit union in Stillorgan was founded in November 1967 by Seamus P. McEoin – who was also one of the founding members of the credit union movement in Ireland – along with two other founding members - Frank and Maire Pearson. At the time, Stillorgan was a developing South Dublin suburb with a growing population. As such it was a prime location to establish a new local credit union. The first meeting took place in Glenalbyn House on November 27th 1967, with 100 local people in attendance. The first Board was elected and comprised of Frank Pearson, Maura Pearson and Dick Courtney.

The venture was initially set up and run from a caravan in the Stillorgan Shopping Centre car park. Members could also save with credit union volunteers after mass in Mount Merrion Church every Sunday morning. Outside of these hours, the Board and volunteers parked the caravan beside the busy Ormonde Cinema to promote the credit union to the cinema goers queuing for tickets to the blockbusters of the day!

As membership grew, the Board of Directors took the decision to buy a property to operate from. On Christmas Eve, 1969, two board members – Frank Pearson and Chris Lattimer signed the deeds to purchase No. 1, The Hill adjacent to the shopping centre.

This remained the main premises until 1991, when a terraced house at No. 63 Lower Kilmacud Road was purchased, followed by the adjacent house at No. 65. These properties became the main premises of the Stillorgan office and remain the head office of South Dublin Credit Union to this day. The adjacent terraced house was purchased more recently, in March 2017, and plans are being worked on for development of the property. This extra space will be very welcome to accommodate the growing staff and business requirements.



*Seamus P. McEoin, one of the founders of South Dublin Credit Union*



*South Dublin Credit Union main office*



## **South Dublin Credit Union Today**

In February 2017, St. Mary's Credit Union Ltd in Donnybrook joined with Stillorgan Credit Union. The two credit unions were neighbours, geographically speaking, so this was a perfect partnership. Upon the transfer, the common bond was extended from Stillorgan, Leopardstown and Mount Merrion to include the greater Donnybrook area. To better reflect the extended common bond it was felt that a name change was essential. The main focus of both credit unions has always been the members and locality. Therefore, the

obvious choice was that the new name should reflect their geographical location. In March 2017, the name was changed to South Dublin Credit Union Ltd.

South Dublin Credit Union now has two offices – the Stillorgan office on Lower Kilmacud Road opens five days a week, including Saturday. This is supported by the Donnybrook office, on Morehampton Road, which opens four days each week. Members also have access to a secure online banking facility which allows them to access and manage their credit union accounts 24/7.



Membership of the credit union now stands at in excess of 11,350. There are currently 13 full and part time staff, headed by Manager Anne Quinn, who has served the credit union and her community for over 26 years. There are many long serving members on the staff, but thanks to the recent transfer, the credit union has also welcomed several new staff on board.

First class member service remains the number one priority in South Dublin Credit Union. Both offices offer members a warm welcome and professional customer service. Both have loans rooms and loan officers available to members to discuss their financial needs in private with no prior appointment necessary.

**South Dublin Credit Union - At the heart of the local community**

South Dublin Credit Union prides itself on being an integral part of the local community and sponsors a vast range of local community groups, sports clubs, drama clubs, active retirement groups and local events, groups and charities throughout the common bond.

It also operates school credit unions in three local primary schools and also offers the Clued-In programme to secondary schools within their common bond. The credit union is committed to ensuring that the young people in the community are educated about the credit union ethos and that the “People Helping People” philosophy is promoted and sustained amongst the younger generation.

**50th Anniversary Celebrations**

There are plans for a host of celebratory events, raffles and competitions throughout the year. The highlight of the credit union’s 50th Anniversary Celebrations will be a Gala Dinner, planned for April this year. Among attendees will be current and past members, volunteers, Board and staff as well as representatives from the local community. There will also be a number of raffles for tickets, so that members who would like to join in on the celebrations will have the opportunity to attend the celebrations on the night. This event will be held at the prestigious local Radisson Blu St Helens and looks set to be a fantastic night and a key event in the anniversary celebrations. It will also be a fantastic opportunity for the current Board and staff to thank everyone that has helped make their credit union a success down through the years.



*South Dublin Credit Union staff and volunteers*



**The Future of South Dublin Credit Union**

Many changes have taken place over the years. The pace of these changes has been rapid and the credit union movement in general faces many challenges. However, South Dublin Credit Union is in a strong financial position and believes that there is and will be a demand for a credit union in the local community for many years to come.

Once of the key tasks that has been undertaken in recent years was without doubt, the transfer of St. Mary’s Credit Union with Stillorgan Credit Union. This was accompanied by renaming and rebranding as South Dublin Credit Union. New signage was designed and installed in both premises and a new suite of products designed and introduced. A new look website was also designed and launched as part of the rebranding. This

offers members full secure account access online. There are plans underway for the introduction of a new range of competitive products and the credit union promises to continue to offer members excellent rates and first class customer service which competes with, and surpasses, other financial institutions.

The local South Dublin community is still growing. Many new houses and apartments are currently being built in the locality and the local industrial estates are thriving. Many of the big international tech firms have made their home in the local industrial area, which continues to thrive. The credit union welcomes new members that live or work in the common bond.

The Board, management and staff of South Dublin Credit Union are committed to ensuring that the credit union maintains a strong financial position for the current membership and for future generations. The credit union’s motto is “You’re in Safe Hands” and the Board and management are eager to ensure that the credit union lives up to this promise for many years to come.

<b>SDCU Facts:</b>	(As at end of FY2017)
Membership:	11,321
Assets:	€51,952,627
Loans:	€11,002,513

# How to Prepare for the GDPR – The Importance of Training & Awareness

**2018 sees the biggest change to data protection legislation in a generation, with the implementation of the General Data Protection Regulation (GDPR) across Europe on May 25th, 2018. The GDPR will impact on all elements of the credit union. It will introduce far greater focus on accountability, transparency, governance and oversight of privacy and data protection in all organisations - including of course credit unions.**

As credit unions face the challenges of the requirements for new Data Registers, Privacy Impact Assessments, Breach Reporting plans, Privacy Notices, Subject Access Request procedures and the updating of policies and procedures, they should not lose sight on what needs to be the first and foremost step on their GDPR journey - **training & awareness**.

Greater awareness and the need for training underpins one of the key planks of the new GDPR – greater accountability. In terms of protecting privacy, dealing with data subjects, security requirements, conducting privacy risk assessments and communicating privacy information, and training of those who deal with personal data will now be essential, in order to both ensure **and demonstrate compliance** with the GDPR after May 2018.

Article 39 of the GDPR places a specific obligation to “inform and advise” those who control data – the credit union and its officers - of their obligations under GDPR, and when having to demonstrate compliance, regulators will expect not only that adequate policies and procedures were put in place, but that the credit union can show that these policies and procedures were indeed understood and implemented.

