

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**16 June 2015**

**Report of the Strategic Director Health and Communities**

**REVIEW OF CREDIT UNIONS – RESPONSE TO IMPROVEMENT AND  
SCRUTINY COMMITTEE REPORT  
(Health and Communities)**

**1 Purpose of the Report:**

To consider the proposed Cabinet response to the Improvement and Scrutiny Committee report on Credit Unions in Derbyshire.

**2 Information and Analysis:**

At the meeting on 14 April 2015, Cabinet received the report of the Chair of Improvement and Scrutiny Committee – Resources on the review of Credit Unions. In accordance with the Scrutiny reporting protocol, Cabinet is required to respond to the report within two months indicating whether recommendations are accepted or otherwise, alongside an action plan for implementation.

Credit Unions play an increasingly important role in supporting people by providing access to affordable credit in times of difficulty and by encouraging saving. The County Council has made significant efforts to promote and support local Credit Unions since 2013 and the report highlighted the importance of continued support.

The final report contained twelve recommendations and Cabinet is asked to agree the attached action plan as the response to the Improvement and Scrutiny Committee – Resources. The action plan will be monitored by that Committee at strategic intervals.

**3 Other Considerations:**

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

**4 Background Papers:**

Cabinet Report 14 April 2015 – Report of the Chair of Improvement and Scrutiny Committee – Resources on the review of Credit Unions.

**5 Key Decision:**

No

**6 Call-In:**

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

**7 Officer's Recommendation:**

That the action plan be approved as Cabinet's response to the recommendations made by the Improvement and Scrutiny Committee – Resources following their review of Credit Unions in Derbyshire.

**David Lowe  
Strategic Director  
Health and Communities**

## Appendix A

### Cabinet response to recommendations made by the Improvement and Scrutiny Committee – Resources on Credit Unions in Derbyshire

Recommendation	Lead Officer	Proposed actions	Timescale
1 The Improvement and Scrutiny Committee – Resources endorses the initiatives already developed by the County Council and its partners to support Credit Unions in Derbyshire		N/A	
2 The Council's Pay Slip contribution scheme is promoted to other local public sector organisations and private companies with a view to encouraging them to introduce similar schemes for their own employees	Liz Tomes (Comms)  James Luckraft (HR)	The communications team will promote and share our payslip enclosures etc. Support for credit unions has been publicised in a number of media releases and at <a href="http://www.derbyshire.gov.uk/creditunions">www.derbyshire.gov.uk/creditunions</a>  The Shared Services Centre will act as a point of contact should other organisations want to discuss what is entailed and the feasibility of contributing to Credit Unions via payroll etc.	By Sept 2015
3 Local groups and organisations (such as sport clubs) be encouraged to use Credit Unions to hold their financial accounts.	Julie Hirst (Public Health)	Work with voluntary sector infrastructure agencies such as CVSs and Rural Action Derbyshire to deliver this recommendation. The cost to promote would be modest and could be met from the Public Health budget.	By end December 2015
4 Local Social Housing providers are encouraged to promote the services of Credit Unions to their new tenants as part of their tenancy "starter packs" and they be requested to consider the introduction of an	Julie Hirst (Public Health)	Work with local housing providers to enact this recommendation. Social housing providers are generally supportive of credit unions as they increase the likelihood of tenants paying rent on time. Public Health has a housing and health officer who can deliver this recommendation.  Incentivising CU membership will incur a cost. At this stage, it is proposed to roll out the starter pack scheme with all providers and pilot the added financial	By March 2016

