

### 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.'