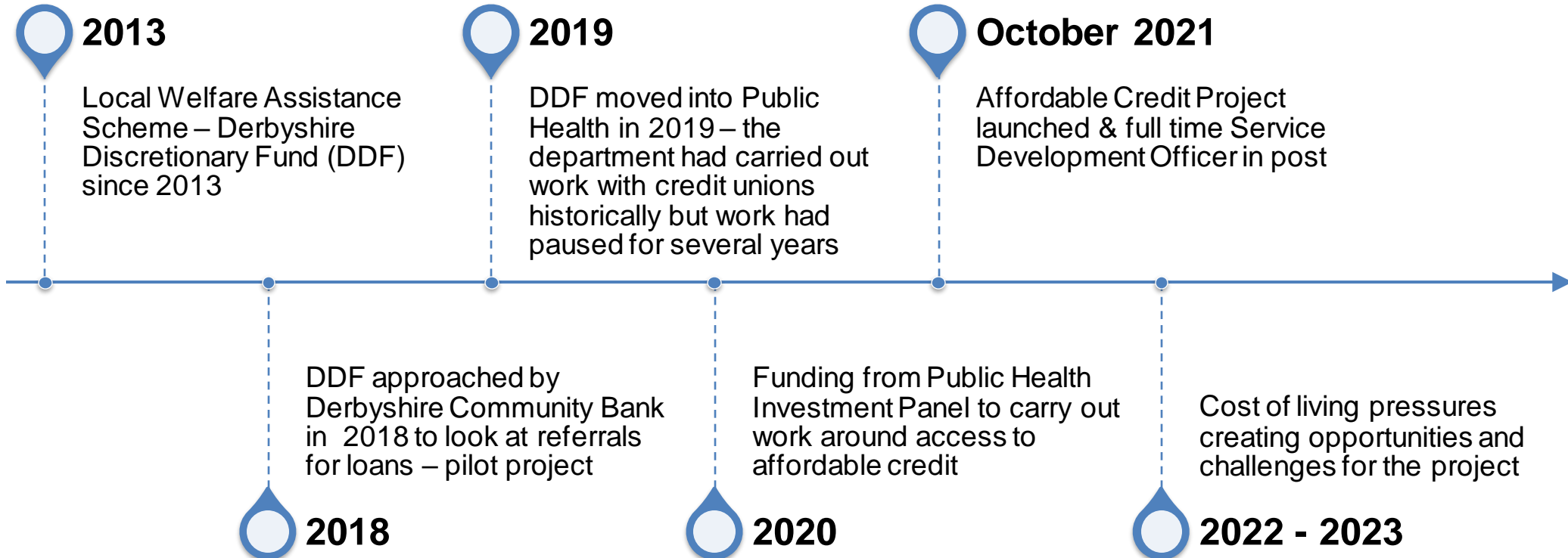


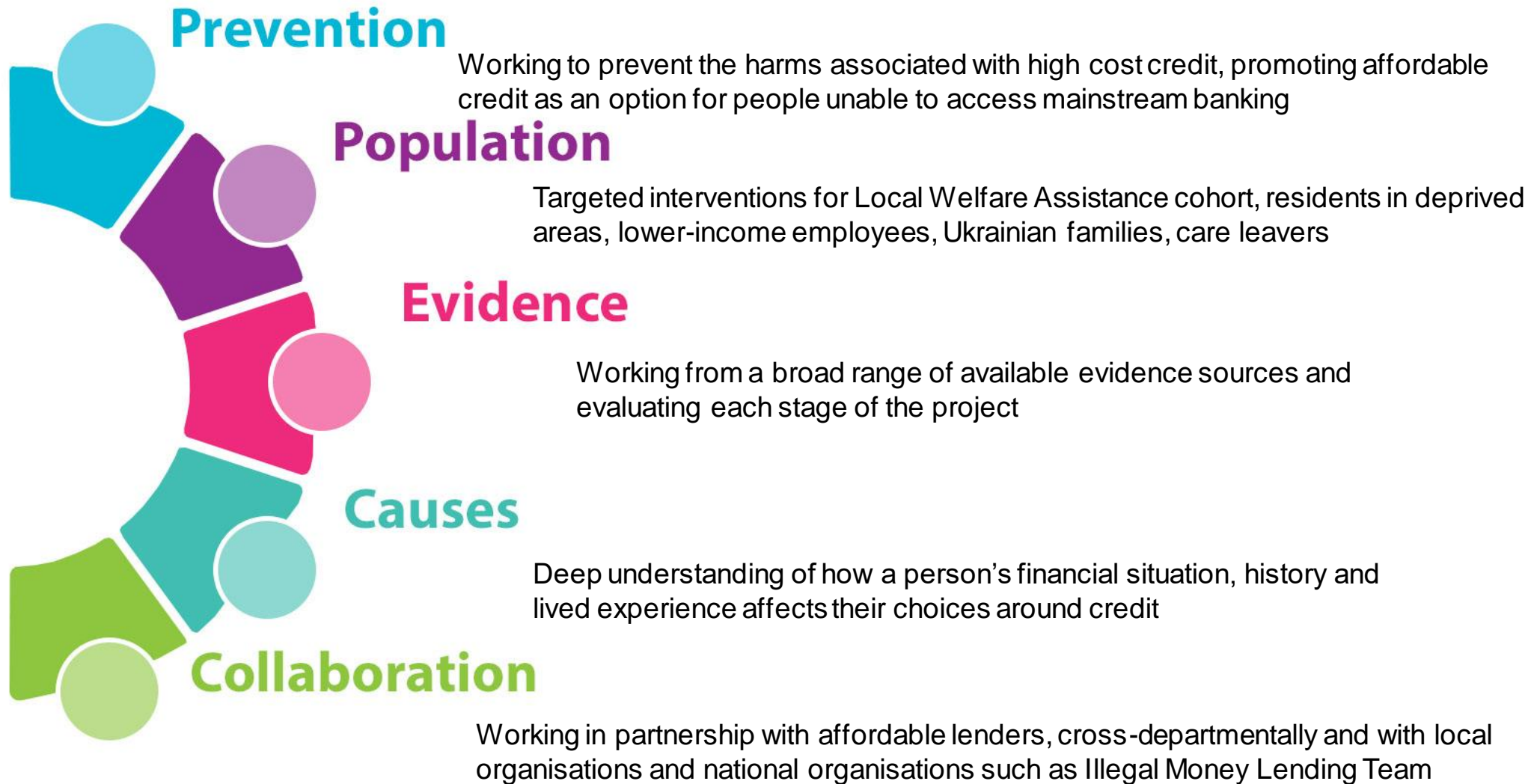
Supporting access to Affordable Credit

Ben Taylor
Service Development Officer

Affordable Credit Project timeline



Taking a public health approach to affordable credit



Affordable Credit

What do we mean by affordable credit? E.g. credit unions and community banks & CDFIs (Community Development Financial Institutions)

Cost of borrowing £200 for various lenders (based on 12 repayments)

	COMMUNITY BANK (APR 42.6%)	CDFI (APR 55.6%)	PAYDAY LENDER (APR 266%)	DOORSTEP LENDER (APR 498%)
Monthly repayment	£20.76 pm	£21.02 pm	£48.74 pm	£84.36 pm
Total repaid	£249.12	£252.24	£584.88	£1012.32

Prevention - Christmas Campaign

- Evidence base:
 - A 2019 survey found 61% of people confirmed Christmas was a financial worry at all income levels (Hastee 2020)
 - 71% of people borrowed to pay for Christmas
 - Local welfare assistance – surge in applications each January



DERBYSHIRE
County Council

Affordable lending and borrowing this Christmas.

The festive season is nearly here and you might be feeling under pressure to make it extra special this year.

That might mean spending more than you can afford or getting into debt that you can't get out of.

