



Dinas a Sir Abertawe

Hysbysiad o Gyfarfod

Fe'ch gwahoddir i gyfarfod

Pwyllgor Datblygu Polisi Lleihau Tlodi

Lleoliad: O bell drwy Microsoft Teams

Dyddiad: Dydd Llun, 28 Mehefin 2021

Amser: 3.30 pm

Cadeirydd: Y Cyngorydd Phillip Downing

Aelodaeth:

Cyngorwyr: C R Doyle, P K Jones, E T Kirchner, D Phillips, C Richards,
K M Roberts a/ac L V Walton

Gwyllo ar-lein: <https://bit.ly/3ccqRoi>

Agenda

Rhif y Dudalen.

- 1 Ymddiheuriadau am absenoldeb.
- 2 Datgeliadau o fuddiannau personol a rhagfarnol.
www.abertawe.gov.uk/DatgeluCysylltiadau
- 3 Cofnodion. 1 - 4
Cymeradwyo a llofnodi, fel cofnod cywir, gofnodion y cyfarfod(ydd)
blaenorol.
- 4 Hyrwyddo Polisi Drafft Credyd Fforddiadwy. 5 - 17
- 5 Cynllun Gwaith 2021-2022. 18

Cyfarfod nesaf: Dydd Llun, 26 Gorffennaf 2021 ar 3.30 pm

Huw Evans

Pennaeth Gwasanaethau Democraidd

Dydd Llun, 21 Mehefin 2021

Cyswllt: Gwasanaethau Democraidd: - 636923

Agenda Item 3



City and County of Swansea

Minutes of the **Poverty Reduction Policy Development Committee**

Remotely via Microsoft Teams

Monday, 22 March 2021 at 3.30 pm

Present: Councillor M Sherwood (Chair) Presided

Councillor(s)
C R Doyle

Councillor(s)
P K Jones

Councillor(s)
C Richards

Officer(s)

Craig Davies
Jeremy Parkhouse
Joanne Portwood
Anthony Richards

Lawyer
Democratic Services Officer
Strategy and Policy Officer
Poverty and Prevention Strategy and Development
Manager

Apologies for Absence

Councillor(s): E T Kirchner, D Phillips, K M Roberts and L V Walton
Independent Member(s): Andrew Davies

24 Disclosures of Personal and Prejudicial Interests.

In accordance with the Code of Conduct adopted by the City and County of Swansea, no interests were declared.

25 Minutes.

Resolved that the Minutes of the previous meeting of the Poverty Reduction Policy Development Committee were approved as a correct record.

26 Garden Sharing.

The Chair verbally reported that following the presentations at the previous meeting from Room to Grow Project and Lend and Tend, the Council had looked at other organisations other than itself to set a garden sharing project up. Tend and Lend were realistically the only one which could host the project.

She added that the Council would seek ways of supporting both projects and recommend that people join them with no liability against the Authority.

The Vice-Chair stated that there was genuine interest in the scheme in his Ward and he highlighted that different options of linking people should be investigated. He also

commented that ongoing Covid 19 restrictions would cause difficulties until they were lifted.

Resolved that further discussions take place at a Working Group meeting.

27 Community Food Growing.

The Chair provided a verbal update and stated that Joanne Portwood, Strategy and Policy Officer had drafted a policy which required further discussions at Councillor and Officer Working Group meetings.

28 Campaign to increase Benefits Take Up.

The Chair provided a verbal update regarding the Campaign to Increase Benefits Take Up.

She stated that following the presentation provided at the previous meeting, Officers had reported that take-up numbers were low and the helpline had not received a high volume of calls.

She added that further discussions were required at a Working Group to agree the best method to promote benefit take-up.

Resolved that further discussions take place at a Working Group.

29 Fairness in Green Health Policy.

The Chair verbally reported that the Policy development was currently under Martin Nicholls, Director of Place and further progress was required in order for the policy to be adopted.

