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| To: Policy and Resources (Community Development) Sub Committee | Subject: Cumbernauld Central Credit Union Study Group - Request for Start Up Funding |
| From: Chief Executive | |
| Date: 29 September 1998 | Ref: CE012/004/011C |

1.0 Introduction

1.1 The purpose of this report is to request the Policy and Resources (Community Development) Sub Committee to consider a funding award to Cumbernauld Central Credit Union Study Group from the Chief Executive's Payments to Agencies and Other Bodies Budget 1998/99. This funding award would assist the credit union with registration and start up costs.

2.0 Background

2.1 At its meeting on 22 April 1998 the Policy and Resources (Community Development) Sub Committee considered a report by the Chief Executive detailing a suggested strategy for the promotion and development of community based credit unions in North Lanarkshire, and requesting the Sub Committee to ring-fence the sum of £5,000 within the Chief Executive's Payments to Agencies and Other Bodies Budget 1998/99 to support local credit union initiatives.

2.2 In approving the Credit Union Support and Development Strategy the Sub Committee noted that the total costs required to establish a credit union and assist with administrative expenses during the first year of operation amounted to some £2,200. The Council agreed that where possible those credit union study groups, which had reached the end of their training period and were ready to register and open for business, would be provided with the sufficient level of grant funding to permit this.

2.3 The Sub Committee further noted that proposed funding allocations to individual credit unions from the ring-fenced budget would be reported to Committee for consideration.

3.0 Cumbernauld Central Credit Union Study Group

3.1 Members of the Cumbernauld Central Credit Union Study Group have been meeting weekly for the past year to establish a community based credit union serving the Village, Westerwood, Town Centre, Carbrain, Kildrum, Seafar, Castlecary and Dullatur areas of Cumbernauld. Group members have received in-depth training from Strathclyde Credit Union Development Agency on all aspects of credit union operations including legislation, book-keeping and insurance and have also made the necessary arrangements for collection points, volunteer recruitment and publicity.

3.2 Cumbernauld Central Credit Union Study Group is now in a position to submit its formal registration application to the Registry of Friendly Societies. The Group intends opening for business in January 1999 and will initially operate two collection points.

3.3 Cumbernauld Central Credit Union Study Group has applied to North Lanarkshire Council for a grant of £1,500 to cover registration, affiliation and insurance fees and assist with initial administration, stationery, and other associated start up costs. It is suggested that a grant of £1,500 may be awarded to Cumbernauld Central Credit Union Study Group for the purposes outlined in this report from the budget ring-fenced for credit union development within the Chief Executive's Payment to Agencies and Other Bodies budget 1998/99.

4.0 Recommendation

4.1 It is recommended that the Policy and Resources (Community Development) Sub Committee award the sum of £1,500 to Cumbernauld Central Credit Union Study Group to assist with registration and start up costs.


J Cosider
Chief Executive