This approach to data protection training is similar to that taken for Anti-Money Laundering (AML) - where training is seen by regulators as a key component in showing that policies and procedures are being implemented and followed by officers. Also similar to AML will be the possibility of significant fines and sanctions (up to €20million) under GDPR. These



fines could be for breaches including failure to conduct training under the new sanctions powers provided to the Data Protection Regulators, (the DPC in the Republic of Ireland and ICO in Northern Ireland).

## **Need for Stratified Training**

In order to inform your Boards, committees and staff on what to expect with GDPR, training for each of your key audiences is essential.

- Boards will need to know the far-reaching impacts that GDPR will have on the credit union. These include the need to update their risk registers and make changes to the credit unions overall governance structures to meet the challenges, greater accountability and transparency of data protection issues.
- Staff will need training in the practical implications of GDPR on their individual roles, which you may decide will require specialised training programmes for those who take on new members, provide loans, perform debt collection activities or market members.
- Finally, those to be tasked with managing GDPR in the credit union, the Data

Protection Leads or Data Protection Officers will need to show how they have the experience, training and qualifications appropriate to perform their new roles.

CU L&D offers credit unions the following **GDPR courses** based broadly on roles within the credit union:

1. *Understanding the GDPR* for Boards – half day or evening course (in-house or Chapter).
2. *Implications of the GDPR* for Staff - full day course on training schedule (can also be run in-house, full day or half day).
3. *Preparing for the GDPR* for the Management Team – full day course (Training schedule only) - for DPOs or potential DPO's and those with special interest in GDPR; Compliance & Risk, Managers.

In addition, CU L&D offer e-learning courses on *Data Protection for Credit Unions and Information Security for Credit Unions* which provide a solid foundation in data protection for credit union officers.



# Pathways for Success – Educational Programmes for Credit Union Officers

The commitment to undertaking a 3rd level qualification while working full time may be a daunting prospect for some, but the benefits far outweigh any obstacles, and the rewards for undertaking further education are great for credit union officers. Memories of classrooms and strict school teachers may come flooding back for those who have not been in education for some time, however, the reality for mature students these days is quite different.

## A blended approach to supported study

The methods of teaching employed on the new Pathways qualifications are strategically designed to suit working adult learners. In fact, Pathways provides a modern blended approach of flexibility for learning, in a supportive environment to aid success. A blended approach means that students can work at their own pace online and only attend classes for either one or two full days during the entire module.

For credit union officers embarking on the Pathways qualifications, the support offered by managers is invaluable. Staff are happy to report that some of their credit unions offer fee assistance, study leave and in many cases practical experience. The ILCU Learning and Development department provide dedicated advisors to help you to discern your educational direction and specific module choices.

We want you to succeed and therefore every aspect of Pathways has been carefully designed to suit you as an individual, enabling you to tailor your choices to suit personal aspirations and career requirements. Our tutors are selected for their subject matter expertise and their teaching experience. They will provide you with every opportunity to comprehend course material regardless of your experience or previous education.



ACCREDITED EDUCATION FOR CREDIT UNIONS

## Where do I start?

CU Learning & Development Department is delighted to announce **National College of Ireland (NCI)** as our new accredited programmes partner.

From Certificate, Diploma, or Degree right up to Masters' level, the various levels of entry to the new qualifications cater for everyone in the Republic of Ireland and Northern Ireland. The Certificate in Credit Union Business may be a good starting point if you have not studied for many years or if you are new to the credit union. This certificate provides learning regarding the crucial business aspects of credit unions from an operations and governance perspective. Alternatively, if you work in the area of compliance and risk, the specialist Certificate in Compliance and Risk could be for you. Perhaps you already have a professional qualification or relevant experience but need to meet the Minimum Competency Code (MCC) requirements? Then choose from the MCC modules. You might decide after the Certificate or MCC modules that you would like to continue

studying for the Diploma in Financial Services for Credit Unions, in that case you can mix and match your modules to make up the credits. If having succeeded with the diploma you decide to finish off your studies with a BA (hons) in Business Management, you will already have gained many exemptions. And finally, if a Masters' degree is your end goal, then there are many options for specialisation.

All of those reaching diploma level and beyond will have gained an outstanding education in the wider financial services and will have acquired many transferable skills. There really is something for everyone in the new suite of Pathways qualifications which can open up a world of opportunities for all credit union officers, personally and professionally.

For further information please contact Chris Ryan: [cryan@creditunion.ie](mailto:cryan@creditunion.ie) or phone: 01 614 6931.



# SAVINGS PROTECTION SCHEME REVIEW

**The Savings Protection Scheme (SPS) operated by the Irish League of Credit Unions (ILCU) on behalf of credit unions has a significant track record in providing stability to the credit union movement. The SPS has been used to financially stabilise credit unions and to assist them in continuing to serve their communities without relying on taxpayer funds. This is a huge achievement on the part of the movement, particularly in light of the challenging economic environment in which it has operated in the last decade.**

In response to an important debate at last year's ILCU AGM surrounding the future purpose of the SPS, the ILCU Board decided that it was timely for a comprehensive review to be undertaken in relation to the SPS. The ILCU sought credit union involvement in this review and received a great response. As a result, the ILCU is in a position to draw on a wealth of expertise from within the credit union movement which will be invaluable to this project.

The SPS Review Group comprises of four nominated representatives of credit unions and two ILCU Board Directors. The group will be assisted by a Working Panel comprising of ten nominated representatives of credit unions, and will also receive assistance from ILCU staff who specialise in the SPS. The Terms of Reference of the SPS Review (which have previously been circulated to credit unions) include an examination of the following:

- Future Purpose of the SPS
- Adequacy of the SPS
- Future Funding Requirements of the SPS
- Any Motions for the consideration of a General Meeting of the ILCU

It is clear that this project is an ambitious one and it is the view of the ILCU that the widest credit union participation that can be achieved will be of central importance. For this reason, the SPS Review Group will be inviting credit unions to engage with the project in a variety of ways, with the aim of obtaining input from every affiliated credit union. Work has commenced in this regard and the first stage in the process will be a request for the completion of a general survey which will be issued to credit unions shortly.

The ILCU looks forward to engaging with credit unions in relation to the SPS Review and sincerely hopes that it will be a significant milestone in the continued success of the SPS.







