



PORTFOLIO AREA: COMMUNITY ENGAGEMENT

Date of Meeting: 17th February 2012

Public

Key Decision: No

Recorded in Forward Plan:

No

Inside Policy Framework

Title: CREDIT UNION

Report of: The Director of Community Engagement

Report reference: CD23/12

Summary:

This report provides an update on plans by Carlisle & District Credit Union to fund a publicity campaign against loan sharks and pay day loans.

Recommendations:

That the Executive approve a £5,000 grant allocation to Carlisle & District Credit Union to fund a publicity campaign against loan sharks and pay day loans.

Contact Officer: Keith Gerrard

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Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

1. BACKGROUND INFORMATION

- 1.1 Credit unions were formed to enable people to help themselves in relieving debt and poverty.
- 1.2 Carlisle and District Credit Union is a financial co-operative owned and run by its members. It was granted a licence to trade as a credit union by the Financial Services Authority in 2004 and is a ethical "not-for-profit" co-operative that offers its members a savings facility and low cost loans. Anyone who lives, works or volunteers in the Carlisle and District Council Ward area, are eligible to join the credit union.
- 1.3 Their membership has gone well past 2000 and is growing by approximately 35 members per month.
- 1.4 The main focus of the organisation is to provide low-cost loans, an opportunity to save and advice on debt management. It helps prevent customers who are experiencing financial difficulties falling into the hands of loan sharks or using organisations who issue pay day loans

2. GRANT FROM CARLISLE CITY COUNCIL

- 2.1 The Credit Union seeks to undertake a publicity campaign, the focus of which will be to raise awareness of alternatives to loan sharks and pay day loans. In particular this will include the benefits of becoming members of a credit union and, if anyone is in debt; what measures can be put in place to deal with this.
- 2.2 It is proposed that the Wellbeing Team would support and monitor the appropriate targeting of resources to enhance the publicity campaign. This could include awareness raising sessions through community centres or staff cascading relevant information to the various groups the team work with.

3. RECOMMENDATIONS

- 3.1 That the Executive approve a £5,000 grant allocation to Carlisle & District Credit Union to fund a publicity campaign against loan sharks and pay day loans.

4. REASONS FOR RECOMMENDATIONS

- 4.1 To support the Carlisle and District Credit Union in its key role of reducing debt and providing opportunities to save.

4. IMPLICATIONS

- Staffing/Resources – Project would be supported through existing projects and initiatives
- Financial – This non-recurring revenue grant can be funded either from Council Reserves or from existing base budgets in 2011/12, enabling the grant to be paid in 2011/12. There is an unused budgetary provision, carried forward from 2010/11, within the Audit Shared Service which can be vired to Community Engagement to fund the payment.
- Legal – The grant will be subject to the condition that it used for the specific purpose intended and, secondly, that all publicity funded by the grant will accord with the Local Authority Code of Publicity to which we (and our resources) are subject.
- Corporate – Link to Corporate Priorities of Increased sense of community empowerment and self reliance
- Risk Management –
- Environmental – N/A
- Crime and Disorder – Would assist in reducing the number of illegal loan providers
- Impact on Customers – The campaign will enable customers to manage personal finances more efficiently
- Equality and Diversity – The campaign will be fully inclusive

Impact assessments

Does the change have an impact on the following?

Equality Impact Screening	Impact Yes/No?	Is the impact positive or negative?
Does the policy/service impact on the following?		
Age	Yes	Positive
Disability	Yes	Positive
Race	Yes	Positive
Gender/ Transgender	Yes	Positive
Sexual Orientation	Yes	Positive
Religion or belief	Yes	Positive
Human Rights	Yes	Positive
Health inequalities	Yes	Positive
Rurality	Yes	Positive

If you consider there is either no impact or no negative impact, please give reasons:

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If an equality Impact is necessary, please contact the P&P team.