



**DRAFT PORTFOLIO HOLDER DECISION NOTICE**

**PROPOSED INDIVIDUAL DECISION BY THE PORTFOLIO HOLDER FOR Housing**

**TOPIC - ZERO TOLERANCE TO LOAN SHARKS CHARTER Signing Event – 17 September 2018**

**PROCEDURAL INFORMATION**

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Head of Legal Services (Interim), the Chief Executive and the Strategic Director: Resources are consulted together with Chairman and Vice Chairman of The Overview and Scrutiny Committee and any other relevant overview and scrutiny committee. In addition, all Members are notified.

If five or more Members from those informed so request, the Leader may require the matter to be referred to Cabinet for determination.

**If you wish to make representation on this proposed Decision please contact the relevant Portfolio Holder and the following Democratic Services Officer by 5.00pm on 23rd August 2018**

**Contact Officers:**

**Case Officer:** Janette Palmer, Head of Housing Policy and Projects email [jjpalmer@winchester.gov.uk](mailto:jjpalmer@winchester.gov.uk)

**Democratic Services Officer:** Matthew Watson email: [mwatson@winchester.gov.uk](mailto:mwatson@winchester.gov.uk)

**SUMMARY**

- A loan shark is someone who lends money without the appropriate permission issued by the Financial Conduct Authority. They rarely, if ever, give any paperwork and if re-payments are missed they often use violence and intimidation to get their money back. Amounts borrowed often grow and never end.
- The England Illegal Money Lending Team (IMLT) investigates and prosecutes illegal money lenders while supporting those who have borrowed money from a loan shark. The Illegal Money Lending Teams in England and Wales are part of National Trading Standards.

- Stop Loan Sharks England Illegal Money Lending Team work with partner agencies such as housing providers, the police, Citizens Advice, debt advice services, as well as credit unions and anyone who works with vulnerable people. They work to actively contact those who are at risk and let them know help is available and to prevent people who have financial difficulties from borrowing cash from a loan shark. Winchester City Council is looking to become a Campaign Partner.
- As part of the housing service project to work as a campaign partner of the Illegal Money Lending Team; a Zero Tolerance to Loan Sharks Charter signing event is planned for 17 September 2018.
- Guests will include councillors and representatives of statutory and voluntary community organisations who'll be invited to find out about the issue of illegal money lending, what is being done to tackle it and how the Illegal Money Lending Team England can work with organisations to raise awareness in communities.
- At the event there'll be presentations by the Leader, the Corporate Head of Housing (Interim) and the England Illegal Money Lending Team, and others after which guests will be invited to sign the zero tolerance charter and commit to raising awareness of loan sharks and helping people at risk within the community.
- One of the project tasks is to work with credit unions in the area to give households affordable lending and saving options.
- Links to the Council Strategy  
Delivering quality housing options - in that it helps tenure sustainability and prevents homelessness.
- Link to Housing Strategy  
Priority 2 - To improve the housing circumstances of vulnerable and excluded households.
  1. Drive down homelessness across the district and support partners agencies in the drive for an improved life for those in need.
  6. Support our residents with the impact of welfare reform.

## **PROPOSED** DECISION

That members support the Council in its campaign partnership work, endorse the Zero Tolerance Charter signing event planned for 17 September 2018 and commit to working with the Illegal Money Lending Team (England) and other organisations (including credit unions) in our community to stop loan sharks operating in the Winchester City Council district.