That's why we've put together information on safer, low cost borrowing options if you need them.

www.derbyshire.gov.uk/savingsandcredit

Christmas Campaign

- Christmas campaign (Phase One) ran 18th November – 18th December
- Targeted advertisement over Google
- Total Impressions: 98,968
- Total Clicks: 1,902
- Page Views (DCC Affordable Credit Page): 2,629
- Outgoing Page Clicks: 306

Christmas Campaign

- Christmas campaign (phase two) ran in January 2024
- Focus on commission free saving
- FSCS protected saving
- Saving for Christmas 2024
- 4,387 visits to our Credit Union page (122% increase of Dec 23 and 1057% of Jan 23)
- 552 clicks from site to partner org
- 213,208 impressions

Christmas Campaign



**Keep your
Christmas free from
money worries.**

**If you absolutely have to
borrow, please do so safely and
affordably.**



[www.derbyshire.gov.uk/
savingsandcredit](http://www.derbyshire.gov.uk/savingsandcredit)





**Save for Christmas
2024 now!**

**Save with a Credit Union for
COMMISSION FREE savings.**

Prevention – School Uniform



Over 1.2m impressions
(times seeing a post or
advert) across three
campaigns

Over 10,000 click
throughs to credit and
savings page

1,911 visits to Credit
Union websites

Prevention – training and events



579 professionals finding out more about affordable credit at events and training in partnership with Stop Loan Sharks

254 residents spoken to about affordable credit at events

37 events and trainings supported

Collaboration – Stop Loan Sharks

- Partnership working - supporting Credit Unions & Illegal Money Lending Team with ad space and comms messaging
- Delivering joint presentations and training to partner agencies – 300 people trained last year

STOP LOAN SHARKS
Intervention . Support . Education

**Threats.
Debts.
Misery.**



Loan sharks cause nothing
but harm to your community.

Stay confidential
and speak up.

Your voice can
make a difference.

If you live in Derbyshire and have been affected by illegal
money lending, you can receive free and confidential support.

0300 555 2222 (24 Hour)
www.stoploansharks.co.uk

Collaboration - Cost of Living

- Affordable credit one of “9 pillars” in cost of living work
- Online and offline comms
- Article on credit unions in Derbyshire Now magazine delivered to every household
- Information on leaflets delivered home with every school child



Community banks
can offer lower
cost lending if
you struggle to
get mainstream
loans.



Don't miss out. Visit:
www.derbyshire.gov.uk/costofliving

HELPING YOU TO
MANAGE YOUR MONEY

Population – salary savings



358 click throughs from four weekly emails in the campaign

186 views of salary saving YouTube video

One Credit Union had 10 sign-ups from DCC employees, compared to 5 over previous 12 months

Population – DDF referrals

- Referrals for people who are not eligible for DDF support as either out of area, no qualifying benefit or applying for excluded items
- Refining referral criteria with DDF case assessors
- Recently taken on pilot referrals for Rent in Advance cases

371 referrals from
DDF to ACP

95 referrals from
ACP to lenders

52 referrals
signposted for
further support

Population – Case Study

- Resident approached the DDF following a house fire that destroyed a lot of his belongings
- Grant was declined as resident was working while claiming Universal Credit
- ACP spoke to resident who estimated the total needed to replace the items would be £2000.
- A membership and loan application was made to Credit Union and advice was given to consider purchasing a contents insurance policy
- Credit Union granted a loan of £1000 and although this would not be enough to fully replace all items, it was a good start. Resident now has a contents insurance policy in place

Reflections on work so far

- Rising cost of living has reduced the affordability of loans, especially households that are reliant on benefits
- Credit unions are reporting a reduction in savers
- Need to change attitudes around debt and borrowing – makes social media work challenging
- Evidencing the impact is difficult – the evaluation design would have benefited from being co-produced with Credit Unions

Future plans

- Prevention – further promoting salary savings / credit unions internally and externally
- Population - refine LWA offer and test out some other products
- Collaboration - targeted work with particular groups – Ukrainian families, care leavers and people who are digitally excluded
- Evidence - robust evaluation in 3rd year of the project



Contact

Project webpage www.derbyshire.gov.uk/creditunions

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