# ILCU Foundation Assists Credit Unions in the Caribbean

**Dominica is an island nation in the Caribbean Sea, with a population totalling 75,310, just under the population of the county of Cavan. The credit union sector in Dominica is comprised of six credit unions, with sixteen offices, having one of the highest credit union membership penetration rates in the world. The sector represents approximately 24% of the savings market and 34% of the loans market.**

In September 2017, the island of Dominica was affected by the passage of Hurricane Maria. Overall, it is estimated that approximately 90% of homes were damaged. The agricultural and tourism sectors, which are primary areas of the economy of Dominica, were severely impacted. Overall damage was projected to be more than 200% of the island's Gross Domestic Product (GDP). Credit union buildings and individual members were also affected either by damage to their homes or loss of income. Many credit unions lost their roofs, either partially or completely, had windows broken and experienced flooding and damage to computer equipment. In total 12 offices were badly impacted by the hurricane in such ways. The Dominica Co-operative Societies League was also severely impacted by Hurricane Maria, losing its roof completely with resulting damage to its interior, furniture and fixtures due to flooding which accompanied the hurricane.

In response to such devastation, the Irish League of Credit Unions International Development Foundation (ILCU Foundation) contributed €25,000 to The Caribbean Confederation of Credit Unions (CCCU) through World Council of Credit Unions (WOCCU) to assist the credit union sector in Dominica. The full rehabilitation of the credit union sector is critical to its sustainability and its ability to continue to provide service to its members in particular, and to Dominica's economic development in general.



*Infrastructure damage following Hurricane Maria*



*Long road ahead for rebuilding Dominica*



# Gambian Coaching Programme 2018

**In January, the second year of the Gambian Coaching Programme commenced, supported by the ILCU Foundation and Irish Aid, in conjunction with the National Association of Credit Co-operatives of The Gambia (NACCUG). The programme consists of a two week visit to The Gambia by a team of Irish credit union professionals who provide technical support and assistance to their Gambian counterparts.**

The inaugural year of the programme was 2016. The follow-up visit was postponed until this year due to the political impasse in the country in 2017, where long-serving former President Yahya Jammeh rejected presidential election results, refused to step down from power and was eventually exiled from The Gambia.

The theme of this year's visit was "Safety and Soundness", with the coaches particularly focusing on the areas of governance, risk management and risk mitigation strategies and marketing. Returning coaches Sabrina Peyton (Connolly CIE Credit Union Ltd., pictured above) and Pat Morrissey (Synergy Credit Union Ltd.) were joined by new coaches, Rosaleen Bradley (Newington Credit Union Ltd.) and Alan Duff (Health Services Staffs Credit Union Ltd.). The programme is based around on-site visits in participating credit unions, whereby their Board of directors and management are given the opportunity to discuss their challenges and risks with the coaching team, who can offer practical support and solutions based on their experiences. Participating credit unions from the 2016 visit were invited to join the programme again, so this gave the coaches an insight into how those credit unions have been performing since that time. From the outset, it was evident that huge



*The coaches even managed to introduce some friendly GAA rivalry. Although there was almost a row when Dawda (pictured, Fankanta Credit Union) whispered "Cork for Sam" in Sabrina's ear! She soon set him straight on the Dubs 4-in-a-row hopes!!!*

improvements have been made across the movement since 2016. Capacity building among directors and staff has increased immensely and this was highlighted in their ability to discuss and understand key areas such as governance, strategy and risk. These were new concepts to some officers back in 2016, so it was extremely positive to hear these issues being discussed on a regular basis. The coaches could also see a huge improvement in the economy of The Gambia with an ever-growing tourist industry framing a positive outlook for the future.

There were two teams of coaches who between them visited eight credit unions across both the community and industrial, urban and rural common bonds. There were some differences between them, with the

larger, urban credit unions having a wider range of services available to members. However, despite their differences, it was clear to see that each credit union was fully committed and dedicated to providing safe and secure financial services to their members, whilst simultaneously promoting financial inclusion for all. Even with the smallest savings and loans, the coaches could see the valuable and positive impact the credit union has had on the people of The Gambia.

The coaching programme finished with a two-day workshop, the content of which was driven by the challenges credit union staff raised during their on-site visits. This ensured that the participating credit unions were left with practical strategies to manage their biggest risks. The training focused on governance, marketing and risk mitigation and the 25 attendees enjoyed interactive, task-based training which hopefully provided them with the tools necessary to address these key areas in their own credit unions.

Outside the training element of the programme, the coaches were able to develop strong, valuable relationships with their Gambian colleagues in both NACCUG and the participating credit unions. It is hoped that these relationships will continue to thrive and that experience and knowledge can be shared, both ways, long into the future. The coaches also met with NACCUG's newly established social media team which was an excellent chance for them to see how they intend to develop their presence on Facebook and through their website ([www.naccug.gm](http://www.naccug.gm))

The coaching team would like to thank the ILCU Foundation for affording them the opportunity to take part in this extremely rewarding programme, as well as NACCUG General Manager, Mr Baboucarr Jeng and all of his staff for their warm welcome and hospitality during the trip.



*Workshop participants hard at work during one of the training sessions.*



*Coaches, NACCUG staff and Board and training participants at the closing of the two-day workshop*





# EMERGENCY FUNDING FOR SIERRA LEONE FLOOD AND MUDSLIDE VICTIMS

**Every year the ILCU Foundation provides funding to emergency crisis responses, assisting those most in need across the globe. On August 14th 2017, one of Africa's worst flooding-related disasters in years occurred when mudslides triggered by three days of heavy rains poured in and around the capital Freetown when the side of Mount Sugar Loaf collapsed.**

This overwhelmed relief efforts in one of the world's poorest countries. The severe mudslides had a detrimental impact on the lives of the poorest communities living in makeshift settlements. According to government figures, the total number of confirmed dead or missing people was 1,141. About 6,000 individuals were reported affected, of which 2,609 were children. A total of 3,000 individuals lost their homes and have been residing in temporary camps since the disaster while awaiting permanent resettlement. While none of the credit union members supported by the ILCU Foundation's work in Sierra Leone were directly affected, many had family members or friends impacted by the devastation.

Following the flooding and mudslides, and in recognition of the great need to respond to this emergency crisis, the ILCU Foundation pledged €25,000 to provide humanitarian support to those in need. To manage the delivery of this emergency response, the ILCU Foundation engaged with Plan International to provide assistance to those requiring such support.

Highly vulnerable households were targeted to receive emergency relief including; those whose homes had been completely destroyed and were not able to salvage any household items or materials, households with young children, pregnant or lactating women, elderly, disabled, or sick people. Essential items including hygiene kits, mattresses and mosquito nets were distributed to 300 highly vulnerable households, benefiting a total of 1,537 individuals.

The distribution of hygiene kits was complemented with the promotion of safe hygiene and sanitation through information provided by Plan International staff, as well as leaflets included within the kits. This



*Sierra Leonean woman receiving hygiene kit and mattress*



*Plan International staff assist community members in receiving the humanitarian resources*

was to contribute to the collective efforts of government and humanitarian agencies to eliminate any risk of the outbreak and spread of water-borne diseases such as cholera or diarrhoeal disease. The distribution of mosquito nets, messages promoting their safe use, and mattresses helped safeguard communities from other

diseases including malaria and protect individuals from the cold and damp environmental conditions.