30 Promoting Affordable Credit Policy.

Anthony Richards, Poverty and Prevention Strategy and Development Manager verbally updated the Committee regarding Promoting Affordable Credit Policy.

He outlined that the draft policy had been agreed by the Corporate Management Team and was currently with Welsh translators prior to being circulated for consultation.

Resolved that the contents of the report be noted.

31 Corporate Debt Policy.

The Chair verbally reported that further discussions would have to take place at a future Working Group meeting in order to make progress.

32 Implementation of the Socio-Economic Duty.

The Chair verbally updated the Committee regarding Socio-Economic Duty and how it would affect strategic decision making in the Authority from 31 March 2021. She added that briefing sessions had been scheduled for all Councillors to attend in order to be up to date with the current position and she would circulate a link regarding guidance to the Committee.

33 Work Plan 2020-2021.

The Chair provided an updated Work Plan 2020-2021. She commented that the Committee had not looked at Socio-Economic Duty or Public Transport. She added that two other Committees were examining public transport, each from their own perspective and there was a possibility that a joint meeting of all three Committees be scheduled to discuss the topic.

Resolved that the contents of the report be noted.

The meeting ended at 3.45 pm

Chair



City and County of Swansea

**Minutes of the Poverty Reduction Policy
Development Committee**

Remotely via Microsoft Teams

Thursday, 20 May 2021 at 5.05 pm

Present:

Councillor(s)

P Downing
C Richards

Councillor(s)

C R Doyle
K M Roberts

Councillor(s)

D Phillips
L V Walton

Officer(s)

Gareth Borsden
Allison Lowe
Tracey Meredith

Democratic Services Officer
Democratic Services Officer
Chief Legal Officer / Monitoring Officer

Apologies for Absence

Councillor(s): P K Jones

1 To elect a Chair for the Municipal Year 2021 - 2022.

Resolved that Councillor P Downing be elected Chair for the 2021-2022 Municipal Year.

(Councillor P Downing presided)

2 To elect a Vice Chair for the Municipal Year 2021 - 2022.

Resolved that Councillor C R Doyle be elected Vice-Chair for the 2021-2022 Municipal Year.

3 Disclosures of Personal and Prejudicial Interests.

In accordance with the Code of Conduct adopted by the City and County of Swansea, no interests were declared.

The meeting ended at 5.07 pm

Chair

Agenda Item 4



Report of the Cabinet Member for Supporting Communities

Poverty Reduction Policy Development Committee – 28 June 2021

Promoting Affordable Credit Draft Policy

Purpose:	To adopt a policy which embeds the promotion of affordable credit.
Policy Framework:	Swansea Council's Tackling Poverty Strategy Welsh Government's Financial Inclusion Strategy Wellbeing of Future Generations (Wales) Act 2015 Socio-Economic Duty 2021
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: 1) To further scope the implications of the draft policy with Credit Unions. 2) To further explore the barriers to accessing affordable credit and identify a range of affordable credit options. 3) To carry out an IIA Screening / Full IIA prior to a draft policy report going to Corporate Briefing.
Report Author:	Anthony Richards
Finance Officer:	Chris Davies
Legal Officer:	Aled Gruffydd
Access to Services Officer:	Rhian Millar

1. Introduction and Background

- 1.1 The Poverty Reduction Policy Development Committee (PDC) examined the issue of High Cost Lending during the Municipal Year 2018-19 and agreed to develop a Promoting Affordable Credit Policy which aims to end the targeting of High Cost Credit, prevent High Cost Lending and promote access to equitable and Affordable Credit for all residents of Swansea. The development of a Promoting Affordable Credit Policy will

help to ensure that the approach is embedded in the Council's policy framework.

