



WARDS AFFECTED: ALL WARDS

1. PURPOSE OF REPORT

- To inform members of progress and impact, in relation to the establishment of a local credit union provision
- To outline the proposed delivery model going forward
- To secure members ongoing commitment to act as champions

2. RECOMMENDATION

- (i) To note the progress report
- (ii) To support the proposed delivery model for 2014/15
- (iii) To agree to continue to adopt the role of champion in promoting the local credit union provision

3. BACKGROUND TO THE REPORT

- 3.1. Following an initial presentation from Clockwise in 2009, and subsequently members approval, a local Credit Union provision was launched in March 2010 at the Earl Shilton Community House. The primary purpose in establishing the local provision, was to tackle financial exclusion in our priority neighbourhood areas.
- 3.2. The local authority continues to allocate resources, to secure the services of our Hinckley Credit Union Manager, Clare Shilton.
- 3.3. To recap, the benefits of a credit union in tackling financial exclusion, is by providing:
 - Access to banking
 - Access to safe and ethical affordable credit/loans
 - Access to free face to face money advice
- 3.4. During the initial two years of this initiative the access point at Earl Shilton Community House was well established, with the help and support of trained volunteers. Alongside this HBBC staff at both Barwell and Wykin Community Houses were trained to deal with initial enquiries, and scheduling of appointments with Credit Union staff/volunteers at anyone of the Community Houses.
- 3.5. Monitoring information collated between March 2010 and March 2012, indicated that whilst over this period there was ongoing access via the locally established access point at Earl Shilton, and the information/advice points at both Barwell and Wykin, numbers had remained static for sometime, on average 1.5 per week. However, this arrangement was tying up at least 50% of the credit union managers time, in staffing the currently scheduled drop in sessions.

- 3.6. Furthermore, monitoring information was showing an ongoing increase in those accessing the service via the internet, or at the central office in Leicester, and alongside this evidence that the local ongoing promotion campaigns, and specifically the door to door targeted leaflet drops, were proving very successful in generating enquiries and subsequently take up of loans.
- 3.7. Therefore, based on this evidence, presented to Scrutiny members as part of the last progress report in September 2012, it was subsequently agreed to adopt a revised delivery model going forward, as follows:
- To retain information/advice access points at each of the Community Houses, but not to retain the scheduled drop in sessions.
 - Focus on stepping up the marketing campaigns specifically in all priority neighbourhood areas, and ongoing Borough wide promotion campaigns, particularly in mitigating the rise in Pay Day and Door Step Lending publicity.
- 3.8. Members were reassured that this new arrangement would not take away the provision of a local access point. Community House staff would continue to provide the information and advice point of access during all opening hours, and the scheduling of appointments with Credit Union staff at anyone of the Community Houses, an arrangement which would free up Credit Union staff time to manage a refreshed and more comprehensive marketing campaign within the Borough.
- 3.9. Therefore, **up to date monitoring information, attached at appendix 1**, shows that the move to an appointment based system at the established Community Houses at Earl Shilton, Barwell and Wykin has not had a detrimental effect, and indeed **Membership, loan and savings balances have continued to grow**. The figure for number of new members joining, particularly for Year 4, is also very encouraging.
- 3.10. In terms of footfall across all Information Points, numbers continue to have remain fairly static, continuing to be on average 1.5 per week, this is commensurate with similar clockwise credit union arrangements in other parts of the County. Furthermore, monitoring information shows an ongoing increase in those accessing the service via the internet, or at the central office in Leicester which is complimenting the local provision offer. However, this arrangement has succeeded in freeing up over 50% of the credit union managers time, which has been successfully utilised as follows:
- Ongoing local marketing campaigns, including an article in each edition of the Borough Bulletin, and a presence at key locality events such as the Hinckley Job Club, H&B Jobs and Skills Fair, H&B Christmas Lights Switch on, etc.
 - Presentations to local community groups and partners, including a floor walk to engage with the new partner agencies at the Hinckley Hub
 - A presentation at each of the Political Party Group meetings
 - Undertaking door to door leaflet drops (which are proven to be extremely successful in generating enquiries and subsequently take up of loans).
- 3.11. In addition to the above, freeing up capacity has enabled the establishment of **an additional local access point at the Next Generation building**, Castle Street, Hinckley, (operational from April 2013), as part of the arrangements for developing a Voluntary and Community Sector Hub in a town centre location to complement the new Hinckley statutory agency Hub. We are also liaising with the Town Centre Partnership and BID Board to develop a joint campaign to promote the local provision and Town Centre access point.
- 3.12. Alongside this discussions are taking place, with the aim of offering a service provision at the weekly Hinckley Work Club, based at Hinckley Library.

- 3.13. Therefore, based on this evidence, and experience built over the last four years of delivery, the proposed strategy going forward for 2014/15, is to retain appointment based information/advice access points at each of the Community Houses, and a regular drop in session at the Next Generation building. The focus will be on continuing targeted and Borough wide promotion campaigns.
- 3.14. As the economic situation continues to impact, Pay Day and Door Step Lending publicity continues to rise and populate all sources of media. Therefore we need to continue the robust ongoing publicity campaign to remind people that there is a readily available alternative and affordable option, where the package of provision offered via Clockwise now includes in some cases an instant decision for a loan application.
- 3.15. However, successful take up of the credit union provision, is reliant on all officers and members continuing to promote this offer to our community at every opportunity. Elected member support is essential in tackling financial exclusion within our communities and Scrutiny Members support is sought in championing the proposition and engaging the support of all members.

4. **FINANCIAL IMPLICATIONS [KP]**

The Council contributes £10,000 per annum to fund the Credit Union Manager post. This contribution has been included in the 2014/2015 budget.

5. **LEGAL IMPLICATIONS [MR]**

None arising directly from this report

6. **CORPORATE PLAN IMPLICATIONS**

The contents of the report relate to and support the following strategic aims:

- Thriving Economy
- Safer and Healthier Borough
- Strong and distinctive communities

7. **CONSULTATION**

The established work within our priority neighbourhoods, through our Neighbourhood Action Teams and supporting plans, informed through ongoing engagement and consultation provided the evidence base for the establishment of this provision. The monitoring information has provided the evidence for the proposed delivery model going forward.

8. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Net red risks Members of the Community falling further into debt by taking up Pay Day and Door Step Lenders options	Promoting of credit union provision throughout the Borough, and take up of safe affordable loans	E Grant

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

The specific purpose of this facility is to provide additional resources to focus on a priority need within Hinckley and Bosworth i.e. to work towards eliminating financial exclusion, specifically within the most deprived areas of the Borough.

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety - None
- Environmental - None
- ICT - None
- Asset management - None
- Human Resources - None

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