The ILCU Foundation knows that this contribution for humanitarian relief will help these vulnerable communities recover from the devastating impact of the flooding and mudslides.

# CASUAL CONTRACTS OF EMPLOYMENT – NEW DRAFT LEGISLATION

## Proposed changes in legislation aim to address the problems caused for employees who are subject to insecure working hours/ zero hours or “if and when” contracts of employment.

The Government published the Employment (Miscellaneous Provisions) Bill 2017 in December 2017. The Bill contains some very significant changes which if implemented will change the landscape for employers with regard to the hiring of employees on casual employment contracts.

Currently, the law does not prohibit an employer from requiring an employee to be available for work for a certain number of hours each week but, that does not require the employer to make a corresponding

commitment to provide work to the employee during those hours. Neither does the law prohibit a contract in which an employee is obliged to be available for work as and when required to work by the employer.

The core issues being addressed by the draft legislation are:

- Ensuring that employees are better informed about their core terms at an early stage of employment
- Strengthening the provisions regarding minimum payments to low paid/vulnerable employees who may be called in to work for a period but not provided with that work
- Prohibiting zero hours contracts, except in cases of genuine casual work or emergency cover or short term relief work for the employer
- Ensuring that employees on low hour contracts who consistently work more hours are entitled to be placed in a band of hours that reflects their actual hours worked over an extended period

- Strengthen the anti-victimisation provisions for employees who try to invoke a right under the proposed legislation

The key changes proposed include the following:

1. Employers must give all new employees a written statement containing five core terms of employment within five days of commencement of employment. Currently the legislation states that one must issue an employment contract within two months of the commencement of the contract. It is of concern to see that the Bill is also proposing that where an employer fails to provide a written statement within five days this will result in the employer being convicted of a criminal offence unless the employer can show reasonable cause as to why they failed to issue the statement.
2. Prohibition of zero-hours working practices - The provisions in the Bill defines these practices as applying to an employee whose employment contract requires them to make themselves available for work either:
  - a certain number of hours
  - as and when the employer requires
  - both a certain number of hours and otherwise as the employer requires

The Bill does however provide for an exception where the work is of a casual nature, or emergency cover, or short term relief work, for the employer. However it is still unclear as to what is meant by work of a casual nature.

3. New minimum payment where an employee on low pay is called in to work and subsequently sent home without work or significantly less work – calculated at three times the national minimum wage rate to be paid or three times the minimum hourly rate provided for by an applicable employment regulation order.
4. Banded hours - Where an employee's contract does not reflect the actual hours worked per week over an 18 month reference period, the Bill proposes that







Prohibiting zero hours contracts, except in cases of genuine casual work or emergency cover or short term relief work for the employer

the employee will have the right to be placed in a band of hours that better reflects the actual hours worked. For example, if an employee is contracted to work 15 hours a week and they regularly work 25 hours a week averaged over an 18 month period, then the employee may request to be placed on a 25 hours band of weekly working hours.

The relevant bands proposed are as follows:

Band	from	to
A.	1 hour	10 hours
B.	11 hours	24 hours
C.	25 hours	34 hours
D.	35 hours	over

5. Anti-penalisation provisions – The Bill provides for remedies for employees who believe that their rights have been thwarted. So if an employer reduces an employee’s working hours or threatens to do so for the sole reason that the employee sought to invoke their rights, the employee can bring a claim under the Workplace Relations Act 2015.

### In summary

One may take the view that the provisions as laid out in the Bill will reduce the level of flexibility that employers have at present in terms of being able to right size their manpower requirements to suit their business needs. However it is also to be welcomed that employees will have increased protection as a result of the proposed legislation.

While the use of zero hours contracts in credit unions would appear to be very limited, there are some changes in this Bill which all employers, including credit unions, need to be aware of. There has always been a need to hire employees on short term contracts to cover sick leave or unexpected absences. Credit unions will need to ensure that they comply with the new legislation, once it is enacted, particularly with regard to the issuance of contracts within five days of commencement of an individual’s employment, and to ensure that employees are placed on the correct band of hours.

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For further information on this topic, or any HR matter, please contact the ILCU HR Department:  
 Margaret Davern, HR Advisor [mdavern@creditunion.ie](mailto:mdavern@creditunion.ie)  
 Maura Behan, HR Executive [mbehan@creditunion.ie](mailto:mbehan@creditunion.ie)



## Killarney Credit Union Scoops Three International Awards

**Killarney Credit Union Ltd. recently received three international awards for excellence from the International Credit Union Leadership Development and Education Foundation. The awards ceremony took place in London.**

The credit union won the awards in the Edward Filene Credit Union Awards for Excellence - Great Britain and Ireland, in the categories; Engaging in Community Outreach and Mobilisation, and Serving as a Financial Incubator for Small and Medium Sized Businesses. The credit union was also runner-up in the Use of the Media category.

Speaking about the awards, Pat Delaney, Chairman of Killarney Credit Union stated "It is a wonderful accolade to receive these awards from the International Credit Union Leadership Development and Education Foundation. We are honoured to be recognised for our efforts as a credit union by a panel of international business and credit union experts. The adjudication process was comprehensive in nature and it is wonderful to be recognised for credit union excellence in both the UK and Ireland."



In presenting the award in the Serving as a Financial Incubator for Small and Medium Sized Businesses category, the judges stated: "Killarney Credit Union is a powerhouse of social enterprise and community social and economic empowerment, passionate evangelists for what they do, and so has become the

winning credit union for performance excellence in lending to owner-members to develop their businesses."

Representing the credit union on the night were Pat Delaney, Chairman of Killarney Credit Union, Stephen Darmody, Financial Controller and Helen Courtney Power, Business Development Officer.

## 'Buddy Bench' for Greenhills School

Greenhills and District Credit Union Ltd. were delighted to recently sponsor a 'Buddy Bench' in their local school. The Buddy Bench will be a special place in the school-yard where a child can go and sit if they feel sad, lonely, isolated or just need someone to talk to or play with.

Speaking about the new initiative, Marion King, Youth Liaison Officer with Greenhills and District Credit Union said: "Mental health starts at a young age. Our aim is to give a child the confidence to talk and make new friends and also to let them know it is ok to have a bad day. The Buddy Bench is not just for kids feeling sad or lonely, it is for all children."

The credit union's new mascot GLAS also made his first public appearance at the launch of the Buddy Bench. GLAS was a huge hit with the children on the day.





