

Northern Ireland Affairs Committee

Oral evidence: [Cost of living in Northern Ireland](#), HC 716

Wednesday 7 December 2022

Ordered by the House of Commons to be published on 7 December 2022.

[Watch the meeting](#)

Members present: Simon Hoare (Chair); Sir Robert Buckland; Stephen Farry; Mary Kelly Foy; Sir Robert Goodwill; Claire Hanna; Carla Lockhart; Ian Paisley.

Questions 35 - 50

Witnesses

II: Martin Fisher, Head of Northern Ireland, Irish League of Credit Unions; Gordon Smyth, Chief Executive, Ulster Federation of Credit Unions.

Examination of Witnesses

Witnesses: Martin Fisher and Gordon Smyth.

Q35 Chair: Let us now turn to panel two, if we may. We welcome Martin Fisher, head of Northern Ireland for the Irish League of Credit Unions, and Gordon Smyth, the chief executive of the Ulster Federation of Credit Unions.

Good morning, gentlemen. Thank you for joining us. I wonder if you could begin by giving us a brief overview with regard to the role your credit unions are playing in Northern Ireland.

Gordon Smyth: We are the Ulster Federation of Credit Unions. We have 38 credit unions across the Province. We have approximately £20 million out on loans and approximately £91 million out on shares, on member savings. The challenge we face is that we are about 25 if not 30 years behind our colleagues in the Irish League, but we work very closely together, and we are very grateful for the support we get from the Irish League on an ongoing basis. In terms of our credit unions, the smallest would probably have around 146 members. The largest ones would be in the range of 4,000 to 4,500.

We are trying to completely reorganise the organisation, insofar as we are bringing the smaller credit unions together into a hub-and-spoke model. Instead of 38, we expect to see within two years between seven and eight credit unions with a number of outlying credit unions. The benefit of that will be much more effective boards.

One big weakness of our federation is that the boards are not strategic. They have been using the same stuff for over 25 years, with the same volunteers coming along. They did very well 25 years ago, but the needs and the requirements today are much more modern. We are going to have eight boards with the right expertise to take things forward.

We are a community-based organisation. The biggest challenge we face at the minute is the pressures brought about by the closure of bank branches in Northern Ireland. My background is in banking. When AIB took over what was then TSB, we had 98 branches in Northern Ireland. That was in 1991. When I left the bank, there were around 78; today, there are six branches of that particular bank across the Province.

Chair: Yes, this is uniform, is it not?

Gordon Smyth: We are finding that many people in country or rural areas feel disenfranchised. They feel they are not getting the support. That is why the credit unions are bigger than they have been before.



Martin Fisher: Thank you for the opportunity to come and speak to you this morning. I am speaking on behalf of the Irish League of Credit Unions. We have 85 credit unions in Northern Ireland, and we have 205 in the Republic of Ireland. We are a trade representative body.

Just to support what Gordon said there, credit unions are an essential element of communities across Northern Ireland. They provide financial services. It is a completely different financial services landscape and environment to the one in Great Britain. Credit unions are anchor institutions and form part of the fabric of the financial services landscape in a way they do not in Great Britain. They are volunteer-led organisations, but, just for context, based on asset size, Northern Ireland credit unions represent approximately 50% of all UK assets.

Northern Ireland represents almost a third of all credit union members and half of juvenile depositors. Approximately 38% of the population of Northern Ireland is a credit union member. On the island of Ireland, that is 64%. We employ approximately 800 people across Northern Ireland. From an Irish League of Credit Unions perspective, we have £584 million out in loans and over £2 billion in assets.

From a cost of living perspective, there has always been a cost of living crisis for some households. The fact of the matter is that for many there has always been more month than money. For those people, survival is the behaviour for each month and trying to find some stability comes thereafter. Credit unions remain a bulwark for tens of thousands of people in Northern Ireland, providing access to affordable credit. They were deemed an essential service during Covid-19, and they will step up to the mantle during this cost of living crisis.