- 1.2 Borrowing is a necessity for many people on low incomes, simply to 'make ends meet' or as a result of 'pinch points' such as Christmas, or 'life shocks' such as bereavement. The Covid-19 pandemic has also impacted low-income households disproportionately resulting in an increase in the number of people and households using credit to pay for everyday essentials such as food, clothing and utilities. Prior to the Covid-19 pandemic, the Step Change Debt Charity estimated that 8.8 million people use high cost credit for every day household expenses. High cost credit companies often target those who might have poor credit and low financial resilience. This can lead to debt, default and insolvency, as residents might take on too much High Cost Credit. A number of residents targeted by high-cost credit providers are also sometimes vulnerable and we have a duty to ensure they are supported to make well-informed borrowing choices.
- 1.3 A draft of the Promoting Affordable Credit Policy (Appendix A) was presented to Corporate Management Team on the 4th November 2020 where it was agreed that the development of the policy could progress to public consultation prior to progressing to Corporate Briefing and being adopted as policy.
- 1.4 The Draft Promoting Affordable Credit Policy Public Consultation launched on the 26th April 2021 and ran for a period of four weeks, closing on the 23rd May 2021.
- 1.5 The consultation was promoted to the members of the Swansea Poverty Partnership Forum, Financial Inclusion Steering Group and Swansea Food Poverty Network. A list of members of these groups can be found at Appendix B)
- 1.6 This report summarises the consultation findings and the recommended next steps.

2. Summary of Consultation Findings

- 2.1 The Promoting Affordable Credit Draft Policy Consultation was introduced as follows: 'In Swansea Council, we want to change how we work when we realise that someone has money worries, even if they don't actually say so, and provide support to those people. Anyone can fall into financial difficulty, and an individual's money problems don't just affect them. Our local community thrives when people can afford healthy lives, support the local economy and avoid the stress of money worries. We want everyone who represents the council to understand this, and to know how to ensure people with money worries can get free, independent help if they want it. There are very expensive ways of borrowing money. Some shops sell things with easy repayment plans, but the total cost is very high. Some lenders will come to your home to

take repayments in cash, but again, the cost of these loans is very high. High costs take money out of people's pockets. So instead we want to make sure people know about better ways to borrow money, also known as affordable credit options, if that's what they need. This policy should help Swansea Council staff to make sure such options are promoted within Swansea, so we would like you to let us know whether you feel clear about what it aims to do. Your views are very important to us, so please spare a few minutes to complete this questionnaire.'

- 2.2 A total of five responses were received, three of which were from third-sector organisations. All respondents had read the draft policy. A full summary of the consultation findings can be found at Appendix C.
- 2.3 80% of respondents agreed or strongly agreed that the policy was easy to read and easy to understand. 20% tended to disagree. 100% agreed or strongly agreed that the policy is well laid out and is an appropriate length.
- 2.4 80% of respondents agreed or strongly agreed that the aims of the policy are appropriate, achievable and are going to make a difference to the people of Swansea and will achieve our aims.
- 2.5 80% felt that the policy is a good idea.
- 2.6 Four of the five respondents provided comments as to why they were interested in this consultation as follows:
 - 2.6.1 'I believe that having this policy is essential in doing more to get across the message that there are alternatives to loan sharks, both legal and illegal. I have always felt, and always will, that it is a gross injustice that those with little money are so often duped into wasting their limited resources.'
 - 2.6.2 'As I specialist debt adviser I have to deal with clients suffering the consequences of high cost credit.'
 - 2.6.3 'My job means I work with vulnerable people affected by poverty, etc. who are often targeted for credit.'
 - 2.6.4 'I am Interested in what the council spends money on because I pay a high amount of council tax.'
- 2.7 Two comments related to Swansea Bay Credit Union:
 - 2.7.1 'Does Swansea Credit Union have the capacity to take on a large number of new customers?'
 - 2.7.2 'A large number of people will not go into credit unions, because it involves being interviewed and looking at their finances, checking what they spend money on etc. The reason people use doorstep lenders or payday loan sites is because its quick and simple no questions asked. So on that basis, I think the promotion will have minimal effect and will not be cost effective.'

2.8 Two comments were negative:

2.8.1 'I don't agree with the proposed promotion I think its a waste of public money. However Isn't a bit discriminatory that it is only aimed at council tenants, they are not the only people that get into difficulty.'

