

FINANCIAL INCLUSION STEERING GROUP

Minutes of the Meeting held on Wednesday, 16 November 2011 at 10.00 am
St George's Centre, Great George Street

1.0 Present

Name	Representing
Angela Rai	City Development, Leeds City Council
Alayne Trigwell	Revenues, Leeds City Council
Andrew Sheader	WNW Homes
Ann Day	City Development, Leeds City Council
Ann Richardson-Greaves	Burley Lodge Centre Advice Services
Chris Smyth	Leeds City Credit Union
Claire Tabert	Yorkshire Housing
Clare Wragg	Ebor Gardens Advice Centre
Dave Roberts	City Development, Leeds City Council
Denise Carpenter	St Vincents
Dianne Lyons	Leeds CAB
Janet Wadsworth	Kirklees CAB
Janette Munton	NHS Leeds
Jo Rowlands	City Development
Joy Wetherill	Welfare Rights Team, Leeds City Council
Kevin Bolt	Together Housing
Kim Long	Connect Housing
Mark Rutherford	Regeneration Manager, Leeds City Council
Mike McAughtrie	Loan Shark Team
Nick Morgan	Chapelton CAB
Pete Beaumont	West Yorkshire Joint Services
Philip Bee	Leeds Faith Forum
Rob Matthews	Money Advice Service
Shaun Kelly	Leeds City Council
Sophia Ditta	City Development, Leeds City Council
Sue Jennings	Leeds Federated Housing
Susan Wood	Advice Leeds
Sylvia Simpson	Ebor Gardens Advice Centre

2.0 Apologies

Name	Representing
Colin Mawhinney	City Development, Leeds City Council
Gail Bartle	Accent Housing Association
Glenn Snowley	Yorkshire Water
Hannah Mason	WNW Homes
Jacqui Atkinson	Yorkshire Bank
Janet Burr	Leeds City Credit Union
Joanne Swaine	Leeds City Credit Union
Katherine Doherty	RBS
Lee Welsh	Leeds Federated Housing Association
Mark Lee	Yorkshire Water
Mick Parker	WNW Homes Leeds
Pria Bhabra	Adult Social Care
Simon Betts	Job Centre Plus

3.0 Minutes of the meeting held on 14 July and matters arising

The minutes of the meeting held on 14 July were approved.

P Bee raised the issue of representation on the Casino Advisory Panel. **DR to follow up.**

4.0 Progress Reports

(a) Debt Advice/Telephone Gateway – Dianne Lyons

Face to face debt advice funding is to continue at the same level for a further 12 months – possibly 18 months – official confirmation will be received mid December. However, the number of clients seen is to increase by 150% - as a result advisors will not be able to provide the same in-depth advice and more enquiries will be dealt with by telephone.

The telephone gateway project has been funded by LCC City Development. A co-ordinator is now in post and the first group of volunteers are being trained and due to commence in January.

The team of volunteers will provide increased opening hours for people seeking to access advice via a single telephone number. It will provide an initial assessment of the callers' needs and route them to the appropriate advice services to meet their needs.

(b) Leeds City Credit Union (LCCU) / Community Development Finance Institution (CDFI) – Chris Smyth

Following some recent work by Nick Morgan/Chris Smyth on the growth of money shops and pay day lenders, CS reported that there are over 300 money shops loaning around £1.5bn in pay day loans and overall the figure is around £8bn. It was felt therefore that there is a strong argument to set up a CDFI in Leeds.

LCCU currently reject many loans as they do not meet the credit score criteria and clients then approach money shops. LCCU are therefore looking to extend current CU lending – one of the restrictions placed upon CUs is an interest rate cap at 26.8% APR but no such restrictions exist for CDFIs.

CDFIs are social enterprises and provide finance for enterprises and a small number also finance personal lending. The proposed CDFI in Leeds would work alongside LCCU, operate as a joint venture and the focus would be on personal lending. CDFIs are able to charge variable rates of interest that would match the risk presented and would probably charge between 40%-60% APR. This is typical for other CDFIs researched. Although this interest rate is relatively high, the argument is that it is still better than the rates charged by money shops.

It is intended that the CDFI be set up as a charitable trust and will operate as a not for profit organisation. If there is any surplus, this will stay within the organisation to build capacity. If there is any loss then LCCU would not be liable as the CU cannot have a subsidiary by law and both will be separate institutions with their own Boards. At a future date the joint venture may consider funding an advice worker.

