

**Agenda 9c,
Non Coalition Group Motion**

Council Meeting

6 December 2012

Council Motion – Loan Sharks

Council:

Notes and welcomes the UK-wide campaign to end 'legal loan sharking'.

Believes that the lack of access to affordable credit is socially and economically damaging. Unaffordable credit is causing a myriad of unwanted effects such as poorer diets, colder homes, rent, council tax and utility arrears, depression (which impacts on job seeking behaviour), stress leading to family relationship issues, child poverty and poor health.

Further notes that unaffordable credit is extracting wealth from the most deprived communities.

Believes it is the responsibility of all levels of government to try to ensure affordable credit for all, and therefore pledges to use best practice to promote financial literacy and affordable lending. This will help to ensure that wealth stays in the local economy. We also pledge to promote credit unions in Torbay, community based organisations offering access to affordable credit and promoting saving.

Calls on the government to introduce caps on the total lending rates that can be charged for providing credit.

Calls on the government to give local authorities the power to veto licences for high street credit agencies where they could have negative economic or social impacts on communities.

Torbay Council will:

- Encourage and promote, through payroll giving, contributions to credit unions by council staff and partner organisations.
- Write to the Government to request a review of planning legislation to discourage the proliferation of high street loan providers.
- Support local credit unions in raising their identity and if possible create a high street presence.

Proposed: Councillor Darren Cowell

Seconded: Councillor Mike Morey