Chair, we have done a number of surveys—I am happy to share them after the session with you—in terms of the interaction with us as a credit union movement. We have also started a consumer sentiment index, which will take place in January of next year. We do our annual back to school survey, in response to which 89% of respondents said their income or household costs had been affected by the rise in the cost of living since the start of the year.

Q36 **Chair:** Let me just ask you two quick questions. Given the pressures on household budgets, are your member unions finding deposits decreasing and withdrawals going up? I look to Mr Smyth; you were talking about a number of small credit unions that are going to transition. If there is a decrease in deposits and an increase in withdrawals, do any of those smaller credit unions have a short to medium-term resilience issue while they are transitioning into your new model?

Gordon Smyth: In our case—I suppose it would be the same in the Irish League—because of the banks closing their branches, if anything the problem has been too much cash coming into our credit unions. As everybody around the table probably knows, with credit unions, you get a



HOUSE OF COMMONS

dividend at the end of the year if you have made a surplus. That surplus comes from your income from deposits and interest on loans.

It has been a very challenging number of years, with interest rates as low as they have been since 2008. That was probably the main source of our income. We are now in a situation where we are having to say to folk, "We cannot let you bring any more money to us". We are having to put in a ceiling in many cases. At the minute we can start to see the shoots of recovery, in so far as interest rates are starting to go back up, which will be good from our perspective.

Q37 Chair: You have no concerns about resilience, but are you finding more people withdrawing their money to meet the pressures of the cost of living crisis? Mr Fisher is nodding yes. Are your members finding that?

Gordon Smyth: Our members are perhaps drawing out more cash than they would have taken in the past. Equally, loans are standing still if not growing slowly, but members are being much more prudent and concerned about the future, where we are at the minute, with so many uncertainties.

Martin Fisher: In our survey, 70% of credit unions say they have seen a static or reduced level of savings in the last three months. Just under two-thirds are seeing higher withdrawals from savings, and 14% say they are seeing significant withdrawals of savings.

Chair: That is something you will track, I suppose.

Martin Fisher: Yes.

Q38 Chair: You have both given broadly encouraging answers. Should there be a concern for this Committee, and indeed others, about very worried and desperate people turning to unscrupulous lenders and sources of finance? You may be aware that we are running an inquiry on the effects of paramilitaries. Might people find themselves drawn into that side of life, which up until this crisis they would no more have thought of becoming part of than flying to the moon and back?

Martin Fisher: Yes. There is always a concern that communities are turning to illegal payday lenders and paramilitaries in particular. I would encourage anyone who is not a member of a credit union to become a member of one. The unfortunate issue is that many who want access to that cash want access to cash quickly and without questions.

We are seeing a number of our credit unions beginning to decline loans because of affordability issues. In that situation, those people are desperate and need access to money. They will inevitably look for alternative routes of credit.

In a Northern Ireland context, we are doing some work around our social impact. In one of our areas, in and around the south Derry and south Antrim area, in the year ending September 2021, the credit unions



HOUSE OF COMMONS

there—there are about 12 credit unions—issued just under 10,000 loans under £1,000. That is 10,000 households who would not have otherwise had access to affordable credit under £1,000. The banks do not offer loans for under £1,000. You would have to go to a payday lender. The total cap for payday lenders is 100%. That is 10,000 families and households that the credit unions in that area are helping.

Q39 Chair: You gave us some very interesting figures with regard to the amount of customers your credit unions have, both of you. Certainly, it is significantly higher than you would find in the rest of GB.

Notwithstanding that high level of interest in and membership of a credit union, given the prevailing circumstances, are you doing a lot of promotion and information campaigns so those who may need you are aware of your existence, what they can do and what you can do to help, etc?

Martin Fisher: Yes. We have a website, and we encourage each of our credit unions to link into the cost of living with relevant stakeholders in that regard. We also have a national advertising campaign, which all our credit unions contribute to on a national basis. We believe that helps all credit unions on the island of Ireland. Credit unions across Northern Ireland are encouraging as many people as possible to become members. They have different partnerships and relationships with organisations within their communities. That is what is unique about credit unions. There is no particular solution that fits all of Northern Ireland. Each of those communities and credit unions is developing its own solutions to this crisis. There are credit unions working with oil buying clubs; there are credit unions working with housing associations; there are credit unions working with various partnership and advice agencies.