DL (CAB) acknowledged that, although the interest rates charged by the CDFI will be high, it is far better than the alternative.

LCCU are currently exploring sources of funding (LCC or a possible charitable bond) and as the CDFI will be registered as a charitable trust, this will open up other streams

of funding.

If members of the group have any questions about the CDFI they can contact Chris Smyth on csmyth@leedscitycreditunion.co.uk.

CS reported that LCCU have substantial levels of money to lend and outlined some of the features of accounts and services available, including a pre-paid card which is available at a very competitive rate and the mechanisms they have in place to help clients once Universal Credit is rolled out.

(c) Corporate Debt Policy – Alayne Trigwell

AT informed the group that she will be re-introducing the Corporate Debt Liaison Group (CDLG) meetings as soon as possible.

AT assured those present that although CDLG meetings have not taken place for some time, that work is ongoing. During 2010/11 however there have only been 37 referrals, 24 of which were accepted. 15 of these were discovered by Debt Recovery and 9 referred via external sources (4 from ALMOs, 2 from OSC and 3 from the advice centres).

The current Policy document is being re-written as it was felt that the current format is quite complex. The new document will comprise bulleted format with easy to access information in a plain and direct language as well as a new title (any ideas welcome). The referral criteria will remain the same. The draft policy will be sent out to members for comment as soon as possible.

If any members would like to attend future meetings of the Corporate Debt Liaison contact AT direct – alayne.trigwell@leeds.gov.uk

(d) LCC Welfare right review – Joy Wetherill

JW has attended various management meetings and recommendations have been agreed. An internal meeting took place on 15 November to discuss the review in detail. JW to keep the group updated.

5. DWP Welfare Benefits Review / Universal Credit – Susan Wood

The Welfare Rights Strategy Board has now been set up by Steve Carey, the Council's Chief Revenue and Benefits Officer and Terms of Reference are in place.

The Board will look at gathering information on possible impacts and how these can be mitigated. Leeds have volunteered to run a pilot in part of the city and will introduce some of the direct payments elements of Universal Credit in 2012 before the introduction date of 2013 so that any problems can be experienced and residents issues dealt with prior to the roll out.

6. Passion4Fashion event – Plans for 2012 – Sue Jennings

Following the successful event earlier this year, it has been decided to have a similar event in Leeds next year, although not necessarily re-create what has already been done. Previous participants are looking to set up sewing groups in their communities and tenants within WNW are exploring the possibility of setting up an enterprise. Kirklees have decided to run a similar project which Connect Housing are involved in, so the overall outcomes from the last event have been very positive.

A small group will source funding and prepare/submit bids. The possibility of seconding

someone to co-ordinate and project manage all the work is also being explored. A possible focus for the project next year could be financial inclusion and employment, changes to the benefits system or fuel poverty. There will be a meeting in January and all partners will be invited to take part and discuss how to take things forward for 2012.

The final event will probably take place during the summer next year.

7. **Loan Shark Campaign in Leeds – Mike McAughtrie**

MMc had circulated a mini action plan which listed work currently taking place in Leeds. Meetings have taken place with the ALMOs, West Yorkshire Police, CU and many other partners across the city. The plan is a working document and members of the group were asked for input and invited to comment. A confidential helpline is available 24 hours each day and anyone providing information will not necessarily have to appear in court. Support is available for victims of loan sharks and positive referrals will be made.

MMc has DVDs available and there is also a Loan Shark YouTube channel – contact MMc for further information Mike.Mcaughtrie@birmingham.gov.uk

Action: Nick Morgan to provide MMc with information about ways to reach Roma communities and refugees that may be experiencing problems with loan sharks.

Action: Joy Wetherill (joy.p.wetherill@leeds.gov.uk) to check possibility of showing DVD on screens within the OSCs

Action: Janette Munton (Janette.Munton@nhsleeds.nhs.uk) to find a contact name for showing the DVD within GP's surgeries

Action: Pete Beaumont (pbeaumont@wyjs.org.uk) requested footage of prosecutions. MMc to supply directly.

9. **Dates of meetings for 2012**

The meetings will take place at the St George's Centre, Great George Street as follows:

10.00 am	1 March
10.00 am	5 July
10.00 am	8 November