2.8.2 'This is not something I think the council should be involved with. I know a number of people who have got into debt, even helped them out myself. The usual reason is because they purchase expensive products they can't afford eg: I phones, expensive TV's, £60 for a bottle of mascara, £90 for perfume. I believe a better approach would be to discourage/educate people how to live within their means and resist the temptations of product advertisers, preventing people from getting into debt in the first place. If you can't afford it, you can't have it.'

3. Recommendations

3.1 Whilst the responses from the respondents were for the most part positive, recommendations can be drawn from the consultation as follows:

- 3.1.1 To further scope the implications of the draft policy with Credit Unions.
- 3.1.2 To further explore the barriers to accessing affordable credit and identify a range of affordable credit options.
- 3.1.3 To carry out an IIA Screening / Full IIA prior to a draft policy report going to Corporate Briefing.

4. Integrated Assessment Implications

4.1 The Council is subject to the public sector duties relating to equality and socio-economic inequalities as prescribed by the Equality Act 2010 , the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure 2011, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

- 4.2 The Well-being of Future Generations (Wales) Act 2005 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 4.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 4.4 An IIA Screening / Full IIA will be completed prior to a draft policy report going to Corporate Briefing.

5. Financial Implications

- 5.1 Whilst there are no direct financial implications arising from this report, it may lead to decisions being taken at a later date that may have costs attached. Any such costs will need to be managed within departmental resources at that time with due regard to the Council's medium term financial plan.

6. Legal Implications

- 6.1 The Council must have due regard to the Public Sector Equality Duty under s149 of the Equality Act 2010 as well as its duties under the Equality Act (Statutory Duties) (Wales) Regulations 2011 .

Appendices:

- | | |
|------------|--|
| Appendix A | Draft Promoting Affordable Credit Policy |
| Appendix B | Public Consultation Targeted Group Members |
| Appendix C | Consultation Results Summary |



Promoting Affordable Credit Policy

Contents

1. Introduction
2. Definition
3. Policy Statement
4. Action Plan and Monitoring

1. Introduction

Borrowing is a necessity for many residents. High cost credit companies target those who may have poor credit and low financial resilience. This can lead to over-indebtedness, default and insolvency, as residents may take on too much high cost credit. A number of residents targeted by high-cost credit providers may also be vulnerable and we have a particular duty to ensure they are supported to make well-informed borrowing choices.

The Swansea Tackling Poverty Strategy states our vision of a Swansea in which:

- Income poverty is not a barrier to doing well at school, having a healthy and vibrant life, developing skills and qualifications and having a fulfilling occupation.
- Residents maximise their income and get the most out of their money.
- Residents avoid paying the 'Poverty Premium', the extra costs people on low incomes must pay for essentials such as fuel and transport.

The Welsh Government's Financial Inclusion Strategy (2016) promotes financial inclusion for all residents in Wales. The overall aim is to provide information and advice and to ensure residents have access to appropriate and affordable financial services.

2. Definitions

High Cost Lending includes:

- High-cost short-term credit
- High-cost unsecured loans aimed at poor credit customers
- Guarantor Loans
- Door step loans / home collected cash loans
- Pay-day loans
- Logbook loans / V5 Car loan
- Pawn broking
- Rent-to-own

It can also include:

- Unregulated lenders e.g. Loan Sharks

Affordable Credit features include:

- Credit products with affordable repayments
- Clear cost of credit stated
- Affordability checks undertaken
- Responsible lending
- Build the financial capacity of the borrower
- Ethical, affordable and accessible credit products

3. Policy Statement

Swansea Council aims to:

- 1) End the targeting of high cost credit,
- 2) Prevent high cost borrowing
- 3) Promote access to more equitable and affordable credit.

