

HEALTH AND WELLBEING BOARD

DATE	5 th July 2021
REPORT OF	Cllr R Shepherd, Portfolio Holder for Safer and Stronger Communities
RESPONSIBLE OFFICER	Helen Isaacs, Assistant Chief Executive
SUBJECT	North East Lincolnshire Credit Union
STATUS	Open
FORWARD PLAN REF NO.	N/A

CONTRIBUTION TO OUR AIMS

Credit Unions are a recognised way of enabling people to access affordable credit, they can support people in effective budgeting and reduce individual debt by reducing the need for high interest loans. Providing a local credit union would address a local gap in our community support infrastructure and contribute to the creation of a Stronger Community.

EXECUTIVE SUMMARY

The report proposes that an investment of £50,000 from the earmarked reserve for the Voluntary and Community sector is released to support the creation of a new base for the NEL Credit Union.

RECOMMENDATIONS

That the Health and Wellbeing Board agree to allocate £50,000 to enable the establishment of a new credit union base in NEL at the discretion of the Assistant Chief Executive acting in consultation with the Portfolio Holder for Safer and Stronger Communities.

REASONS FOR DECISION

To enable the establishment of a new physical base for the NEL Credit Union as part of the wider approach to addressing financial hardship.

1. BACKGROUND AND ISSUES

- 1.1 North East Lincolnshire Credit Union used to be based in St James House. In 2016 the Council supported its managed closure as it was not operating as a viable organisation or providing the benefits of a modern credit union to its members. Efforts were made to get another Credit Union to take them on, to no avail. The Council has sought to build a relationship and the confidence of HEY Credit Union, who have established a successful track record. It is based in Hull but has Northern Lincolnshire included in their geographical footprint.
- 1.2 The Council has been a payroll partner with HEY Credit Union since 2018 and they have a relationship with Centre 4 for referral of new members. Having a physical presence in Grimsby is a key plank in addressing the wider hardship issues we know our communities are experiencing. HEY Credit Union are

actively looking to establish a shop/outlet in Grimsby (it features in their published business plans for this year - autumn 2021). Their offer can be viewed via their website <https://www.hullandeycu.co.uk/>

- 1.3 In order to enable the setup of the new base and to market the facilities to attract new members, it is proposed that the Board agrees to release £50,000 of the earmarked reserve for the Assistant Chief Executive to secure a Credit Union presence for the wider benefit of the community sector.

2. RISKS AND OPPORTUNITIES

The proposed investment provides a physical presence for the credit union in NEL and enables people to access savings opportunities and access to affordable finance.

3. OTHER OPTIONS CONSIDERED

We could continue to operate with the existing arrangements but this is unlikely to attract new customers to the credit union.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

The launch of the new base will need to be communicated so that people are aware that the credit union is up and running with a local base..

5. FINANCIAL CONSIDERATIONS

£50,000 investment to support the opening of a new base.

6. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None arising directly from the report.

7. CONSULTATION WITH SCRUTINY

None to date but updates can be provided to the Communities Scrutiny Panel.

8. FINANCIAL IMPLICATIONS

The set up costs of £50k will be funded from existing balances within the Delivering Health and Well Being Strategy Earmarked Reserve.

There are no anticipated ongoing revenue support costs.

9. LEGAL IMPLICATIONS

Any legal implications in terms of property rights and relationships in achieving a base as set out above can be supported by Legal and Asset officers. These will become more apparent once an appropriate base is identified. The report as set out raises no immediate concerns of a legal nature.

10. HUMAN RESOURCES IMPLICATIONS

There are no direct HR implications.

11. WARD IMPLICATIONS

Impact will be across all wards

12. BACKGROUND PAPERS

13. CONTACT OFFICER(S)

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Councillor Ron Shepherd
Portfolio Holder for Safer and Stronger Communities