

POLICY DEVELOPMENT & REVIEW 2011/12: DRAFT FINAL REPORT

LINK TO WORK PROGRAMME: POLICY DEVELOPMENT & REVIEW

Report of the Chief Executive

1. Why has this report come to committee?

- 1.1 The report provides Members of the committee with the final draft report from the evidence gathered in relation to this year's policy review on illegal money lending and high-cost credit.
- 1.2 The review report presents in detail the evidence, research and conclusions drawn throughout the review process and recommendations arising from this evidence gathering. Members are asked to give consideration to the final report and the recommendations of the policy review.

2. Background

- 2.1 At its meeting on 14th July, 2011 following discussions that had taken place at the Cabinet meeting held on 22nd June 2011 the Committee considered the possibility of a study into the effects on communities of high interest money lenders and illegal loan sharks.
- 2.2 The review came at an important time in light of the work being conducted in Sunderland with national illegal money lending team. The Committee used its skills and expertise to stimulate engagement and dialogue to develop themes presented during their evidence gathering procedures.

3. The Draft Final Report

- 3.1 The draft final report on At What Cost? The Effects of High-Cost Credit and Illegal Loan Sharks on Communities is attached as an appendix to this report and presents members with the facts and evidence that have been gathered throughout the review process. As part of the review process evidence was obtained from a variety of national, regional and local key witnesses and stakeholders.
- 3.2 The report is divided into a number of sections which provide the background information to the review, how the review was carried out and the findings and conclusions from the review process. The findings from the review reflect the following as follows:
 - UK Debt; Facts and Figures
 - The types of loans and borrowing available to local people
 - High-Cost Credit
 - The office of fair trading review high-cost consumer credit
 - The impact of high-cost credit on local communities

- Illegal Money Lending
- The impact of illegal money lending on individuals and communities
- Alternative support and provision.

3.3 Members are asked to read the report and comment on the content with particular reference to the recommendations arising from the evidence gathered and presented in the report. Members may wish to amend the report for purposes of accuracy, clarity or relevance to ensure the report is a true reflection of the work undertaken.

4. Conclusion

4.1 The Management Scrutiny Committee are presented with a final draft copy of the policy review document for comment and amendment with the aim of producing a final report for presentation and approval by Cabinet.

5. Recommendation

5.1 That the Management Scrutiny Committee provide comments on the final draft report and that any agreed amendments are made.

5.2 That consideration is given to the recommendations contained in the final draft report.

5.3 That the agreed final report is presented to the Cabinet for approval at its June 2012 meeting.

Contact Officer: Nigel Cummings (0191 553 1006)
nigel.cummings@sunderland.gov.uk