Based on the feedback from their members and their communities, they are doing what they think is right in their particular circumstances.

Q40 Carla Lockhart: I have to declare an interest as a member of a credit union and a user. How can credit unions support people to cope with the cost of living crisis? I have to commend you because I do now see a lot more of credit unions on social media platforms. That is really helpful. That is where most people get most of their information now. That is very welcome.

Can you explain a little bit about giving back to the community? I have noted that Portadown Credit Union and Lurgan Credit Union do community initiatives and support local community clubs and groups. I am just keen to understand a little bit about that.

Martin Fisher: Again, I suppose that is what is unique about credit unions—the input from their members. They support lots of community organisations and sports clubs in particular through sponsorship and things like that.



HOUSE OF COMMONS

In terms of the cost of living crisis, some credit unions have implemented a no interest policy on oil loans. To the point that was made in the previous session, you need £300 or £400 to buy that lump sum of oil. They are offering a loan on a reduced interest or a no interest basis. They are working in partnership across various organisations.

The benefit of being in a credit union is that, after money is put aside for reserves at the end of the year, any surplus goes to the members by way of dividend or interest rebate. I suppose that is what is positive and unique about credit unions. If you are lending from us, each credit union will normally try to declare an interest rebate. If you have paid £400 in interest throughout the year and you are getting back 20% of that, you are getting an element of the interest you paid on part of that loan back.

We have sections of the community and credit unions around Northern Ireland where they queue up on dividend and interest rebate day in December because it is part of their budgeting process. They are queuing up around the corner to get their £30 or £40. That is important; it gets put towards Christmas toys or Christmas presents and things like that. After it goes towards that, it then goes to social or charitable causes. That is where the likes of Portadown may be sponsoring local clubs and things like that.

In terms of unique cost of living supports, a credit union up in the north-west has started a give and take table in its foyer. The staff are bringing in perishables, non-perishables and household goods, and people can take them without anyone looking at them. Very anecdotally—I was misquoted on this last week—one of our credit unions noticed some pensioners coming in to withdraw savings. In that case, the staff set up a kitty. The staff members, who were probably in very difficult situations themselves, set up a kitty and they are giving out money for a loaf of bread or a pint of milk, £1 or £2. It was not that they were going in to get loans, but they were withdrawing their savings.

Going back to the cost of living, our credit unions are noticing particular demographics. Traditionally, there was an element of people on benefits who would have been in difficulty. They are now seeing younger families being particularly impacted. These are working families; in most cases, they are families with a single person or two people working. Increasingly, they are coming to the credit union to ask for loans in those situations.

Q41 Mary Kelly Foy: I want to declare an interest as well. I am a member of my credit union; in fact, I am a founder member of my credit union in Gateshead.

You talked about people needing money immediately. Credit unions are not always geared up to be able to hand out money immediately. You have to go through the process of joining and saving. Have you been able to work with other agencies or the local authority in order to give some crisis loans out, or immediate payments, so they do not have to go to



HOUSE OF COMMONS

payday loans or loan sharks?

Martin Fisher: That is why we would encourage people to come and speak to the credit unions. It depends on the capacity and the size of the credit union. We represent a very wide span of credit unions. Some of our smaller credit unions have £1 million in assets, no members of staff, are led completely by volunteers and are open only one day a week. Our largest credit union has £115 million in assets, has 30 or 40 staff, is open six days a week and you can apply online. There is a differential in people's ability to access them, but in most cases, if it came to the situation where you needed an emergency loan, they would try to get it to you as quickly as possible.

Q42 **Mary Kelly Foy:** Having 38% of people in credit unions is absolutely fantastic. You do not have to promote them to people. A lot of people think credit unions are for poor people. They are for everyone, if you want an alternative to the banks.