## REASON FOR THE **PROPOSED** DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- An in-house training event was organised through the Housing Excellence Group (HEG) to raise awareness of illegal money lending activity, to help officers recognise the signs and know where to go for help. One of the actions arising from this event was to look into becoming a campaign partner and invest in a strategic approach to protect households from the effects of illegal money lenders.
- At a time when household incomes are being put under pressure there is an increased risk of low income households turning to illegal money lenders. As a Service we want to be proactive in raising awareness and have the systems in place to allow us to respond effectively to this risk.
- The Illegal Money Lending Team (IMLT) recommends that a good place to start is to arrange a Zero Tolerance Charter signing event. This would involve inviting representatives of the local community and asking key members to sign up to a zero tolerance protocol and publicise this in the press.
- One of the tasks in developing a strategic approach to reducing loan shark activity is to inform households of sustainable lending options. The City Council has been in contact with the credit unions in the area and has invited them to the charter signing to give a presentation on how credit unions operate. We will work with them as a lending alternative for households to reduce the risk of turning to loan sharks.
- One of the challenges of the project has been the limited intelligence around the level of activity in our area and it is hoped that through this project we will improve our understanding of risk that exists.
- Winchester City Council insurers have been contacted regarding partnership working with credit unions. As there isn't a financial commitment from Winchester City Council as regards working with credit unions (the financial arrangements are directly between the service users and the credit union) the only potential risk is to reputation should the organisations fail to operate effectively. There are 2 credit unions that the Council and the IMLT are aware of in the Winchester City Council area. The City Council are already in contact with one, Solent Credit Union and in the process of making contact with the other, Wessex Community Bank.
- Consideration of alternative options is not applicable.

### **RESOURCE IMPLICATIONS:**

A Project Group has been set up with representatives from key Housing teams. Their tasks will be additional to their existing work programme. The Roadshow Timetable,

which will set out a programme of awareness raising events, will be designed in consideration of the Project Groups capacity to support these events alongside the priorities of their role. The project is seen to be a learning development opportunity for the Housing Policy and Project Apprentice and therefore wherever possible this officer will carry out tasks supported by the Head of Housing Policy and Projects.

Awareness training is provided by the Illegal Money Lending Team free of charge. A bid was submitted for funding from the Illegal Money Lending Team using Proceeds of Crime Awards. This bid was successful in part with £1,500 awarded to help cover the costs of awareness raising activities. Funding was not secured for venue hire costs as the IMLT considered that free council meeting facilities would be available.

Some publicity materials are provided free of charge, and some are provided in languages local to Winchester such as Polish. However IMLT do not have translated materials available in other Winchester local languages such as Nepalese but funding was requested to cover some of these translation costs in the bid submission.

Additional resources will be required if free council venues aren't available especially in the rural communities, for charter signing refreshments and if providing information in different formats exceeds the funding secured. Costs and funding will be allocated to the HRA. Costs in excess of the funding are unlikely to be excessive; approx. £2,000 and £3,000 in total and will be met through existing budgets.

#### **DATA PROTECTION IMPACT ASSESSMENT (If none, state "None required")**

The Project Team have started the Data Protection Impact Assessment. Activities under the partnership largely mirror other housing activities:

- Anonymised statistical information
- Signposting to specialist support – no information sharing involved
- Safeguarding concerns – information sharing permitted under the legislation when people are at risk.
- Rehousing – one of the tasks of the Project Team is to look at the responding to need for rehousing to protect households at risk which will require a Hampshire Home application process to be followed
- Referral to the IMLT to take action in cases of illegal activity

The Housing Service are working with the Illegal Money Lending Team to ensure the correct protocols are in place to facilitate information sharing to respond appropriately to illegal activity and when households are at risk.

#### **CONSULTATION UNDERTAKEN ON THE PROPOSED DECISION**

A project group has been set up to set out the tasks required to work effectively with the Illegal Money Lending Team. Project Group members have been contacting City Council leaders, statutory agencies, housing service partners, tenant groups and community organisations to explain the aims of the project and invite them to be

involved in the Charter signing event where representatives of these organisations commit to zero tolerance of loan sharks in the Winchester City Council district.

**FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION NOTICE**

[CLICK AND ENTER TEXT]

*Note for Author: please include detail of any representations received (including those of consulted Members). This will include your response to any alternatives suggested by those making representation and the reasons why these alternatives were rejected. Include comments on risk management where relevant. These need to be taken into consideration when the Portfolio Holder makes the final decision in consultation with the Case Officer.*

**DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR OFFICER CONSULTED**

[CLICK AND ENTER TEXT]

**DISPENSATION GRANTED BY THE STANDARDS COMMITTEE**

[CLICK AND ENTER TEXT]

**Approved by: (signature)**

**Date of Decision**

**Councillor Horrill – Portfolio Holder for Housing**

**APPENDICES:**

None