# Willowfield Credit Union celebrates 50th Anniversary

In 1967 Frank Dolaghan saw the benefits that credit unions had offered in other areas of Belfast, enabling working class people to stay out of the grip of moneylenders. Frank set about forming a study group to look at opening a credit union in the Woodstock/Cregagh Road area. Several meetings followed and eventually a committee was formed comprising of;

President	Frank McManus
Secretary	Raymond Walsh
Treasurer	Frank Dolaghan
Director	Frank Kelly
Director	Walter Walker
Director	Seamus Curran
Supervisor	Frank Kelly Jnr.

The first collection night took place in December 1967 and the grand total of shares amounted to 15 pounds, 15 shillings. In 1971, the Board registered the credit union under the Industrial and Provident Societies Act

(Northern Ireland) 1969. This required the formation of a new set of rules governing the operation of the credit union, which officially became Willowfield Credit Union Ltd.

Willowfield Credit Union continued to grow financially and in membership, but sadly due to the troubles, many of the members had to relocate to other areas. It was a credit to the Board at the time who remained steadfast in their commitment to serve the members of the area. In March 2014 the old First Trust Bank at Cregagh Road was purchased and it is hoped that this is where the Willowfield Credit Union Office will remain.

In this celebratory year, the Board gives thanks to the many volunteers who have given their time, and dedication to the credit union, and to the credit union members. Not many credit unions have the benefit of



having one of their founding directors still serving on their Board. Willowfield Credit Union would like to say a

massive thank you to Seamus Curran who still continues to help, advise and play an active role within the credit union.

## Patrick J. McDonald serving Roscommon Credit Union for 40 years



Roscommon Credit Union Ltd. recently honoured Board Director Patrick J. McDonald for 40 years' service. In 1977 when the credit union was just moving in to its new premises, Patrick first joined the volunteer team. He held many roles down through the years at executive level, before joining the Board of Directors. Patrick has served on the many various committees in the credit union,

and has helped out at all of the art competitions and the annual Schools Quiz. He also represents the credit union at Chapter 15 meetings on a monthly basis. Honouring Patrick at Roscommon Credit Union's 51st AGM, Chairman John Devaney described Patrick as "a true Volunteer and a person to whom many Directors turn to for assistance with any problem."

## Tribute to Sharon Friel

Sharon Friel will always be remembered by her colleagues in Baldoyle and Portmarnock Credit Union Ltd., now Progressive Credit Union Ltd., for her dedication to the credit union, and for her friendly, positive personality. During her 14 years working in the credit union, Sharon was a champion of the credit union ethos and was dedicated to the success of the local office, for the benefit of the members and as an integral part of the local community. Sharon's professionalism and can-do attitude saw her progress from Assistant Manager to Manager of Baldoyle and Portmarnock Credit Union, a position she



held with great pride. Vivienne Keavey of Malahide Credit Union Ltd. recalls her happy memories of Sharon. "Anyone who ever had the pleasure of meeting Sharon couldn't help but be affected by her sense of humour and kindness. She had an infectious "joie de vivre" and you always came away from any encounter with her feeling the better for it. That didn't change after her diagnosis with Motor Neurone Disease in 2012. She still had the same zest for life and never let it beat her. I am totally in awe of the way in which Sharon approached her disease. She refused to let it define her and she was stoic in her resolve." RIP Sharon.

## Cuchullain Credit Union Announces Principle Sponsorship Deal with Musical Society

**Cuchullain Credit Union Ltd. is delighted to announce that it has partnered with the Dundalk Musical Society as its principle sponsor for the next three years.**

Speaking about the new partnership, Brigene Litchfield, CEO of Cuchullain Credit Union said: "Dundalk Musical Society is committed to nurturing the creative talents of all ages. For the past 66 years it has been providing entertainment to our community through their concerts, pantomimes and musical shows. It is a very highly regarded local organisation which we know our members are happy to support. We very much look forward to attending their calendar of events and celebrating our local theatrical talent."

Maria Waring, Chairperson of Dundalk Musical Society also commented "We are delighted with this partnership with Cuchullain Credit Union. It is a natural fit. Their ethos of educating their members in culture and well-being is very much in line with our own core ethos here at



Dundalk Musical Society. We are very happy to work together with the credit union as they help ease the cost of our

productions in the coming years so that our community is given the opportunity to shine at all levels."

## Enniscorthy Credit Union Once Again Sponsors Hope & Dream 10

The 10 kilometre Hope & Dream charity run in Enniscorthy will again benefit from credit union sponsorship in 2018. Enniscorthy Credit Union Ltd. is proud to sponsor this year's event to the tune of €10,000. The annual run, now in its 10th year, is in aid of the local Hope Cancer Support Centre, Hospice Homecare and fundraising for an MRI Scanner for Wexford General Hospital. More than 1,400 people took part last year and it's expected that even more will be participating in 2018. Last year, the Hope & Dream 10 raised a massive €160,000; €80,000 for each of the charities involved.

Enniscorthy Credit Union first partnered with the charity event in 2014 when they sponsored the official t-shirts for the run, and has continued to be proud supporters of the event ever since. The credit union admires the work of the Hope & Dream 10 committee in raising awareness of the Hope Cancer Support Centre, Hospice Homecare and the need to fundraise



for a new MRI scanner. The work done by the Hope Centre for the people of Enniscorthy is a fantastic support to people struggling with illness, and gives them not only physical and psychological support, but hope for their future.

## Caherdavin & District Credit Union Opens New Premises

Caherdavin & District Credit Union Ltd. has opened a new state-of-the-art premises located at William Street in Limerick city centre. The decision was taken to open the spacious and modern offices in response to an increasing number of members and demand for additional services. Two new staff members have also been hired to further improve efficiency of service to members.

Present at the official opening were the Deputy Mayor of Limerick, Marian Hurley, and special guest Celia Holman Lee.

Commenting on the new-look offices, Caroline Long, CEO at Caherdavin & District

Credit Union said: "Caherdavin & District Credit Union is proud to serve the Limerick area where we look forward to providing this same level of personalised and quality service to our valued members in our newer and more comfortable surroundings for years to come. The new offices will feature the latest technology innovation, quick member service areas and one to one consultation rooms for member's privacy. Opening hours will increase as we will now open throughout lunch times for improved access and convenience for Caherdavin & District Credit Union's growing membership."





## Chapter 23 Credit Unions Make The Cut

Chapter 23 (Kerry and West Limerick) Credit Unions are proud to once again sponsor the Donal Walsh Live Life Film Competition. The competition was first launched in 2014 to honour the late Donal Walsh, an inspirational teenager who's life was tragically cut short, and was established to enable people of all ages to promote and continue the positive message that Donal had begun prior to his sad and untimely death. Since its inception, the event has gone from strength to strength, with now over 800 people attending the award ceremony, which takes place in Tralee and honours the winning filmmakers from the competition.