Martin Fisher: We have been doing some briefings with the local councils. We have been making a comparison with the Welsh credit union system. In some local authorities, the credit unions in their local authority area alone have four or five the amount of savings and four or five times the amount of loans out as the entire system in Wales has. As I say, the financial services landscape is completely different in Great Britain to how it is in Northern Ireland and on the island.

Gordon Smyth: It is also fair to stress that the fact we are community-based does make a difference, rather than going to payday loans. We would like to have more funding to go on the offensive in terms of advertising. Some of our credit unions are trying to do that. We are bringing in digital advertising in certain locations. We will be able to do much more of that as we transform the organisation.

There is really no excuse for someone getting themselves to the stage where they feel they have to go to their local illegal lender. Just come in and have a chat. We try to use the influence we have through the local council engagements that we have, encouraging local councillors. "If you have someone in difficulty, come and talk to your local credit union. That is what they are there for".

In terms of your point, which was very good, historically you probably had to save for umpteen number of weeks before you could get a loan. It is much more flexible now. If someone comes in, we will try to help them in any way we can. Even in a worst-case scenario, we can point them to the right agency that might be able to help them, if we cannot at this stage.

Q43 **Mary Kelly Foy:** Their role probably has changed over the last few years, has it not?

Chair: It sounds like you are doing some of the work one would expect a Citizens Advice bureau to undertake in terms of signposting people to



other sources of help or information.

Gordon Smyth: Yes, and we get referrals. We will maybe talk a wee bit later about some of the challenges we face. That would be one of them. There is more we could do to help people going forward.

Q44 **Claire Hanna:** Thank you very much for your evidence. Yes, I will also declare an interest as a member of a credit union. To paraphrase Hume, small loans well used have more impact than big slogans shouted loud. That is very true.

I just wanted to pick up on some of what you had begun to say, Martin, to Carla about what you are hearing and seeing from your members and the patterns of borrowing. Are loan requests changing in the current crisis? Has there been an increase in loans for the essentials? I also particularly wanted to ask about the impact on women. We know there is a disproportionate impact on women in the current cost of living squeeze. We had very solid evidence submitted to us by the Women's Regional Consortium about that.

Low-income households are always being told to budget, budget, budget. It is correct that that message goes out, but some may have budgeted for these couple of months on the basis of anticipating energy support payments. Is that something you have seen in general? Is there a changing pattern in terms of how people are borrowing and who is borrowing? Has there been a particular impact on women?

Martin Fisher: Going back to that survey we recently completed, 86% of our credit unions are seeing demand for small loans under £1,000. Of those, 68% are for utility bills and 52% for household items. Three-quarters of the credit unions believe that those smaller loans for household and utility bills could have previously been covered by a member's regular income.

The difficulty for credit unions in giving out those loans is assessing affordability. We have seen the increase in inflation, fuel prices and the cost of putting petrol in the car to get to work. It is increasingly difficult for our credit unions to assess and understand a person's financial circumstances in order to give them the loan.

The likes of "buy now, pay later" are not helping in that situation. People are getting themselves into debt, and they do not necessarily understand the consequences of it. Anecdotally, I was speaking to a credit union last week up in the north-west. They were saying that they had noticed, in doing an affordability assessment on the bank statement, local hairdressers now offer "buy now, pay later".

Claire Hanna: I have seen it on a pizza ad and in a school uniform shop.

Martin Fisher: We would welcome any regulation in that area. It is very grey and opaque at the moment. All that information is not necessarily



being fed into the system so that we and other financial institutions can make proper assessments of what people are doing in their lives.

Gordon Smyth: I am not getting involved in the politics of things, but, from the local media in Northern Ireland, there are an awful lot of people, on a daily basis, who are concerned about where they are at the minute. Many people have not budgeted for what is happening and they expected that in November money was going to come through. Those people are now in the media, understandably concerned as to how they are going to get through the next number of months.

