

PUBLIC

Agenda Item No.4

DERBYSHIRE COUNTY COUNCIL

CABINET MEMBER MEETING – HEALTH AND COMMUNITIES

7 October 2013

Report of the Deputy Chief Executive and Strategic Director Health and Community Safety and the Director of Public Health

LOAN FUND TO CREDIT UNIONS – PROPOSED REVENUE SUPPORT

Purpose of the Report

To consider providing revenue support to Credit Unions delivering the Council's "Instant Access" Loan Fund.

Information and Analysis

Credit Unions are playing an increasingly important role in supporting people by providing access to affordable credit in times of difficulty and by encouraging saving.

Most of the Derbyshire population now has access to a Credit Union with five operating across the county, as follows:

- 2 Shires Credit Union (Bolsover)
- Chesterfield and North East Derbyshire Credit Union
- Erewash Credit Union (Amber Valley and Erewash)
- Manchester Credit Union (High Peak)
- Money Spider Credit Union (South Derbyshire)

At its meeting on 30 July 2013, Cabinet approved a grant fund of £300,000 from the Public Health budget for "instant access" loans managed by Credit Unions. This initiative supports the Authority's commitment to addressing anti-poverty and specifically, financial inclusion.

Following the Cabinet decision, criteria were approved at the Cabinet Member Meeting on 20 August 2013 and decisions on the allocation of the Fund were delegated to the Strategic Director for Health and Community Safety in consultation with the Cabinet Member for Health and Communities. To date, one application has been approved to the Chesterfield and North East Derbyshire Credit Union for £116,000.

The Credit Unions have collectively welcomed the Council's initiative, but have asked if the Authority would provide revenue funding alongside the grant in

recognition of the additional workload which will be generated. This would seem reasonable and it is proposed to set aside an additional £60,000 from the Public Health budget for this purpose. This would enable the Council to provide a one-off revenue grant of 20% of the Fund being administered by a Credit Union towards additional running costs.

Financial Considerations

The costs will be met from the 2013/14 Public Health budget.

Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, legal, equality of opportunity, environmental, health, personnel and property considerations.

Key Decision - No

Call – In

Is it required that call-in be waived in respect of the decisions proposed in the report? No

Background Papers

Cabinet Report 30 July 2013

Cabinet Member Meeting Report 20 August 2013

Letter from 2 Shires Credit Union dated 30 August 2013

OFFICERS' RECOMMENDATIONS

1. To approve the sum of £60,000 for revenue support to Credit Unions delivering the Council's "Instant Access" Loan Fund from the 2013/14 Public Health budget;
2. That the sum be allocated on the basis of 20% of the Loan Fund award.

David Lowe
Strategic Director
Health and Community Safety

Elaine Michel
Director of Public Health