The film competition project has three categories: Primary, Secondary and Adult and involves individuals, classes, groups of friends, budding film-makers etc. putting together a two-minute film using whatever means they have – an iPhone, a camera, professional film equipment – based on a specific chosen theme. The theme for the 2017/18 competition was “Take My Hand”. The winning films from the competition will



be screened at the Dingle International Film Festival, Kerry Film Festival, Cork Film Festival and First Cut Film Festival.

Over the years, the awards ceremony has evolved into a celebrity-filled event, with musicians, celebrities and personalities supporting and attending. Previous years have seen popular Irish bands Hermitage Green and The Riptide Movement playing at the event, with RTE's Marty Whelan and Sinead Kennedy acting as MCs.

Speaking about the sponsorship of the

event, John Long, Chapter 23 Chairman said; “Chapter 23 (Kerry & West Limerick Credit Unions) are proud to be sponsoring the Live Life Film competition. We see this as a very worthy event as the money raised will go to the Donal Walsh Foundation. In May 2013, Donal Walsh lost his cancer battle at 16 years of age. Prior to his passing he managed to get people, most especially young people, thinking and talking about how good life is and to focus on the positives rather than the negatives. Monies received are being used to support teenage cancer patients and to prevent teenage suicide. The theme of the film competition in itself sends out a positive message to all of us, and also challenges our own thinking as to how we can spread that positive message, how we can play our part and how we in everyday life should and can be more aware of the issues surrounding our families, friends and the people we come in contact with.”

### Launch of Connemara Credit Union Ltd



In May 2017, Cashel-Connemara Credit Union Ltd. and Tullycross Credit Union Ltd. completed a transfer of engagements, which resulted in Connemara Credit Union Ltd. Both credit unions, having served their neighbouring communities for almost 50 years, felt that the way forward was to join forces and become a stronger, more vibrant credit union.

The newly named credit union was officially launched in December 2017. The occasion was marked with an open day for members, while presenters from Connemara Community Radio, broadcast

live from the Clifden office during the afternoon. This was followed by a mass and a blessing of the building, celebrated by Fr Conal Eustace. Coincidentally, Fr Eustace is the son of Tom Eustace, one of the founder members of Cashel-Connemara Credit Union.

Representatives from Chapter 16 and the Irish League of Credit Unions were also in attendance. There were competitions, music and refreshments and a very enjoyable day and evening was had by all.

### Croi Laighean Supports Local Teenager at World Youth Championship



Croi Laighean Credit Union Ltd's Coill Dubh branch was delighted to support local teenager Killian Heffernan in his bid to become World Youth champion at the recent BDO Lakeside World Professional Darts Championship in Surrey.

Although Killian missed out on the trophy, he has claimed three INDO titles over the course of the year, including the Irish Masters. Killian Heffernan is now officially the number one ranked youth player in Ireland. He will now captain the Ireland team in the upcoming European Cup in Turkey.

# Legislative Update



## Data Protection Bill

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On February 2nd 2018, the Department of Justice and Equality published the long awaited Data Protection Bill 2018. This Bill is designed to give effect to, and provide for derogations from, the General Data Protection Regulation (GDPR). The enactment of the Bill together with the entry into force of the EU General Data Protection Regulation (GDPR) on May 25th will modernise Ireland's data protection laws and create a consistent data protection regime across the European Union. The GDPR will strengthen individuals' control over their own personal data, and the purposes for which that data may be used. It will also set out in detail the responsibilities and obligations on those that collect, use and store personal data. There are a number of stages which the Bill must pass before becoming law, but it is still expected that the legislation will commence on May 25th 2018.

Highlights of the Bill include:

- Confirmation that 13 years will be the "digital age of consent".
- Abolition of the requirement for data controllers and processors to register with the DPC.
- The exemption of most public bodies from administrative fines.
- Derogations for freedom of expression, processing of health data for insurance/pension purposes, and processing of criminal convictions data.
- New investigative powers and procedures for the Data Protection Commissioner (DPC).
- Conferring of jurisdiction on the High Court for some appeals from the DPC and in data protection claims over a certain threshold.
- Confirmation that the Data Protection Act 1988 will be repealed for data processing generally, but retained insofar as it will still apply to processing of personal data for purposes of national security, defence and international relations of the State.

### Payment Services Directive II

The new Payment Services Directive II ("PSD 2") is designed to update the rules in respect of payment services and to reflect and regulate technological developments in the financial sector. PSD2 was implemented in Ireland on January 13th 2018 by way of the European Union (Payment Services) Regulations 2018.

In line with PSD1, credit unions can provide certain payment services and are exempt from the requirement to be separately authorised as a payment institution. The provision of payment services by credit unions is also subject to provisions of the Credit Union Act, 1997 and the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016. Credit unions may apply to the Central Bank of Ireland to offer additional payment services in accordance with section 48-52 of the Credit Union Act, 1997. Credit unions are also exempt from the requirements to provide confirmation of the availability of funds and access to members' accounts to third party providers.

### Fourth Anti-Money Laundering Directive ("4AMLD")

The 4th Anti-Money Laundering Directive 2015/8/49 (4AMLD) and the associated Funds Transfer Regulation (FTR) were agreed in 2015 at EU level. The 4AMLD updates and replaces the existing 3AMLD/FTR framework and better aligns EU law with the FATF's revised international standards on AML/CFT. However, while the implementation date for 4AML was June 2017, the Irish Government has failed to publish the national legislation to transpose the 4AML. In addition, the EU Commission has recently proposed a number of amendments to 4AMLD which are now under discussion, this is likely to give rise to a Fifth Anti-Money Laundering Directive.

### Central Register of Beneficial Ownership

The Department of Finance has advised that a Statutory Instrument is expected to be made in the coming months assigning separate legal responsibility to the Registrar of Companies for the establishment and maintenance of the central register of beneficial ownership of companies and industrial and provident societies (I&Ps). Legal and technical work to launch this register as required by the 4AML is at an advanced stage. The Department of Finance has indicated that it is currently on track to have the beneficial ownership elements of the 4th Directive transposed by Q1 2018.

It is still envisaged that there will be an extended time-frame to make the beneficial ownership filings which will commence after the anticipated launch of the register.



# Legislative Update



## Draft UK Data Protection Bill

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### **Transfer of registration function from Registry of Credit Unions and Industrial & Provident Societies under Department for Economy (DfE) to Financial Conduct Authority (FCA)**

Draft legislation was laid in the House of Commons on Wednesday December 19th 2017 and House of Lords on February 1st 2018 to effect the transfer of the Northern Ireland Registry of Credit Unions and Industrial & Provident Societies from the DfE to the FCA.

