

Item No. 4.2	Classification: Open	Date: 12 October 2011	Meeting Name: Council Assembly
Report title:		Members' Motions	
Ward(s) or groups affected:		All	
From:		Strategic Director of Communities, Law & Governance	

BACKGROUND INFORMATION

The councillor introducing or “moving” the motion may make a speech directed to the matter under discussion. This may not exceed five minutes¹.

A second councillor will then be asked by the Mayor to “second” the motion. This may not exceed three minutes without the consent of the Mayor.

The meeting will then debate the issue and any amendments on the motion will be dealt with.

At the end of the debate the mover of the motion may make a concluding speech, known as a “right of reply”. If an amendment is carried, the mover of the amendment shall hold the right of reply to any subsequent amendments and, if no further amendments are carried, at the conclusion of the debate on the substantive motion.

The Mayor will then ask councillors to vote on the motion (and any amendments).

IMPLICATIONS OF THE CONSTITUTION

The constitution allocates responsibility for particular functions to council assembly, including approving the budget and policy framework, and allocates to the cabinet responsibility for developing and implementing the budget and policy framework and overseeing the running of council services on a day-to-day basis. Therefore any matters that are reserved to the cabinet (i.e. housing, social services, regeneration, environment, education etc) cannot be decided upon by council assembly without prior reference to the cabinet. While it would be in order for council assembly to discuss an issue, consideration of any of the following should be referred to the cabinet:

- to change or develop a new or existing policy
- to instruct officers to implement new procedures
- to allocate resources.

Note: In accordance with council assembly procedure rule 2.10 (7) & (8) (prioritisation and rotation by the political groups) the order in which motions appear in the agenda may not necessarily be the order in which they are considered at the meeting.

¹ Council assembly procedure rule 1.14 (9)

1. MOTION FROM COUNCILLOR MARTIN SEATON (Seconded by Councillor Kevin Ahern)

Payday Loans

1. Council assembly notes the large number of “payday loan” shops in the borough; particularly in Peckham and on the Walworth Road.
2. Council assembly notes that the interest rates charged on these loans can often be in excess of 2000% meaning that the average borrower ends up paying far more than the original cost of the loan.
3. Council assembly believes that charging such large interest rates on loans to often financially vulnerable people is exploitative and takes money away from individuals and families at a time when the cost of living is rising.
4. Council assembly also notes that many lenders use underhand means to lure consumers into automatic loan renewals, fail to disclose the true cost of the loan, or use other usurious tactics to sink consumers in a quagmire of debt.
5. Council assembly believes lending of this kind is both socially and financially irresponsible and a scourge on our communities. It condemns the prevalence of these businesses on Southwark high streets and calls for alternative low cost loans to be made available to our residents.
6. Council assembly believes this is an issue of concern to people across the political spectrum and calls for all political parties in Southwark to support and prioritise alternative affordable models of lending, particularly those provided by Southwark Credit Union.

Please note that, in accordance with council assembly procedure rule 2.10 (6), council assembly shall consider this motion.

Note: If the motion is agreed, any proposals will be submitted to the cabinet for consideration.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Member Motions	Constitutional Team 160 Tooley Street London SE1 2QH	Andrew Weir 020 7525 7222

AUDIT TRAIL

Lead Officer	Ian Millichap, Constitutional Manager
Report Author	Andrew Weir, Constitutional Officer
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