Therefore, we:

- Promote, encourage and support the take up of free and impartial debt advice, through:
 - a) general campaigns, and
 - b) a proactive offer whenever a resident discloses that they are in financial difficulty
- Commit to work with Swansea Credit Union/s.
- Promote and establish Credit Union collection points where possible.
- Promote and encourage membership of the Credit Union to new and existing council tenants
- Promote and encourage membership of the Credit Union to new and existing staff.
- Block payday loan sites on council computers and public access computers and signpost to Swansea Credit Union/s, Citizen's Advice and Money Advice Service.
- Promote the Financial Conduct Authority register of regulated lenders on the Council website (<https://register.fca.org.uk/>).
- Promote reporting of any loan shark activities to the Wales Illegal Money Lending Unit and Swansea Trading Standards.
- Provide Loan Shark Awareness training to staff and County Councillors.

4. Action Plan: Governance and Monitoring

This policy will be implemented through a three year Action Plan, reviewed annually in January and monitored quarterly.

The Action Plan will set out how officers and members will ensure delivery against the commitments listed in the above policy statement. It may also include additional actions which are considered timely and relevant to this policy.

The Action Plan will be monitored quarterly via the Swansea Council Poverty Forum.

Finance and Performance Monitoring will be monitored quarterly via the Tackling Poverty Service Performance Report and copied to the Cabinet Member / presented to Scrutiny by request.

The policy will be monitored annually through the Corporate Policy Monitoring Document.

Issues will be escalated via Cabinet Member briefing sessions.

DRAFT

**Promoting Affordable Credit Draft Policy
Public Consultation Targeted Group Members**

Swansea Poverty Partnership Forum Members

People Plus
Swansea Council for Voluntary Services
The Sharing Table
Pobl
YMCA
Llamau
Citizens Advice
Action for Children
DWP
Ospreys Rugby
Family Housing Association
Platform
Crisis
Swansea City Football Community Trust
Housing Justice
Coastal Housing
Careers Wales
Goleudy
Matthew's House
Swansea Council representatives:
Cabinet Office
Culture
Tackling Poverty Service
Social Services
Housing

Financial Inclusion Steering Group Members

Age Cymru
Hafal
Swansea Council for Voluntary Services
Swansea Bay Credit Union / Celtic Credit Union
The Wallich
Pobl
Coastal
DWP
Family Housing Association
Enfys
MAD Swansea
Shelter Cymru
Crisis
Housing Justice
Women's Aid
Energy Savings Trust
Swansea Care and Repair

Christians Against Poverty
Swansea Council representatives:
Cabinet Office
Tackling Poverty Service
Social Services
Housing
Culture
Revenues and Benefits

Swansea Food Poverty Network Members

Swansea Mosque
Swansea Council for Voluntary Services
The Sharing Table
Family Housing Association
Co-op
Pontarddulais Food Bank / Partnership
Swansea Bay Asylum Seekers Support Group
Eastside Food Bank
Blaenymaes Drop-In
Matthew's House
African Community Centre
North Gower Food Hub
Fabric
Caetan
Pobl
Trussell Trust
YMCA
Shelter Cymru
Salvation Army
Swansea Community Growing
Housing Justice
Coastal
Goleudy
Zac's Place
Sketty HOP Food Bank
St Mary's Church
St Thomas Church / Food Bank
The Shared Plate
Ty Fforest
Swansea Council representatives:
Tackling Poverty Service
Economic Regeneration

Promoting Affordable Credit Draft Policy Consultation Results

The scope of the consultation was as follows:

In Swansea Council, we want to change how we work when we realise that someone has money worries, even if they don't actually say so, and provide support to those people. Anyone can fall into financial difficulty, and an individual's money problems don't just affect them. Our local community thrives when people can afford healthy lives, support the local economy and avoid the stress of money worries. We want everyone who represents the council to understand this, and to know how to ensure people with money worries can get free, independent help if they want it.

There are very expensive ways of borrowing money. Some shops sell things with easy repayment plans, but the total cost is very high. Some lenders will come to your home to take repayments in cash, but again, the cost of these loans is very high. High costs take money out of people's pockets. So instead we want to make sure people know about better ways to borrow money, also known as affordable credit options, if that's what they need.