This legislation will make amendments to the Credit Unions (Northern Ireland) Order 1985 (as amended) and brings about the transfer of the registration function for credit unions which was agreed in 2012 for Northern Ireland credit unions, following the transfer of regulatory authority from DfE to the FCA and Prudential Regulation Authority (then the Financial Services Authority).

DfE has confirmed that it will be looking in 2018 to carry out wide-ranging reform to deliver a legal framework that will support society growth and enhance the opportunities for credit unions.

### **Draft UK Data Protection Bill**

The first draft of the UK's Data Protection Bill was introduced to the House of Lords on September 13th 2017. This bill is designed to bring the UK's data protection laws in line with the General Data Protection Regulation (GDPR) from May 25th 2018. It is also designed to provide consistency and continuity post Brexit. It is intended to come into force from May 25th 2018.

The GDPR will have to be read in connection with the bill, particularly as there are a number of derogations which the UK can avail of and which require specific domestic UK legislation. These derogations mean that countries can adapt the legislation to meet their own specific circumstances and requirements. For instance in relation to children's consent, the bill sets the threshold of 13 years, below which parental consent is required in relation to offering internet/information society services to children. One of the latest amendments to the bill before leaving the House of Lords was through the use of special category data, like health for insurance purposes. The bill has added a set of exceptions for the insurance sector that bring their requirements for processing this special category data within the "public interest" legal basis. This, in turn, eradicates the need for consent to be obtained.

The bill has now undergone a number of stages in the House of Lords and underwent its first reading in the House of Commons on January 18th 2018.

### **Brexit- Key UK legislative bills**

#### **European Union (Withdrawal) Bill**

On December 13th 2017, the House of Commons voted to insert in the bill a requirement that the final terms of the Withdrawal Agreement between the UK and the EU must be approved by an Act of Parliament. This is likely to lead to the House of Commons seeking more scrutiny of and more influence over the negotiations, including the key issue of whether the UK will continue to remain part of the customs unions or a customs union with the EU. At the time of writing (February 5th 2018), the bill had concluded Committee Stage in the House of Commons and a line by line examination of the bill at Committee stage of the House of Lords would commence on February 21st 2018.

#### **Trade Bill**

The bill provides for a Trade Remedies Authority, which after Brexit will protect UK industry from damage caused by dumped or subsidised imports, protection currently provided by the European Commission. The bill is also concerned with giving effect in the UK law to those EU trade agreements with non-EU countries which are in force at the time of Brexit, and which the UK manages to renegotiate and renew with the third countries concerned. At the time of writing (February 5th 2018), the bill had concluded its committee stage in the House of Commons and would next be considered at report stage and third reading. The date for report stage had not yet been announced.

# The Domestic Economy

## Overview

The most recent quarterly data from the Central Bank of Ireland (CBI) illustrates that following a strong performance in 2017, the outlook for the economy remains positive, with significant momentum evident both in Ireland and internationally. As has been the case in recent years, the headline data in 2017 was inflated by the activities of multinational enterprises (MNEs). The CBI believes that when the impact of these distortions is excluded, the outturn for last year was probably broadly in line with the outlook for the domestic economy. For 2018, the CBI forecasts GDP growth of 4.4% with a moderation to 3.9% expected in 2019. This reflects both external demand prospects and the erosion of spare capacity domestically, as the growth in employment gradually moderates.

Estimated volume growth in consumer spending of 2.8% in 2017 was slightly below the average pace of recovery since 2014. Growth of about 2.7% this year and 2.5% next year would see per capita consumption levels returning close to pre-crisis peak levels in 2019. The recovery in consumer spending has been sustained by solid growth in income and employment, which is projected to continue.

## Labour Market

The labour market continues to perform strongly. Employment growth of 2.2% and 1.8% is forecast by the CBI for 2018 and 2019, respectively. This follows estimated growth of 2.6% last year. The outlook here brings the prospect of full employment into view, with the unemployment rate projected to decline to just over 5% next year.

## Inflation

Despite signs of a pick-up in the final quarter of 2017, consumer price inflation remained subdued for the year as a whole. In 2017, the Harmonised Index of Consumer Prices (HICP) averaged just 0.3%, while the core HICP declined by

0.1%. Such a muted outturn reflects the impact of the appreciation of the euro against sterling that has led to a decline in the price of imported consumer goods from the UK. This has contributed to strong downward pressure on goods price inflation, which has been offset by positive services price inflation. The CBI forecasts a gradual pick-up in headline inflation to 0.7% in 2018, and 0.9% in 2019 is forecast as the negative impact from goods prices moderates.

## Pay

Given the outlook for the labour market, economy wide compensation is expected to increase by 5.4% on average in both 2018 and 2019. This follows an estimated increase of 5.7% last year. Within compensation, the balance between employment and wages is projected to change, with the latter expected to play a

more prominent role in driving the wage bill - compensation per employee is projected to average 3.2% this year and 3.4% in 2019.

The Survey on Income and Living Conditions (SILC) allows for a more detailed analysis of the determinants of changes in overall employee compensation, in particular, the role played by changes in employment versus changes in wages. Employee income is the key component of household income and accounted for 85% of household direct income in 2016. Employee income still makes up a large share, 63%, when extending to gross household income, which includes social transfers.

## Residential Property

The latest data shows that the pace of annualised residential property price growth continued to increase throughout the first







## RESIDENTIAL PROPERTY

On the rental side, the latest rental report by property website Daft showed that average rental prices grew by 11.2% year-on-year in the third quarter.

eleven months of 2017, growing by 10.8% year-on-year. This builds on an increase of 7.3% in 2016.

On the rental side, the latest rental report by property website Daft showed that average rental prices grew by 11.2% year-on-year in the third quarter. The CSO's HICP "Actual Rentals for Housing" series, which takes account of outstanding tenancies, grew by 6.7% on average in the year to November.

### Commercial Property

The latest data from the MSCI/IPD database show that the pace of growth in commercial property prices has moderated in recent quarters. Overall, commercial property prices grew by 5.6% year on year in the third quarter of 2017. On an annual basis, the office, retail and industrial sectors grew by 5.8%, 5.4% and 7.3%, respectively, in the third quarter.

### Exchequer Returns

The Exchequer ran a surplus of €1.9 billion in 2017 - the first annual surplus since 2006 – with the outturn boosted considerably by receipts from the sale of part of the Government's shareholding in AIB. Excluding this transaction, and others that have no effect on the general government balance, the Exchequer ran a deficit of €2.2 billion down from a deficit of €3 billion in the preceding year. Robust tax growth and falling interest costs drove the improvement.

### Funding and Other Developments

The National Treasury Management Agency (NTMA) raised a further €5.25 billion through bond sales in the fourth quarter of 2017, bringing the total amount raised for the year to €15.75 billion. This was higher than the amount targeted at the start of 2017, highlighting the favourable nature of

market conditions during the year. The fourth quarter activity included the syndicated sale of a new five-year bond, raising €4 billion at a negative yield. This supported the early repayment of the outstanding IMF and bilateral programme loans from Sweden and Denmark, following which around one-third of total Programme borrowing has been repaid.

