

Credit unions to make a pitch for a share of Ulster Bank's customers

Apple Pay will be added to credit union current account offering as they continue to beef up services

Charlie Weston

CREDIT unions are set to make a pitch to get thousands of Ulster Bank current account customers to sign up with them.

The move comes as the main current account product provided by credit unions is set to add Apple Pay to its offering next week.

The Currentaccount.ie brand already offers Google Pay and Fitbit Pay, along with giving customers debit cards, online banking and a mobile app.

Another five credit unions have signed up to offer the current account, according to Seamus Newcombe of Currentaccount.ie, which was set up by credit unions to provide the current account.

He said 45 of the largest credit unions in the State were now signed up to offer the account through the Currentaccount.ie brand, with around 50,000 accounts opened.

Approved by the Central Bank, the credit union current account offers a Mastercard debit card, free point-of-sale and contactless payments, free standing orders and debit processing and mobile

Credit unions offer online banking and a mobile app



and internet banking. There is a monthly fee of €4, which finance experts said was the best value in the market.

There is also an overdraft facility, but credit unions do not charge surcharge interest on unauthorised overdrafts.

Mr Newcombe said his organisation and its member credit unions would be making a pitch for some of the

500,000 current accounts that are expected to be shut when Ulster Bank closes.

Permanent TSB is likely to take over the mortgage and deposit accounts of Ulster Bank when it leaves this market next year, but the 500,000 current accounts may not move to Permanent TSB.

Difficulties transferring current accounts, with constantly

changing balances and complex instructions such as live direct debits, from one bank to another means Ulster Bank may not transfer them to Permanent TSB.

The accounts may be closed instead.

Some of those impacted by the decision of Bank of Ireland to close 88 branches and the closure of KBC Bank may

Growth: Credit unions are eyeing some of Ulster Bank's 500,000 current accounts. PHOTO: BRIAN LAWLESS/PA WIRE

also seek out an alternative current account provider, Mr Newcombe said.

He said the 45 credit unions offering the current account product make up around half the membership of all credit unions across the State and have 185 branch offices between them.

"Credit unions are a credible alternative to the banks. They are trusted, have the branch network and now have the technical capability to offer current accounts and online banking.

"We are ready to make a play for the 500,000 Ulster Bank accounts," he said.

Credit unions have invested heavily in the technology to improve the member experience, he added.

"You can open a current account online without even needing to visit the credit union, or in branch if you prefer - the important difference is you have choice."

Members can access and control their finances 24/7 and 365 days a year online and through their mobile phones.

Fintechs such as Revolut and N26 do not offer loans as part of their accounts, he said.