From our perspective, we continue to be as flexible as possible. You will be familiar with the BBC programme on a Saturday morning. It has given us the opportunity to talk several times about what credit unions do. At one time there was talk of maybe a community bank coming over, and they saw this as a positive development, but we already do that in Northern Ireland. Credit unions are already there. We are so well established.

The way we are changing our organisation is bringing us closer to what Martin is doing in the Irish league. We are trying to be as modern as possible, but it is a challenge for us at this stage in this transition period. If you have volunteers and you are only open for an hour and a half a week, there is very little you can gather by way of local intelligence. We are trying to get these new organisations up and running as quickly as possible.

Q45 **Stephen Farry:** Good morning to our witnesses. No doubt you heard a fair bit of that last session around the various energy support measures. Let me just ask you to give your views on those. In particular, how are the delays impacting on some of your consumers and customers? How is it impacting on how they manage their cash flow and their various bills?

Gordon Smyth: Thank you for the easy ones. It is something that we are concerned about. There is only so much we can do as an organisation. We are aware of what is going on in the local economy and we are trying to make sure our staff and volunteers are clued into what is going on.

As well as try to facilitate them in certain ways, we can empathise and to encourage them to get through this process. At the minute, that is probably the most important thing we can do. It is almost—I do not mean this in a patronising way—a hand-holding exercise, where you are giving people confidence. If you are coming in to see people at a local level who understand your local issues, people usually go away with a bit more confidence in terms of what we can provide. It is more like a social thing.

Martin Fisher: We welcome any support that is coming. It is welcome to see. From our perspective, it is an inevitable consequence, as was discussed in the previous session, that people are going to be budgeting in particular ways and anticipating that this money is coming at a



particular point in time. It is not helped by Christmas. It is inevitable that, before Christmas or after Christmas, our credit unions will begin to experience potential requests for refinancing and forbearance measures, or an increased likelihood of requests for loans to get people through that period of time. It will have an impact on us in the credit union movement.

Q46 Stephen Farry: December is perhaps the most stressful time of the year for many families, with the pressure to buy Christmas presents for children, among other things. Is that really coming across very acutely at present?

Martin Fisher: There is pressure. We have done a consumer sentiment index in the Republic of Ireland. It seems to be suggesting that people are worried about Christmas, but they still want to have a Christmas. That will inevitably lead to people requesting loans during that period of time. From the feedback from our credit unions, the problem is that half of them are seeing an increase in loan arrears and 97% are anticipating further increases in loan arrears in the next six months.

It all adds up into a bit of a mess towards next year. At this stage, we do not even know what energy prices might be as we get into 2023. It is definitely something to be aware of and for everybody in society to keep an eye on.

Stephen Farry: It is probably the same for you, Gordon.

Gordon Smyth: Yes. They may be small, but, because they are so involved in the local community, many of them have Christmas loans. They are not loans; they save during the year and the money is released to them when we come up to Christmas.

It is a challenge for all parents at the minute when you see the level of peer pressure that there is. Particularly when you get to the teenage years, it is iPads and all those sorts of things. It is not just simple things anymore. That is where the credit union can come in. We will try to help in any way we can.

We are very much focused on responsible lending. That is something we brought in five years ago. That brings with it a degree of flexibility. If people are genuinely in difficulty at the minute, we can sometimes restructure loans, albeit that will be relatively short term. We will get them through this process on the basis of knowing the member, knowing them as an individual and knowing their family down through the years.

We will be there to support them through these difficult times. They are times we have never seen before, with Covid and everything that has happened since then. It has been a bizarre time for all of us. All we can do is try to do our best at local level.

Q47 Claire Hanna: Martin, you function across the island of Ireland. Are there key differences you can see between the two Governments, between Dublin and London, and how they are supporting people through



this? Can either Government take learnings from the other?

Martin Fisher: We talked particularly about the high-cost lenders and that side of things. Around March, the Irish Government introduced a cap on payday lenders and money lenders of 48%, whereas in the UK it is 100%. Automatically, there is a very clear avenue there. That cap would produce enormous benefits to society and people lending.

