

TONBRIDGE & MALLING BOROUGH COUNCIL
COMMUNITIES and HEALTH ADVISORY BOARD

8 October 2014

Report of the Management Team

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 KENT SAVERS CREDIT UNION

Following the Management Team's report to the Advisory Board on 23 September, this report provides an update to some of the issues raised by Members. A further verbal update will be provided at the meeting.

1.1 Introduction

- 1.1.1 At the meeting of this Advisory Board on 23 September, Members considered the letter from the President of Kent Savers to the Leader of the Council. In that letter, Kent Savers asked that the Council offer financial support by way of a subordinated loan of £10,000.
- 1.1.2 In the last report, we advised that the legal advice from our Legal team was that the nature of loan requested is likely to amount to State Aid, which would be unlawful. However, an unconditional grant would avoid the state aid issues as the De Minimus Exemption applies.
- 1.1.3 Accordingly, Members were asked to consider whether they wish to consider awarding to Kent Savers an unconditional grant of £10,000.
- 1.1.4 At the meeting, Members decided to defer a decision regarding financial support until the next meeting of the Advisory Board to enable further investigation with Kent Savers into the following issues:
- 1) further information on how the residents of Tonbridge and Malling would benefit;
 - 2) consideration as to whether consultation with local churches would be beneficial; and
 - 3) further clarity surrounding the legal position.

1.2 Update

- 1.2.1 The Director of Finance & Transformation contacted Chris Hunt the General Manager of Kent Savers who has provided some further information to assist in the discussion.
- 1.2.2 Kent Savers have over 1,800 active members across Kent, Medway and Bexley; 91 of these are in Tonbridge & Malling with savings deposits of £80,000 and loans outstanding of £34,500. Members will be aware from discussion at the last meeting, that TMBC has not provided revenue support to Kent Savers in the past unlike some other districts, and therefore the targeted promotion in our area has thus far not been as high as in some other areas of Kent and Medway.
- 1.2.3 Mr Hunt has assured us that if a grant were awarded, more targeted work in the TMBC area would be undertaken. He reiterated recent examples of partnership working delivered locally; viz:
- worked with Russet Homes on a membership promotion to their tenants
 - trained the staff at the Tonbridge Gateway to be able to inform the public about Kent Savers
 - established relationships with churches in Aylesford, Hildenborough, West Malling and Walderslade on the border between T&M and Medway
 - made contact with a business in Kings Hill
 - worked with the Projects Co-ordinator at Tonbridge & Malling CAB
 - partnered with the carers charity that covers West Kent
 - gave a presentation to the Tonbridge & Malling LSP
- 1.2.4 In terms of the work with churches, Mr Hunt has confirmed that Kent Savers would be happy to work with any churches that make contact. He has pointed out that when the agreement with the Diocese was made, the Diocese stipulated that churches must contact Kent Savers and not the other way around. The Director of Finance and Transformation has liaised with Cllr Cure outside of the meeting and has passed on the contact details should a particular church mentioned at the last meeting wish to get involved.
- 1.2.5 Legal Services are revisiting the State Aid Regulations and a verbal update to clarify the legal position will be given at the meeting.

1.3 Legal Implications

- 1.3.1 As set out in the report of 23 September. A verbal update will be given on 8 October.

1.4 Financial and Value for Money Considerations

1.4.1 As set out in the report of 23 September.

1.5 Risk Assessment

1.5.1 As set out in the report of 23 September.

1.6 Equality Impact Assessment

1.6.1 See 'Screening for equality impacts' table at end of report

1.7 Policy Considerations

1.7.1 Community

1.8 Recommendations

1.8.1 It is **RECOMMENDED** that Members give further consideration to the request for financial support of £10,000 to Kent Savers based on the further information set out within this report and on a verbal update on the legal position to be given on the evening of the meeting.

The Director of Finance and Transformation confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Sharon Shelton

Nil

Julie Beilby
Chief Executive

For Management Team

Sharon Shelton
Director of Finance and Transformation

| Screening for equality impacts: | | |
|---|---------------|---|
| Question | Answer | Explanation of impacts |
| a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? | No | Funding advance should provide opportunities through Kent Savers for all sectors of our community |
| b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? | Yes | Funding advance should provide opportunities through Kent Savers for all sectors of our community |
| c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above? | | |

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.