

Group discussion – Credit unions, alternative banking systems and co-ops

The following definitions of a credit union may be helpful, this is from the website of Plough & Share, Devon's credit union (<http://www.ploughandshare.co.uk/index.asp>)

**The Credit Union “Mission Statement”**

The Mission of the Plough & Share Credit Union is to work towards the financial inclusion of all. To achieve this Plough & Share is committed to providing a broad range of innovative financial products supported by the dedicated service of volunteers and professional staff. These products will be administered in accordance with sound management practices to maintain the financial strength of the Credit Union. The Board of Directors, Management and Staff of the Credit Union hereby affirm that the efforts of Plough & Share will be consistently and professionally dedicated to the accomplishment of this mission.

A Credit Union is a democratic, financial co-operative owned and controlled by its own members. Each Credit Union is run only to benefit its members, all of whom have something in common - the common bond.

And from Cornwall's Cornish Community Banking (<http://www.cornishcommunitybanking.co.uk/>)

**Mission Statement: To offer ethical banking services to the diverse communities of Cornwall and The Isles of Scilly.**

Cornish Community Banking is a non-sectarian, non-political, equal opportunities organisation which exists for the benefit of each of its members and the greater good of the community.

We are part of a worldwide movement. There are now over 500 credit unions in Britain and more than 40,000 worldwide, in 79 countries with over 100 million members.

**Our objectives are:**

Promotion of thrift among our membership  
Providing a source of credit at a fair and reasonable rate of interest  
Use and control of members savings for mutual benefit.  
Training and educating our members to use money wisely and manage their financial affairs.  
Helping to reduce poverty within our community.  
Helping economic regeneration of our community.

Points we covered in some way: -

- What scale works? Town/district/county?
- Having a stake in an organisation/enterprise encourages a different kind of participation. (A way of reclaiming power back from huge financial institutions over which we as consumers have no influence?)
- Role for volunteers/transition groups/Meetings. For credit unions to work there need to be times/places where members can deposit money/get information – these rely on the use of volunteers and premises being available. (The transition movement in Crediton is involved with the Plough & Share credit union offering access for depositors on Saturday mornings. A way of reaching beyond the (mainly) middle class participants.
- Making credit unions more widely known is a challenge. Competing with the easy access predatory pay day loan companies who have enormous advertising budgets.
- Could credit unions be developed into an alternative to conventional banking? In the Republic of Ireland credit unions are much more widely used.
- Encouraging the greater use of LETS (local exchange trading systems) see <http://www.letslinkuk.net/> and local currencies e.g. Totnes pound (<http://www.totnespound.org/>) or on a larger scale the newly launched Bristol pound (<http://bristolpound.org/>). How could we encourage Meetings to participate? E.G. Accepting donations or paying for services.
- Example of Quaker Social Action in London (<http://www.quakersocialaction.com/>) micro-credit and their “Made of Money” programme.