In some senses, the social security system there is better than it is in the UK. From a credit union perspective, we have been working with the Government there in relation to what is called an "it makes sense" loan. Anything under £2,000 can be linked into benefits payments, and the income can be reduced at source there. That seems to be very productive and helpful for communities. There are a couple of things there.

Q48 **Claire Hanna:** Can you both give us an insight as to how interest rates are going to fluctuate and what your average interest rate is for a loan if it is secured against savings?

Martin Fisher: Our statutory maximum rate is 12.68% per year. We cannot go higher than that. Over the last decade, we have been in a difficult situation from our perspective. The only income we get is from our loans or investments. The investment environment has been quite low, and therefore the only real income has been from loans.

Saying that, we have to be competitive. On the flipside of that, on the back of the interest rate rises in the last three months, lots of financial institutions did not waste an opportunity to raise their interest rates. Our interest rates have, in most cases, stayed the same. The interest rate in Great Britain is 3% per month, which is about 48%. That is around about the Republic of Ireland's interest rate.

All the research indicates that, even at 12%, a lot of our credit unions are not necessarily making money. There is an inherent social and ethical responsibility that our members and credit unions feel. They do not want that to go above 1% in very many cases.

As I said before, most financial institutions will not lend you below £1,000. In that situation you have to go to a payday lender, and you have to pay those very much higher interest fees, or you can come to us and have the 12.68%. We do not have any penalties; we do not have any fees; we are flexible; it is on a reducing balance. There are an enormous number of advantages.

Because this is quite technical in nature, it is always very difficult to explain this to people and for people to understand it. One of our operating principles and statutory objectives is financial education and improving financial literacy within Northern Ireland. We do a lot of work on that. We have resources for primary schools and secondary schools. We worked with Twinkl over Covid. For anyone who has little toddlers, as I did, Twinkl was of huge benefit. We partnered up with them to increase the basics of financial literacy for really young people.



HOUSE OF COMMONS

Gordon Smyth: Historically, all we ever had was the one loan rate, with the responsible lending bit we brought in about five years ago. Up until that point, the honest answer would be that, if you had had a loan, you could get another loan. Nobody really assessed whether you could afford it or what you had in other places. We now know exactly what your assets are. We are protecting people from getting themselves into difficulties.

There is a consequence of that. A number of our credit unions now have the tiered rates that Martin talked about. Some of them are very attractive. Some of them are almost on a par with some of the supermarkets. There is a lot of ingenuity there, which there has not been up until now. The main thing is the flexibility there has been.

Q49 **Chair:** I want to close this session by looking at the macro, if you will. From your experience and your worldview, what further steps, if any, could the UK Government be taking to alleviate the rise in the cost of living on Northern Irish households?

The second part of that is the obvious question. What is your assessment of the impact, if any, of the lack of a functioning Executive on the ability to respond, in real time and at pace, to meet challenges or, indeed, to lobby back into Westminster for a change in support?

Gordon Smyth: Chair, can I be very bold and go first? I want to raise something, if I might.

Chair: Yes, of course you can.

Gordon Smyth: One of the biggest risks to the credit union sector in Northern Ireland is IVAs, the voluntary arrangement whereby people can walk away from their debts. I firmly believe it should never have been brought into Northern Ireland. In the case of credit unions, mortgages are exempt from IVAs. Going back to the ethos of credit unions, your members bring in savings; you then use their savings to lend to other members. It is this community thing.

In recent times, over the last two or three years, we are seeing people walking away from their responsibilities and hiding behind these IVAs. They do not understand that it is going to have an impact on their future ability to get credit going forward. We have tried to raise it locally in Stormont, but we were told it is not being passed over to Stormont and it is something we have to bring up here. If there is anything at all that could be done to address that, it would be very much appreciated.

Chair: My Clerk colleague has taken a note of that.

Gordon Smyth: She is very good, I have to say.

Chair: We will be scribbling a note to some Minister or another in due course.



