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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date:</b>	<b>18 September 2018</b>
<b>Report By:</b>	<b>Corporate Director Education, Communities &amp; Organisational Development</b>	<b>Report No:</b>	<b>PR/25/18/RB/LM</b>
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<b>Subject:</b>	<b>Tail o'the Bank Credit Union</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to provide the Policy and Resources Committee with an update of progress on the establishment of school based credit union accounts, and the continued development to encourage a savings mentality and positive culture in financial awareness, through the Curriculum for Excellence.

## 2.0 SUMMARY

The InverSavers Project was a time limited two year funded pilot (£19,000), established to promote a positive attitude to money management and to facilitate volunteering opportunities for pupils to establish their own school based credit unions.

- 2.1 The Policy and Resources Committee on 6 February 2018 - Welfare Reform Update (Proposals for Increasing Uptake of Credit Union Accounts in Schools – Para 90(4)) requested a progress report on how schools would continue to encourage a savings culture and engender self-responsibility within the Curriculum for Excellence when the InverSavers Project ended in July 2018.
- 2.2 During the two year period of the pilot project, the uptake by pupils was disappointingly low, despite the £10 financial incentive.
- 2.3 The primary schools took the opportunity to work in collaboration with the Tail o'the Bank project officer to establish links to current curriculum areas such as "The World of Work" initiative and "personal achievement awards". The InverSavers Project within some primary schools proved successful to encourage young people to become volunteers and promote positive attitudes to money management and create a savings culture
- 2.4 The secondary schools took the opportunity to work in collaboration with Tail o'the Bank project officer to create lessons and plans on a range of financial educational input. The teaching staff will build on the collaboration with Tail o'the Bank to teach pupils of the benefits of opting for low cost, ethical alternatives, such as the credit unions, to high cost lending in adult life as part of their broad general education.
- 2.5 All schools advised that they will continue to promote the use of credit union accounts, encourage a savings culture and engender self-responsibility, self-reliance and self-determination around financial education within the relevant curriculum area within the Curriculum for Excellence.

### **3.0 RECOMMENDATIONS**

3.1 It is recommended that the Committee notes:

- a. That all schools will continue to support and encourage the promotion of credit union accounts.
- b. That all schools will be encouraged to continue to use curriculum based activities and develop other financial initiatives and approaches to tackle child poverty across Inverclyde.

**Ruth Binks**  
**Corporate Director**  
**Education, Communities & Organisational Development**

## **4.0 BACKGROUND**

- 4.1 The InverSavers Project was initially a time limited two year funded pilot (£19,000), established to promote a positive attitude to money management and an understanding of the dangers of high cost lending by providing a financial incentive for young people in primary 7 to open an InverSavers account. The project also proposed to facilitate volunteering opportunities for pupils to run their own school based credit unions to develop financial awareness and employability/business skills.
- 4.2 The financial incentive element of the InverSavers Project encouraged 250 pupils to open an account within year 1 and 171 pupils in year 2 against the expected outcomes of 800 accounts in each year. This indicates that money was not the incentive to open an account.
- 4.3 A project officer was employed to support and offer information and advice on benefits and services that the credit union could offer schools and pupils within the school community. The project officer also supported the recruitment of pupil volunteers to implement the school based credit union.
- 4.4 The project officer has worked collaboratively with staff within schools to create lessons and plans to teach pupils on the benefits of opting for low cost, ethical alternatives, such as the credit unions, as an alternative to high cost lending in adult life as part of their broad general education.
- 4.5 Some schools have successfully established a whole school credit union and linked the project to specific financial education policies such as "The World of Work". The Tail o'the Bank and the school partnership have created an opportunity for increased savings and a positive attitude to financial management across the school community.

## **5.0 CURRENT POSITION**

- 5.1 The schools that have established a whole school credit union are:
  - Port Glasgow High School (although no deposits made by students since March)
  - King's Oak Primary School
  - Newark Primary School
  - St Michael's Primary School
- 5.1 St Francis Primary School, St John's Primary School, Lady Alice Primary School and Notre Dame High School are discussing the possibility of establishing their school credit union after the summer holiday period 2018.
- 5.2 Since the project started in June 2016 until 30 May 2018 there has been an increase in the total number of child credit unions accounts opened, with 1092 child accounts open. 421 accounts have been opened with the financial incentive. The remaining 671 accounts have been opened as result of the whole school credit union in the 4 schools named in section 5.1.
- 5.3 The secondary schools have had challenges recruiting pupil volunteers and encouraging a savings mentality across the community compared to the primary schools. All schools are confident that they can teach and encourage young people to adopt a positive attitude towards financial management within the range of educational and numeracy programmes that are part of the Curriculum for Excellence.
- 5.4 The InverSavers Project has now ended, however discussions continue between Tail o'the Bank Credit Union and the individual schools on the continuation with support in the collection and banking of money.

## 6.0 IMPLICATIONS

### Finance

6.1 There are no financial implications from this report

#### Financial Implications:

##### One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments

##### Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments

6.2 **Legal**

N/A.

6.3 **Human Resources**

There are no HR implications from this report

### Equalities

6.4 Has an Equality Impact Assessment been carried out?

Yes See attached appendix

No This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

### Repopulation

6.5 N/A.

## 7.0 CONSULTATIONS

7.1 N/A.

## 8.0 CONCLUSIONS

8.1 The InverSavers Project has provided schools with the opportunity to collaborate with a local credit union to raise awareness and encourage young people to access credit union accounts. The schools will continue through Curriculum for Excellence to encourage a savings culture and engender self-responsibility, self-reliance and self-determination around financial education. The Tail o'the Bank Credit Union will continue to offer advice to schools that want to establish a credit union and will assist the schools with collecting and depositing money.

## **9.0 BACKGROUND PAPERS**

9.1 N/A