The NTMA also cancelled a further €1 billion of the floating rate treasury bonds issued in connection with IBRC's liquidation in the fourth quarter. As a result, €9.5 billion of these long dated bonds have been cancelled, with €15.5 billion still outstanding. For this year, the NTMA has announced it plans to issue €14 to €18 billion in government bonds. In January, the NTMA raised €4 billion through the sale of a new 10-year benchmark bond at a yield of 0.944%.

# BOOK REVIEW:

## *Brexit & Ireland; The Dangers, The Opportunities, and The Inside Story of the Irish Response* by Tony Connelly

A side effect of major events and upheavals is the addition to our lexicon of new words and phrases. People seem to find comfort, when confused, in latching onto new expressions. Brexit is a great example. On June 23rd 2016 the United Kingdom voted to leave the European Union. In addition to the momentous changes as a result of this decision, people were also bombarded with a plethora of new words and phrases such as Article 50, Divorce, Hard (Soft) Brexit, Hard (Soft) Border etc.

Welcome to Post-Brexit confusion.

Eighteen months later, and more new words, there is still confusion. Tony Connelly, the author of *Brexit & Ireland*, has reported on European affairs for nearly twenty years and has succeeded in helping to clear a lot of the mist and confusion on Brexit. He has successfully managed to deliver the details behind the stories. No mean feat when you consider the people, alliances, institutions, countries, and egos involved. His detailed knowledge and, undoubtedly, numerous insider contacts have resulted in a book that provides the facts and background.

There are many human stories which, unwittingly, tell bigger stories. In July 2016 a curious email arrived at the Department of the Taoiseach. It was from the diary secretary of the Minister for Brexit, David Davis. It read: "The Secretary of State has told me he wants to meet Kenny. Please let me know if Kenny is available." A reply was sent pointing out that you don't refer to the Prime Minister of a country by his surname.

Brexit will affect all areas of this island for generations. Indeed, "Brexit represents potentially the single greatest economic and foreign-policy challenge ... since the Second World war."

Are businesses, agriculture, banks and credit unions ready? The fault lines are there, but the final Brexit outcome is unclear. However, credit unions should be well positioned to handle the coming twists and turns of Brexit. They have survived the recent economic crash, are leaner, more risk-savvy, and are very member focused.

This book takes the reader through the numerous areas that will be impacted by Brexit. There are many human examples of its impact; a mushroom farmer in Westmeath facing wipe-out, the labyrinthine logistics of the North-South dairy industry, the future of cheddar cheese etc. This is the strength of the book; it can

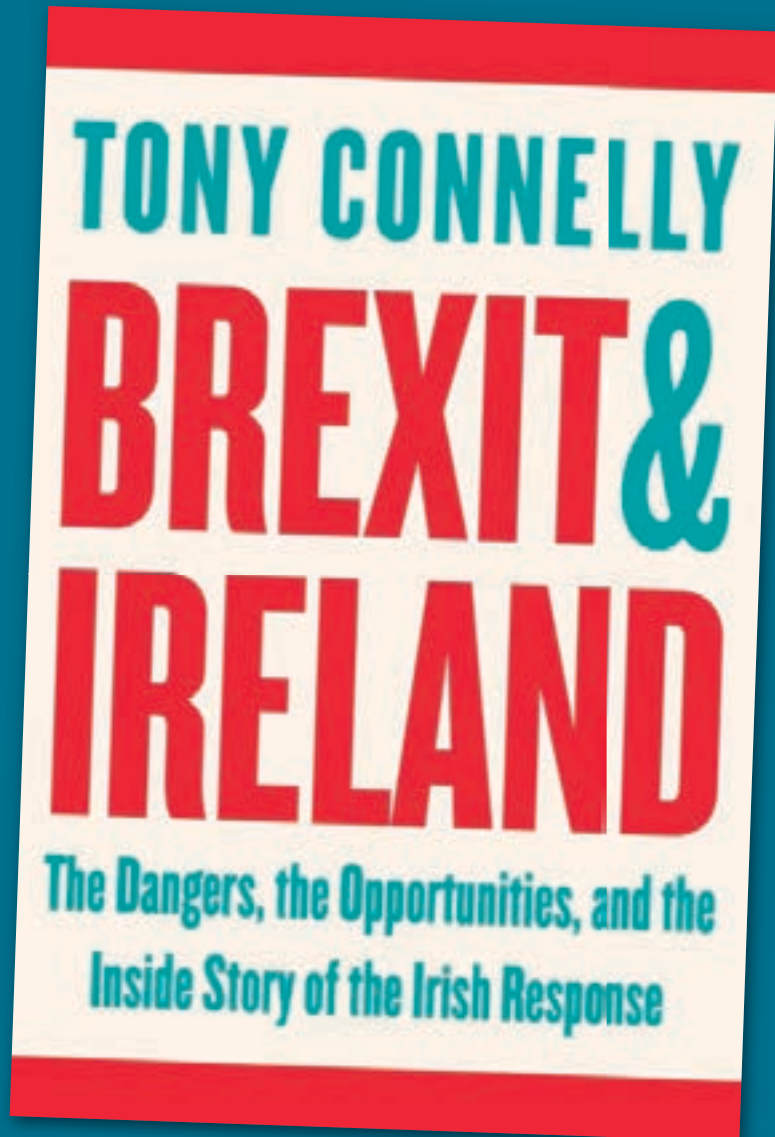
jump from the intricate, bureaucratic and suspicious world of Brussels-Westminster negotiations to a mushroom farmer without losing the reader.

Credit unions should have Brexit high on their agenda as it will represent a major challenge in the coming years. It will have an impact on investment risks, members' loans, and agri-business and small business loans. It has, already, had a negative impact on car sales and tourism as a result of sterling-euro fluctuations. However, resilience is built on knowledge and communication; so problems, when seen in time, can be handled.

Brexit, as the book explains, is a complex monster. But, once understood from all its numerous complex angles, it looks a bit better and even, perhaps, manageable. To manage effectively, people need information. This book provides the information as to the current situation and gives some useful pointers for the future. Tony Connelly has done us a good service.

And, while one would be loath to suggest another committee for already busy credit unions, a suggestion might be that Brexit would be placed high on a credit union's priority list.

BY JOHN O'SULLIVAN







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# consultant

[noun: person who provides expert advice  
in a professional manner]

**Moore Stephens: consultants by definition**

brian.hayes@moorestephens.ie  
T +353 (01) 888 1004  
[www.moorestephens.ie](http://www.moorestephens.ie)