

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2013-2014

**OVERVIEW AND SCRUTINY
COMMITTEE**

4 FEBRUARY 2014

**REPORT OF THE DIRECTOR OF
LEGAL & DEMOCRATIC SERVICES**

Agenda Item 6

**SCRUTINY WORKING GROUP – ACCESS
TO PAYDAY LOAN WEBSITES**

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1.0 PURPOSE OF THE REPORT

The purpose of this report is to inform the Committee of the action taken by the Scrutiny Working Group tasked to consider the issue of access to payday loan companies via the Council's IT facilities.

2.0 RECOMMENDATIONS

It is recommended that Members note the recommendations of the Scrutiny Working Group and the subsequent actions taken.

3.0 BACKGROUND

3.1 At the Council meeting of the 25th September 2013 the following 'Notice of Motion' was moved and seconded:

"That this Council blocks access to payday loan websites on Council controlled internet systems in our libraries, offices and other public buildings for which it has responsibility".

3.2 Following discussion, it was resolved to adopt the motion as stated but that the matter be referred to the Overview & Scrutiny Committee for urgent consideration and implementation.

3.3 The issue was discussed as a matter of urgency at the meeting of the Overview & Scrutiny Committee held on 30th September 2013 and it was agreed that a Working Group be formed to take the issue forward and that it be granted delegated powers to forward its findings to the Executive for response. It was agreed that the Working Group should comprise the chair of the Overview and Scrutiny Committee, along with the chairs of each of the service scrutiny committees (with each of the vice chairs acting as substitutes).

- 3.4 The Scrutiny Working Group held its first meeting in October 2013, and following consideration of the 'Payday Lending Compliance Review' report of the Office of Fair Trading, the Working Group decided that the next step would be to ask the Director of Customer Care & ICT to research the practices in place within other Authorities in relation to pay day loan websites and to report back on potential mechanisms which could be put in place to implement the Notice of Motion.

On the 10th December 2013, the Director of Customer Care & ICT presented his report to the Working Group which set out the findings of his research into the options available with regard to blocking access to payday loan websites on Council controlled internet systems in libraries, offices and other public buildings. He reported on action which had been undertaken by a number of local authorities in Scotland and England and explained that to date, no other Welsh local authority appeared to have blocked payday loan websites.

In relation to the existing Council Website, the Director of Customer Care & ICT suggested that the content on wider advice, guidance and signposting to other services such as Dragon Savers Credit Union or Citizens Advice Bureau (CAB) could be improved and he provided examples of good practice from some English local authority websites.

The Director of Customer Care & ICT explained that from a technical perspective, the pay day loan websites could be blocked quickly and easily and that the Council's existing software could re-direct access to websites with or without a warning or alert message. He also pointed out that any "blacklist" (website exclusion list) could be amended in the future. He informed the Working Group that through contact with several of the local authorities which had already undertaken action, it was found that some had based their blacklists upon information supplied by credible organisations such as the Office of Fair Trading "Top 50" and the Citizens Advice Bureau whilst others had either adapted these or generated their own lists.

In terms of wider Council/policy implications, the Director of Customer Care & ICT advised Members that there were no direct financial implications as the software was already in use to affect any blocking / re-directing actions. In addition, as the computers are owned and managed by the Council i.e. our assets, then any blocking action was a matter for the Council to determine. He explained that rather than operating an 'absolute' block, users could be re-directed to the Council's website page which provides access to local information and support, with links to organisations such as the CAB and Dragon Savers Credit Union.

As a matter of context, the Director of Customer Care & ICT reported to the Working Group that the Council had 280 Public Access PC's in Libraries and One4aLL Centres (not including RCT Homes and Schools) and that he had undertaken a short 2 month monitoring exercise for October-November 2013. During this period there had been 5,021 visits to Wonga.com whereas there had been 240 visits to the Money Advice Service and only 48 to Dragon Savers Credit Union.

Following consideration of the report the Working Group unanimously agreed that it would be sensible to operate a 're-direction' to a Council website advice page and that posters should be placed alongside Public Access PC's which would make it clear before 'log on' that those wishing to access payday loan websites would be re-directed.

As the Working Group had been given authority by the Overview & Scrutiny Committee to take its recommendations directly to the Executive, following discussion it was **AGREED**:

- (i) To recommend to the Executive that subject to a satisfactory outcome of an Equality Impact Screening / Assessment, that action be taken to re-direct any users of the Council's Public Access PC's (and PC's used internally within the Council) from pay day loan websites to the Council's Webpage for "Money Matters".
- (ii) That the Director of Customer Care & ICT be asked to re-design and improve the existing structure and links around "Money Matters" into a more consolidated webpage that will be easier for service users to make the right choices around credit services / products and improve signposting to credible organisations such as CAB and Dragon Savers Credit Union.

4. OUTCOME

- 4.1 As a result of the above recommendations an Executive decision was taken which was implemented on 7th January 2014. Those now wishing to access a site on the payday loan company 'blacklist' from the Council's IT facilities are now re-directed to the Money Matters page of the Council's website (which has been consolidated and improved quickly and the Director of Customer Care & ICT intends to further improve this web page with greater content and functionality over the coming weeks.

<http://www.rctcbc.gov.uk/moneymatters>

LOCAL GOVERNMENT ACT, 1972
as amended by
THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985
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Scrutiny Working Group – Access to Payday Loans Websites

List of Background Papers

Council 25th September 2013, Minute No.62
Notes of Payday Loans Scrutiny Working Group

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