

## Credit Committee Report 2022

Good evening, Ladies & Gentlemen, as Chairperson of the Credit Committee for 2022, I am pleased to report to you on the activity of our Loan Book.

At 30<sup>th</sup> September 2022, our gross loan book stood at €65.9m, an increase of €1m (1.5%) on 2021. The demand for loans also increased on 2021, loans issued for 2022 were €30.9m, an increase of €2.1m (7.3%). Our top three loans were Personal (at 10.5%, 11.4m), Car (at 6.5%, €9.4m) & Special Property Renovation (@6.5%, €5.4m).

This organisation was conscious of our responsibilities for Climate Change and took on board the requests from last year's AGM for more Green Energy type loan. With this in mind, in late March 2022, we introduced an electric car loan (APR 5.13% APR) and it has been very successful. At year end, we issued close to €1m. The main issue that the members and Credit Union had with these loans was the short supply of these vehicles. In Mid-2022, the Credit Union increased the loan types to include Solar Panel, Insulation & Green Renovation Loan, all at a very competitive rate of 5.13% APR. In addition to these green loan types, we introduced a Switcher Loan (6.7% APR) to try and attract loan from other financial institutions especially the likes of Ulster Bank & KBC leaving the marketplace.

We are delighted to state that the facility for mortgages with our Credit Union is now operational. The Board reviewed our Business Case and proposal, and the mortgage rate is now set at 3.95% variable (4.02% APRC).

Pre Covid, a Loans Contact Centre was set up and Member Service Reps were redeployed to this department. In 2021/22, this area of the business was very successful. Loans issued from this department increased by 75%, i.e. €7m issued for the year (2020/2021 €4m). The Loans Contact Centre deal with off counter loan enquiries via email, phone, online and we expect this trend of off counter lending to continue to increase into 2023. This department was helped during the year with the new Mobile App (now over 7,500 downloads), improved website, launch of our new brand and the facility to process end to end lending online. With these results, the decision was made recently to add another Member Service Rep to this Loans Contact Centre.

Under Central Bank Regulations, all our lending staff must request a copy of your credit report from the Central Credit Register when you apply for a loan. The Central Credit Register is a system for collecting personal and credit information on loans from all providers. Ultimately, this Central Credit Register will further help our Credit Union to continue to be responsible lenders. Further information is available at [www.centralcreditregister.ie](http://www.centralcreditregister.ie)

Looking to 2023, we will promote our special rate car, renovations loans & green loan types i.e. electric cars, renovations, solar panel), online loans and Mortgages to our Members. We are constantly updating the features on our Customer Relationship Management (CRM) system and are developing a culture of effectively capturing & converting loan leads.

The growth in our Loan Book is critical to our Credit Union and we will continue to explore every possible avenue available to the Credit Union whilst adhering to Central Bank Regulations.

**Finally, I would like to take this opportunity to thank you for continuing to use your Credit Union & to thank the staff for their continued professional and efficient service.**

**Jimmy Glynn**

Chairperson of the Credit Committee