

Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

15th October 2025

To Whom It May Concern,

Quarterly Consultation CP25/24 No.49

We welcome the opportunity to respond to this consultation. ABCUL is the primary trade association representing credit unions in England, Scotland and Wales with around two-thirds of credit unions in mainland Great Britain affiliated to the Association.

Credit unions are co-operative societies that provide financial services – primarily savings and loan facilities – to their member-owners. They are registered as Co-operative Societies under the Co-operatives and Community Benefit Societies Act 2014 and the Credit Unions Act 1979. As deposit-takers, they are dual-regulated by the Prudential Regulation Authority and the Financial Conduct Authority.

Credit unions have since their inception in Britain in 1964 been closely associated with anti-poverty and financial inclusion. They tend to provide savings and loan facilities to those with limited or no access to financial services from mainstream providers, generally due to their low income and/or lack of a developed credit profile. They have been a central element of numerous government and philanthropic initiatives to extend financial inclusion and address the lack of adequate provision of affordable credit and secure savings facilities for large sections of the population. They are capped in the interest that they can charge at 42.6% APR under the Credit Union Act 1979 and provide credit in competition with high-cost lenders.

They are numerous with over 215 credit unions active in Great Britain today with more than 1.5 million members and £2.7 billion in assets under management. They range from mid-sized businesses of up to 50 staff to small voluntary organisations.

Consultation Response

We welcome the opportunity to respond to the FCA's consultation. ABCUL consents to the publication of our name. ABCUL will be responding to chapters that are relevant to our member credit unions.

1. Do you support the proposal to remove the mutual society application form statutory declarations on all forms where this is not required by legislation?

ABCUL supports the proposals to remove the mutual society application form statutory declaration where it is not required by legislation, to ensure that the administrative and regulatory burden is not disproportionate to credit unions.

ABCUL welcomes the proposal to give credit unions the flexibility to provide the FCA a statutory declaration on common bond locality amendments, but also to allow credit unions the option to not use a statutory declaration and use information provided by the credit union. We note that the FCA currently does not require a statutory declaration to be submitted on each occasion. Whilst ABCUL understand that statutory declarations give a degree of assurance to the FCA, costs can be burdensome for credit unions, and we support the removal of statutory declarations where it isn't required by legislation and for the FCA to further take into account information given to them by credit unions.

We note that the FCA are already, in areas such as common bond amendments, not requiring a statutory declaration and instead reviewing information provided by the credit union, as well as their own assessment of common bond requirements.

Where the treatment of legal entities needs to be differentiated, we support it; but where there is no need to differentiate, we support the proposed alignment of statutory declaration rules. ABCUL notes that one of the main reasons for the statutory declaration is to serve as a deterrent against intentionally false or fraudulent applications. However, the FCA observed that it has had little real deterrent effect on deliberately fraudulent applications. ABCUL urges that, where intentional non-compliance is identified, robust processes should continue to be maintained to deter deliberate non-compliance.

Please contact us at advocacy@abc.ul.org if you have any questions about our response to your consultation.

Kind regards,



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ABCUL