incentivised scheme similar to that provided by Lincoln City Council.		incentive with one housing provider to see if it makes a difference to membership. The housing providers would initially be asked to provide the incentive.	
5 The Council's Libraries and Heritage Division continues to offer accommodation in local libraries for Credit Union outreach sessions and expand these facilities to other parts of the county wherever possible	Martyn Shaw (Libraries)	The Libraries and Heritage Division continues to promote library accommodation to Credit Unions. Credit Union collection points are established in Creswell and Shirebrook libraries in partnership with 2 Shires Credit Union. Contact has been made with all local Credit Unions.	Ongoing
6.1 Credit Union membership is encouraged amongst young people through its Primary and Secondary Education services to young people, including the Youth Council	Ian Johnson (CAYA)	Through the provision of financial literacy work with schools, and through the Headteacher Forums, we will promote awareness of Credit Unions including membership opportunities to young people in Primary, Secondary and Special Schools. We will involve the Youth Council in taking this forward.	By December 2015
6.2 The County Council considers providing a Credit Union savings account facility to children in the care of the Council's Corporate Parenting responsibility		Children in Care already receive an ISA (individual savings account). Further work will be done to explore the options for a Credit Union savings facility and to ensure that children in care are supported to save.	By March 2016
6.3 The Council works in partnership with the Derby Diocese in respect of their programme to develop Credit Union membership for children		The recommendation is accepted in principle and discussions will be held with the Derby Diocese.	By September 2015
7 The five Credit Unions operating in Derbyshire are asked collectively to consider	Julie Hirst (Public Health)	Public Health will undertake a gap analysis of genuine credit union accessibility, both in terms of geography and services and explore ways of covering the gaps with the credit unions in Derbyshire.	Request to CUs by end June 2015.

ways in which to provide parity of service by the extension of facilities where necessary and the development of a “universal package” provided to all areas of the County.		Expansion to cover gaps will incur costs and it is proposed that this should be a longer term aim, working with local credit unions and keeping the best interests of Derbyshire people at the centre of our ambitions.	Parity of service by March 2018
8 The five Credit Unions operating in Derbyshire are asked to consider the potential for re-branding their organisations to promote themselves as “community banks”	Julie Hirst (Public Health)	Work underway has already resulted in the Erewash Credit Union changing its name to ‘Derbyshire Community Bank’ and others will be encouraged to follow. However, this will be a matter for each Credit Union.	By March 2018
9 The Council help increase public awareness of local Credit Unions, and the other support organisations contributing to this review, through mechanisms such as signposting clients to Credit Unions, regular promotion on the Council’s website and other publications.	Julie Hirst (Public Health)	Public Health is funding social marketing research and insight to inform a campaign to promote public awareness and understanding of credit unions and to encourage people to join them to save and to borrow safely. Campaign due to be launched in summer 2015.  Focus groups suggest that DCC endorsement of credit unions significantly increases public trust in them.  Ensure that all credit union publicity has clearly visible endorsement of DCC on it.	By December 2015
10 The County Council hosts a joint conference of Credit Unions, their partners and other stakeholders with a view to consolidating the provision of Credit Union services in the County under a “Derbyshire branded” format.	Julie Hirst (Public Health)	At this stage, it is not considered appropriate to hold a conference to achieve this recommendation, which is considered to be a longer term aim, recognising that this will be a matter for each Credit Union.  A Derbyshire branded website ‘landing page’ will be set up for Derbyshire credit unions where people are referred to and from and where they can find their local credit union, similar to the Derbyshire CABx: <a href="http://www.derbyshirecab.org.uk/">http://www.derbyshirecab.org.uk/</a>	By December 2015

<p>11 The Council's frontline staff, working with individual clients and families, be made aware of the Council's campaign to prevent people using expensive or illegal lending sources and, alternatively, seek support and advice from Credit Unions and their partners. Staff should be advised to direct their clients to these organisations when appropriate.</p>	<p>Julie Hirst (Public Health)</p>	<p>Credit unions attend and present to frontline staff meetings, e.g. social workers, library staff, health development workers, children's centre staff etc. Two Credit unions have already offered to do this and it is likely that others will follow.</p> <p>Develop a media campaign with support from Communications team</p> <p>Use a pop up on DCC intranet to inform and remind staff to promote credit unions</p>	<p>By March 2016</p> <p>By March 2016</p> <p>By March 2016</p>
<p>12 The Council's Emergency Planning team, and other local emergency services, direct people who are suffering hardship due to unforeseen emergency, such as fire or flood, to the Derbyshire Discretionary Fund for emergency relief</p>	<p>Liz Partington (Emergency Planning)</p>	<p>The County Council's Emergency Plan will be amended the Plan to reflect the Derbyshire Discretionary Fund and how to signpost people to access the Emergency Cash Payment part of the Fund if applicable.</p> <p>Accessibility to the Fund outside normal working hours is an issue and this will be considered further by the Emergency Planning Team.</p>	<p>By Sept 2016</p> <p>By Sept 2016</p>