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## UK Credit Union Assets Projected to Hit £2.2 Billion by 2020 Says Fiserv Research

- ▮ **Credit union membership estimated to increase by 70 percent over next five years**
- ▮ **Credit unions are projected to support an estimated £1.3 billion in loans to members by 2020, including £130 million to small and medium enterprises**

LONDON & BROOKFIELD, Wis.--([BUSINESS WIRE](#))--[Fiserv, Inc.](#) (NASDAQ: FISV), a leading global provider of financial services technology solutions, today announced that U.K. credit union assets are projected to reach £2.2 billion by 2020. This is according to [Future Trends in U.K. Banking](#), a report commissioned by Fiserv and compiled by the Centre for Economics and Business Research (Cebr), which looks at changing trends in the U.K. banking sector.

According to the report, the number of credit union members, including individuals and small and medium enterprises (SMEs), is set to increase by 70 percent, growing from 1 million currently to 1.7 million over the next five years. This growth will lead to an increase in credit union lending to businesses. With the increase in members and assets, credit unions are projected to support an estimated £1.3 billion in loans to members by 2020, compared to £680 million in 2014. SMEs are estimated to receive 10% of this amount (£130 million).

Speaking to Fiserv on the research findings, Guy Opperman, Conservative MP and supporter of community banking, said, "The ability for small businesses to thrive is vital to the U.K. economy, and I believe community lending has an important part to play in the future of U.K. banking and growth of SMEs. The technology drive and forecasted growth over the next few years of SMEs accessing finance via credit unions is a massive step, and it will enable business owners to access the best sources of funding. This in turn will have a positive impact on U.K. employment figures and economy."

Credit unions are a source of finance that is still relatively underused in the U.K. compared to other countries. Until recently, membership of credit unions was limited to private individuals, but new legislation introduced on 8 January 2012 allows corporate bodies to join and gain access to the funding pool. This has helped facilitate the increase in credit union membership.

In addition, the Bank of England's 'Credit Conditions Survey' reports that the average availability of credit to small businesses diminished in Q4 2014, taking credit availability levels back towards the first half of 2013. This decline in credit availability among the main market lenders highlights the potential for credit union lending to fill the gap for the U.K.'s small business population.

The Credit Union Expansion Project, being delivered by the Association of British Credit Unions (ABCUL), has already supplied an automated lending decision tool which is speeding up loan making in over 70 credit unions, and collaboration in less technical areas, such as group purchasing, is also paying dividends for credit unions.

Travers Clarke-Walker, Chief Marketing Officer, International Group, Fiserv said, "Credit union membership in the U.K. has previously been low, but as awareness of this form of alternative lending spreads, more SMEs are likely to take membership. As demand for SME lending increases, both traditional high street lenders and credit unions have the opportunity to implement new technology to take advantage of this growth. The UK economy is projected to expand relatively robustly over the medium term, and a robust economy can support many forms of finance."

**Research Methodology:** Research conducted by Cebr from 12 to 29 November 2014, using a combination of desk research and external research conducted by Opinium Research from 2 to 3 September 2014, amongst 2,003 U.K. adults (aged 18+) via an online omnibus survey. Results have been weighted to nationally representative criteria.

### Additional Resources

- ▮ Future Trends in U.K. Banking - Analysis and Projections Part Two - <http://fisv.co/1QwCAho>
- ▮ Agiliti from Fiserv - [www.agiliti-fiserv.com](http://www.agiliti-fiserv.com)
- ▮ Additional Solutions for U.K. Financial Institutions - <https://www.fiserv.com/international/index.aspx>

## **About Fiserv**

Fiserv, Inc. (NASDAQ: FISV) enables clients to achieve best-in-class results by driving quality and innovation in payments, processing services, risk and compliance, customer and channel management, and business insights and optimization. For more than 30 years, Fiserv has been a leader in financial services technology, and today is among FORTUNE® magazine's World's Most Admired Companies and Forbes magazine's America's Best Employers. For more information, visit [www.fiserv.com](http://www.fiserv.com).

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