

Tackling Payday Lenders and Gambling in Scottish Town Centres and Neighbourhoods 23 April 2014

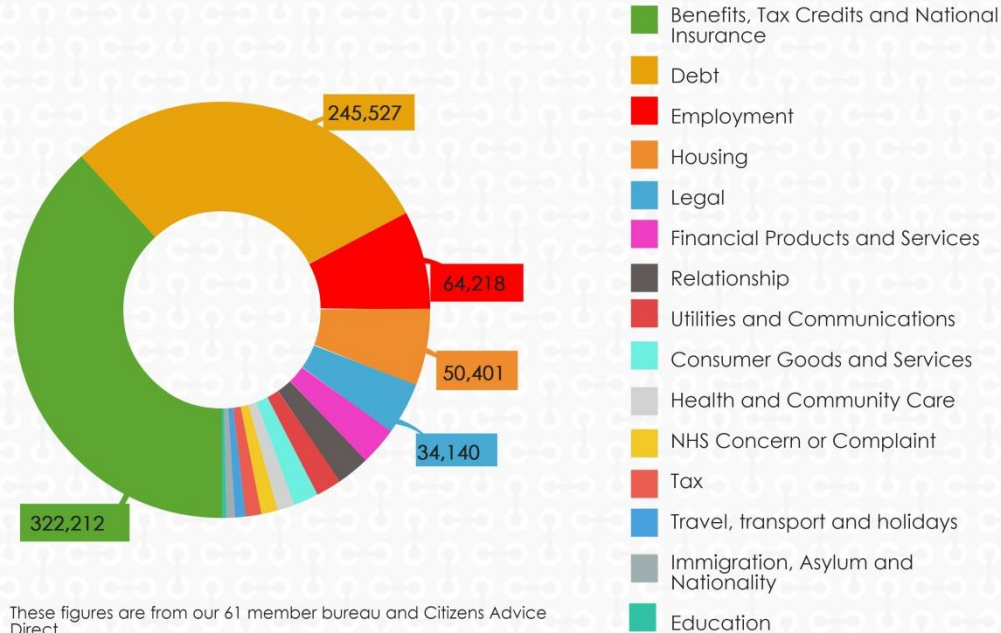


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CAB ISSUES 2012/13



Total issues CAB advised on 2012/13



These figures are from our 61 member bureau and Citizens Advice Direct

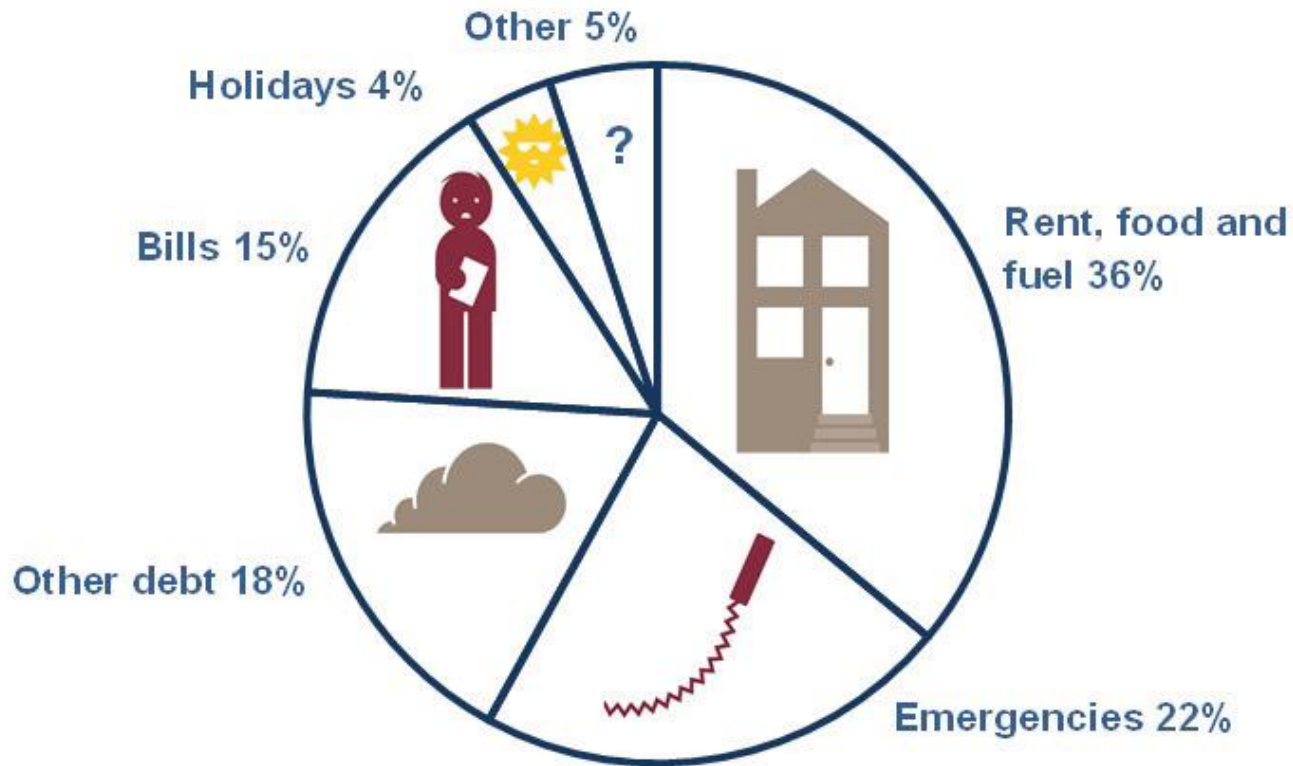
CURRENT PROBLEMS

- **Rollovers**
- **Affordability**
- **Continuous payment authority problems**
- **Data Protection**
- **New rules introduced by FCA 1 April**
- **Market players reducing in number**

PAYDAY LOANS

- **One fifth access loans via a High Street shop**
- **Over half were under 34**
- **Half were in full time employment**
- **Just under a fifth worked part time**
- **1:10 were unemployed**
- **14% had benefits as only source of income**
- **2:5 lived in social housing**

Payday loans



Reasons for debt

- **More than half said low income**
- **More than 2:5 said increased living costs**
- **More than a third said illness/disability**
- **A quarter said job loss**
- **A quarter said work related income reduction**
- **A fifth said uncertain working hours**



Impact

- **Sanctions and income changes leads to...**
- **Impacts on rent and fuel bills leads to....**
- **Multiple debts and....**
- **Rollovers and...**
- **Continuous payment authority**

Impact

- **More than two thirds had relied on family for help**
- **More than 2:5 had skipped meals**
- **1:10 had accessed a foodbank**
- **Just under a third had gone without electricity and heating**
- **Just under a third had taken out further loans**
- **More than a quarter had sold their possessions**



Solutions?

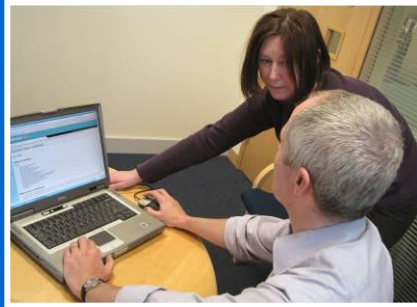
- **Wage advance system**
- **Social landlord lending scheme**
- **Flexibility with credit unions**
- **Review bank overdrafts and pilot small sum loan scheme**



Solutions?

- **Payday lending shops to display health warnings**
- **Comparison websites prominently available**
- **Protect minimum sum in bank accounts**





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