This policy should help Swansea Council staff to make sure such options are promoted within Swansea, so we would like you to let us know whether you feel clear about what it aims to do. Your views are very important to us, so please spare a few minutes to complete this questionnaire.

Findings:

There were only a small number of respondents to the consultation (5), 3 of the respondents were from third sector organisations, 1 elected member and 1 member of the public. 4 of the respondents were female, 1 was male, all 5 were British and aged between 46-75 years old.

3 of the 4 respondents were interested in responding to the consultation to help support those dealing with high cost credit, 1 respondent wants to know what council tax is spent on.

All 5 have read the affordable credit draft policy.

80% agreed that it was easy to read with 20% strongly agreeing. 80% either agree or strongly agree that the policy is easy to understand with 20% tending to disagree. 100% agree or strongly agree that the policy is well laid out and is an appropriate length. 80% agreeing or strongly agreeing that the policy was informative with 20% tending to disagree.

80% tend to agree or strongly agree that the aims of the policy are appropriate, achievable and going to make a difference to the people of Swansea. 20% tending to disagree or strongly disagree with these statements.

80% tend to agree or strongly agree that actions outlined in the policy will achieve our aims, they are appropriate, achievable and going to make a difference to the

people of Swansea. 20% tending to disagree or strongly disagree with these statements.

80% feel that the policy is a good idea with 20% feeling it is not.

100% of respondents had not spoken with a representative of Swansea Council about themselves, or someone they support, having financial difficulties?

Comments:

Below are the comments from the consultation:

If you disagree with any of the above please explain below.

1 response (20%)

'A large number of people will not go to credit unions, because it involves being interviewed and looking at their finances, checking what they spend money on etc. The reason people use doorstep lenders or payday loan sites is because its quick and simple no questions asked, so on that basis I think the promotion will have minimal effect and will not be cost effective.'

Is there anything that you feel should have been included in the aims?

1 response (20%)

'I don't agree with the proposed promotion I think its a waste of public money. However Isn't a bit discriminatory that it is only aimed at council tenants, they are not the only people that get into difficulty.'

If you disagree with any of the above, please explain below.

2 responses (40%)

'Does Swansea Credit Union have the capacity to take on a large number of new customers?'

'This is not something I think the council should be involved with. I know a number of people who have got into debt, even helped them out myself. The usual reason is because they purchase expensive products they can't afford eg: I phones, expensive TV's, £60 for a bottle of mascara, £90 for perfume. I believe a better approach would be to discourage/educate people how to live within their means and resist the temptations of product advertisers, preventing people from getting into debt in the first place. If you can't afford it, you can't have it.'

Why are you interested in responding to the consultation on our Promoting Affordable Credit Draft Policy?

4 responses (80%)

'I believe that having this policy is essential in doing more to get across the message that there are alternatives to loan sharks, both legal and illegal. I have always felt, and always will, that it is a gross injustice that those with little money are so often duped into wasting their limited resources.'

'As I specialist debt adviser I have to deal with clients suffering the consequences of high cost credit.'

'My job means I work with vulnerable people affected by poverty, etc. who are often targeted for credit.'

'I am Interested in what the council spends money on because I pay a high amount of council tax.'

Agenda Item 5



Report of the Chair

Poverty Reduction Policy Development Committee – 28 June 2021

Work Plan 2021-2022

Date of meeting	Agenda items and Format
28/06/21	<ul style="list-style-type: none">• Promoting Affordable Credit Draft Policy. (Anthony Richards)• Work Plan Discussion 2021-2022
26/07/21	<ul style="list-style-type: none">• Green Fairness Policy
27/09/21	
Topics	
	<ul style="list-style-type: none">• Corporate Debt Policy• Implementation on the Socio-Economic duty & the Community Food Growing Policy• Garden sharing• Social Care Financial Guidance• Volunteering Policy• Passport to Leisure• Working to Prosperity: Tackling Poverty Strategy• Period Poverty