

# Independent Report finds that Donore Credit Union contributes €25m in social dividend to local community in Dublin 8

Ireland's first credit union, Donore Credit Union, is the first credit union in Ireland to commission a "Social return on Investment report". The report launched on 21st July headed "A social dividend, not just a financial one", and highlights the social value the credit union brings to the local community in Dublin 8.

Using the internationally recognised Social Return On Investment (SROI) approach, which measures the social impact an organisation has on its community by assigning a monetary value to that impact or change, independent researchers calculated and verified that Donore Credit Union delivered a social dividend of €25m to its local community in one year. With inputs to the value of €2.5m, this means that Donore has a social dividend ratio of 10:1. In other words, the credit union puts ten times more than it takes in from its members back into its local community.

Donore Credit Union Chairperson Garrett O'Toole said, "Our credit union, as a member owned, not for profit, democratic financial cooperative, plays a huge part in improving members' lives, as well as continuing to add value to our community. Today's report not only outlines how Donore Credit Union contributes to the community in so many different ways, it also measures, for the first time, how much this social contribution is worth in equivalent monetary terms." Garret added, "While we, as credit union members, have long valued and realised what we bring to local communities, it is time now for our politicians and regulators to recognise that we are not just another financial institution and should not be regulated as such. We are more than a financial institution and should not just be measured by our asset base and the size of our loan book. Credit unions were founded by communities for communities and any review of the policy framework for credit unions, committed to in the Programme for Government, needs to take account of this uniqueness."



Hilda Hyland, Secretary, Catherine Massey, Vice Chair, Gerry Thompson, ILCU President, Agnes Heffernan, Director, Garrett O'Toole, Chairperson and Niall Reilly, Director.

Speaking at the launch CEO David McAuley said, "We undertook this study as we strongly believe that the success of our credit union should not be measured solely in terms of financial results. While we continue to thrive financially, our true success lies in the measurement of the many lives improved, the many needs met, and the overall improvement in community spirit. That success comes from the fact that members recognise these improvements and continue to trust us with their savings and to come to us when they need a loan in preference to other financial institutions. Behind our financial accounts are real people, real stories, real problems, real successes. Donore Credit Union takes great pride in the fact that it is neither a profit nor cost centre but remains a people centre. Donore Credit Union like all credit unions was deemed an essential service during Covid 19 crisis. However, for vulnerable people, people deemed unbankable, those with physical or mental illness issues, those who have no trust or faith in banks or those who simply prefer an ethical financial institution, we have always been an essential service.

When we embarked on this study we had

no idea that we deliver a social dividend of €25m – ie €5,000 in value roughly to every single member. We know we are vital to our members but this report clarifies precisely the value of the credit union. It is simply stunning.

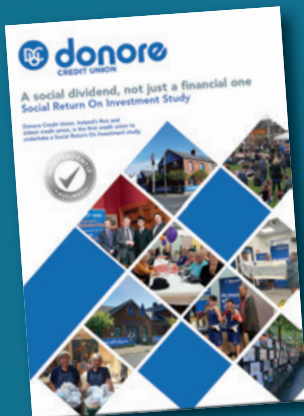
"Today's report is a significant milestone for credit unions, as it can be the springboard for beginning a new conversation with Government on what Irish credit unions are and how we can help communities and members recover in the post COVID-19 environment. As a collective, credit unions are well placed to assist with the national recovery with overall financial assets of €18bn. Credit unions want to see their assets used to develop communities in Ireland, such as through funding social housing, rather than being solely invested to build infrastructure outside Ireland, as currently happens.

"It is a terrifying thought but what would Ireland and the area around Donore Credit Union be like if the credit union no longer existed?"

The success or otherwise of Donore Credit Union like all credit unions is



David Mc Auley, Donore CEO, Hazel Chu, Dublin Lord Mayor and and Patrick Costello, TD.



measured purely on financial metrics, but in doing so this ignores the real worth of a credit union. By commissioning this report, Donore Credit Union wanted to ensure

- Credit unions have a “gut” feeling that they make an impact on members lives and the wider community. This report puts a figure on that amount
- Donore CU wanted members to know that there is a value in having a locally owned credit union and in order to maintain that service, they must support us in supporting them
- To show that the credit union is distinct and different and addresses the needs of all members of a community, not just the affluent
- To highlight that the social value of a credit union is a serious amount and should be considered when evaluating the true worth of a credit union

The study was completed on behalf of



Sandra Velthuis, Whitebarn Consulting, Gerry Thompson, ILCU President and David Malone, ILCU Financial Controller.

Donore Credit Union by Sandra Velthuis of Whitebarn Consulting, an independent consultant and Level 3 Advanced Social Value Practitioner. The report has been independently assured by Social Value International <https://socialvalueint.org/> Whitebarn Consulting have completed a number of these reports but this is the first in the credit union sector. Since publication, Donore Credit Union has received extensive local interest and media attention while the attention of local political representatives has been achieved.

Donore Credit Union believes other credit unions should also establish their social value. The idea of having a nationwide valuation for the social contribution of all credit unions is no longer a pipedream but rather Donore Credit Union has set out a blueprint for how that can be achieved.

Please contact Donore Credit Union CEO David McAuley on 014530844 while full report and synopsis can be found on <https://www.donorecu.ie/social-return-on-investment>