HOUSE OF COMMONS

Gordon Smyth: Please do. A lot of volunteers, who have given up a lot of their time over 25 years, are suddenly seeing their hard work being undermined by this. Fantastic fees are being paid to the people who are administering these things. These practitioners are earning, in some simple cases, up to £3,650 per case. It is a serious one.

If I am being very bold—I promise to be quick—

Chair: I am thinking of myself now in the role of Father Christmas.

Gordon Smyth: It is Christmas.

Chair: It is.

Gordon Smyth: In GB, a lot of funding is provided through local councils. We do not get any of that in Northern Ireland. There was money that we thought was being released in the UK about four or five years ago. Between £3 million and £4 million has been given out. None of that money ever got to Northern Ireland.

Stephen Farry: That is the household support fund.

Gordon Smyth: I am not sure of the title. I know the rest of the credit unions in Great Britain got it, but we did not get it. We are a small organisation that is trying to develop at the minute. The Irish League is way ahead of us.

Chair: Could you do us a note on that?

Gordon Smyth: Yes.

Chair: That would be helpful.

Gordon Smyth: I will let my colleague talk about the legislation, which was the other part of the question. It is really complicated, and I could not possibly answer it properly. I can say that we really appreciate the opportunity to come and talk to you today. Hopefully you have had some sort of feedback from us and you can understand the flexibility we provide.

Chair: What about the point about there being no Executive and no Stormont?

Gordon Smyth: I was trying to avoid that.

Chair: I was aware, which was why I came back to it.

Gordon Smyth: I should go into politics.

Chair: Otherwise, you will be on my naughty step, Mr Smyth. There will not be any presents.

Gordon Smyth: It is something I have a very clear view on, but I really would rather not say today what I think is happening.



Q50 Chair: I am going to press you on behalf of those people who invest their hard-earned money in your credit unions. Given the pressing nature of the circumstances that too many people are facing, would it be an improved situation if Stormont were sitting in order to allow Ministers and others to respond in real time in devolved matters where they can, rather than relying on civil servants, and/or to make robust lobbying efforts to the Treasury here, NIO, BEIS or whoever? I am not asking for a political view; I am asking for an output assessment.

Gordon Smyth: It would be a much better place if Stormont were working. The reality is that in the last three or four years one of the parties closed down Stormont for two or three years. I cannot remember which one it was. We now have a break of a number of months. While you have that sort of politics going on, it does make things challenging. As an organisation and as a country, we are not making the step forward that we could make.

Chair: Two wrongs do not make a right, as we know.

Martin Fisher: I will try to answer both those questions. In terms of what the UK Government could do particularly from a credit union perspective, they could raise awareness of credit unions in Northern Ireland. I would ask all our politicians to continue to do that on that side of things.

I do not disagree with what Gordon has said. The support is not there for the Northern Ireland credit union movement. We have a particular issue with the IVAs.

I acknowledge that there are issues from a political perspective in relation to the lack of a Stormont, but it is important that a functioning Executive is in place to make decisions around people's lives. Whether there is an Executive or not, there is a cost of living crisis. That is impacting people daily, by the hour and by the minute. As a community organisation, we are concentrating on helping our members across Northern Ireland.

Particularly from a credit union perspective, the lack of a functioning Executive is having a fundamental knock-on effect for us. There is legislation being passed in this House under the Financial Services and Markets Bill in respect of opening up opportunities and services for credit unions in Great Britain, and legislation has recently been passed in the Republic of Ireland that is also expanding the services of credit unions. In Northern Ireland, we are in a situation where we cannot do that at the moment. We are being impacted in that respect.

Chair: Thank you very much indeed. Usually when I say "order, order", which I have not said, the cameras go off, and we are free to chat and all the rest of it. I am told that there is a slight issue with broadcasts this morning so the live feed will not end immediately. Consider yourselves to be still on camera when I close the meeting, which I now do by saying thank you and, if it is not too early to do so, by wishing you and our



HOUSE OF COMMONS

previous witnesses a very happy Christmas.