

To: Policy and Resources (Community Development) Sub-Committee	Subject: North Coatbridge Credit Union - Common Bond Extension
From: Chief Executive	
Date: 23 February 1999	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 North Coatbridge Credit Union to assist with costs associated with extending their common bond and area of operation to include Glenboig and Ramoan.

2.0 Background

2.1 At its meeting on 22 April 1998 the Council's 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 draft credit union strategy the Sub Committee noted that in particular circumstances it would be more effective to extend existing community credit unions to include new areas rather than establishing individual credit unions to serve these areas.

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 North Coatbridge Credit Union

3.1 North Coatbridge Credit Union presently serves the Coatdyke, Cliftonville, Greenhill, Blairhill, Drumpellier, Summerlee, Gartsherrie and Townhead areas of Coatbridge. The Credit Union has been operational for four years and the current membership is 401 people. When the credit union originally opened for business, Registry of Friendly Society rules limited the potential size for common bond areas. A recent relaxation in these rules, coupled with a growing interest in credit union membership being expressed by residents from Glenboig has now demonstrated the potential benefits of North Coatbridge Credit Union extending its common bond area to include Glenboig and Ramoan areas.

3.2 The costs associated with this common bond extension are calculated at £700 and include publicity costs to promote the credit union in the new area, training, and application and registration of the new common bond with the Registry of Friendly Societies.

3.3 It is recognised that this extension will extend the potential for credit union membership to a new area and the costs associated with extending an existing credit union are considerably less than the comparable costs to establish a new credit union. It is suggested that a grant of £600, being the remaining balance within the 1998/99 budget ringfenced for credit union development, may be awarded to North Coatbridge Credit Union for the purposes outlined in this report.

4.0 Recommendation

4.1. The Policy and Resources (Community Development) Sub Committee is requested to:-

- (i) award the sum of £600 to North Coatbridge Credit Union to assist with those costs required to extend the credit union common bond and area of operation; and
- (ii) otherwise note the contents of this report.


P Chief Executive