

North Tyneside Council

Report to Council

Date: 24 October 2013

ITEM 6

Title: Motions

Notice has been received of the following motions from Members of the Council to be put to the Council meeting.

1. Motion signed by Councillors J Allan, J O'Shea, C Davis, G Bell and E Darke

"The rising cost of living and falling income is causing genuine problems for people with their finances. Among those who borrow from high cost credit companies on average borrow around £326 per month. The interest paid on this money is punishing; many are unable to make the repayments.

This Council invites Cabinet to block access to Payday loan websites through the public PC's in libraries and other Council buildings across North Tyneside and from its employees' computers unless and until the industry, including its advertising practices, is effectively controlled.

This Authority pledges to investigate the use of planning law to regulate the growth and spread of Payday loan companies and pay weekly furniture providers who force maintenance and insurance agreements on customers, on our high streets.

This action should be taken to enable the Authority to protect people from taking out high interest loans from companies that fail to check that they can repay the loan, often leading to them becoming trapped in a spiral of debt.

This Council is committed to strongly support recognised Credit Unions within our Area as a sustainable alternative to high cost, short term credit.

We also call on the Government to legislate and effectively regulate Payday lenders and protect our communities from the growth in easy debt to bring closure on austerity as early as possible".

Legal Implications

The provision of computer facilities to the public and employees of the Authority is a Cabinet function, in accordance with the Local Government Act 2000 and the Regulations made under that Act. Cabinet may restrict the use of those resources where they consider it appropriate taking into account all of the material facts and the decision making principles set out in the Authority's Constitution.

Financial Implications

If the motion is accepted and officers are asked to continue to explore all possible avenues for curbing pay day loans, the financial implications of this initially will be in

staff time. This cost can be met from existing resources. If further costs arise in the future, these will be reported to Cabinet through the Financial Management process.

The cost of restricting access to pay day loan sites across the Council's Computer network could also be contained within existing budgets.

2. Motion signed by Councillors J Allan, J O'Shea, C Davis, G Bell and E Darke

" This Council welcomes the recent announcement made by the Leader of the Labour Party at his party's recent annual conference that his party will abolish the change to the benefits payments that is now universally called "the bedroom tax" and asks the Elected Mayor to send a letter to the Prime Minister urging him to take notice of what many people across society are saying that it is placing an unnecessary burden on members of our communities who have very little opportunity to move into smaller accommodation and are being financially penalised as a direct consequence, and reverse the legislation."

Legal Implications

There are no direct legal implications for the Authority arising from this motion.

Financial Implications

The reduction in the amount of Housing Benefit received due to under occupancy current amounts to approximately £1.8m per annum. As the motion is to write a letter, there are no direct financial implications of this proposal. If the motion is agreed there may be financial implications for the Council in the future.