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How are Ireland's credit unions coping with the pandemic?

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Donore Credit Union on Dublin's South Circular Road is Ireland's oldest credit union

Opinion: credit unions have put wide-ranging measures in place to support and protect their members

Derryman John Hume once remarked, "of all the things I've been doing, it's the thing I'm proudest of because no movement has done more good for the people of Ireland, north and south, than the credit union movement". It's not hard to understand his passion for credit unions. While many bank branches have closed temporarily and moneylending activity is reported to be on the increase in some areas, the local heroes of essential and affordable financial services have kept their doors open throughout the Covid-19 crisis.

Credit unions are established with the sole purpose of serving their members and supporting the wider community. Many Covid-19 front-liners, such as healthcare workers, gardai, prison officers, RTE staff postal operatives and utility providers have credit unions designed around their specific financial needs.

From RTÉ Radio 1's Ray D'Arcy Show, a feature on RTÉ documentary The Borrowers, set in four credit unions across the country

There are 241 credit unions in the Republic of Ireland, regulated by the Central Bank of Ireland. Each credit union is an independent, member-owned co-operative, governed and financed by the members. As a result, they are embedded within the fabric of the communities they serve and are uniquely positioned to identify, understand and meet the needs of their members. And the proof? In October 2019, credit unions were voted as offering Ireland's "best customer experience" for the fifth year in a row

During the current Covid-19 crisis, credit unions have wide-ranging measures and supports in place to support and protect their members. With offices remaining open and following HSE social distancing guidelines, credit unions are reporting a sharp increase in the use of their online services. Forbearance in lending has always been a feature of credit unions and, with job losses on the rise, those struggling with loan repayments are being encouraged to contact their credit union to enable temporary arrangements to be put in place. Some credit unions have designed new services, including emergency loans, to support members who have reduced earning capacity or increased expenses at this time.

From RTÉ Radio 1's The Business in 2015, a feature on the future of Irish credit unions

Donore Credit Union on Dublin's South Circular Road is Ireland's oldest credit union and is a first-rate example of a credit union that knows its members and understands their individual circumstances. It has been contacting all vulnerable members individually by telephone to offer reassurance that the credit union is available to offer support. This courtesy extends

beyond those who have been advised to cocoon, to include any members with on-going physical and mental illness, financial difficulty, disability and addiction. It is being driven by its close relationship with members, offering a lifeline for those living in isolation, needing additional supports or eager for a listening ear.

Some credit unions now offer a delivery service for members who have emergency financial needs but cannot leave their homes. In some cases, this is supported by An Garda Siochana. Others offer a "drive-through" service, while member authorisation enables nominated individuals to access services on behalf of more vulnerable members.

Health Services Staffs Credit Union (HSSCU) serves healthcare workers nationwide. While most of their business has moved online, their offices continue to be staffed and remain open by appointment for emergency transactions. HSSCU offers a "stay at home loan" at a preferential rate to support emergency borrowing for those worried about making ends meet. It has also helped to provide food to hundreds of homeless and elderly individuals by sponsoring Little Flower Penny Dinners and providing funding for a full week for a crowdfunded daily sandwich run to frontline staff at the Mater Hospital in Dublin by Doyle's Corner.

> ***Credit unions have shown themselves to be highly capable, flexible and resilient in supporting their members and staff through the crisis***

In the true spirit of co-operation, credit unions have also been connecting through self-styled "meitheal groups" to support one another through the crisis. Detailed business continuity measures are in place, including staggered staff hours and increased working from home. Should a cluster of credit union staff become ill, arrangements have been put in place whereby neighbouring credit unions can offer temporary support to maintain services.

Credit unions have shown themselves to be highly capable, flexible and resilient in supporting their members and staff through the Covid-19 crisis. They have weathered many crises since John Hume helped to found Derry Credit Union in 1960. In turn, they will need to continue to be supported by their members, wider communities, legislators and regulators to navigate the difficult social and economic circumstances that may lie ahead for them and their members.

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