

# Conduit Scotland

A not-for-profit, community lender you can trust

## Information for our Local Partners



[www.conduitscotland.com](http://www.conduitscotland.com)  
0300 111 0559



Fast, fair and flexible loans  
**up to £1,000**

## Affordable Credit Report

Conduit Scotland is supported by a consortium of 3 Local Authorities: Fife, West Lothian and Falkirk and follows recommendations set out in the Carnegie UK Trust 'Gateway to Affordable Credit Report' These principles are central to our approach.

### Affordability

### Efficiency

### Speed of Transaction & Fairness

### Flexibility

### A Gateway to Financial (and Social) Inclusion

### Sustainability

### Accessibility and Reliability

### Strength of Social Motivation and Visibility

## Why do we need a Community Development Financial Institution (CDFI)?

A CDFI provides an alternative to high-cost, short-term lenders such as 'payday loan' providers or doorstep lenders. It is for people who are not eligible for mainstream credit including bank loans or credit cards, and who may not be able to access credit union loans. At a time when in-work poverty and insecure work are rising alarmingly, we reach residents on lower incomes with no record of savings and who have an extremely poor or no credit rating. Conduit Scotland often reach customers who won't seek advice from other advice and support services, but may be vulnerable to financial shock and need support to help manage day to day.

We recognise that credit/debt can be an emotive subject, however, CDFIs provide dignified access to credit for people who often have no other options.

Many of our customers have also experienced benefit cuts and changes, resulting in affordable credit being necessary for day to day items (as opposed to luxury consumer goods).

It's important to point out that, in addition to lending, it is integral to our approach to work closely with our local partners to help improve people's financial and social position and tackle poverty in the communities we serve.

We fully recognise that many of our customers will have other needs and we are establishing strong collaborative links with local organisations to support people experiencing poverty to build social and financial resilience, maximise incomes and reduce outgoing costs.

## What about APR?

Conduit Scotland's loan illustrations are available online, along with those of other companies serving similar markets.

Our 89.9% APR is higher than mainstream lending, but substantially lower than high cost lenders, and covers the cost of service and the rates reflect risk.

The loans are for people for whom the only options at present might be high cost commercial loans from pay day loan companies or doorstep lenders. A loan from a not-for-profit social enterprise will save people significant amounts of money compared to the alternative.

From a customer perspective, it is the cost of credit that is important (see comparison chart), rather than the price of credit.

APRs can be complex and confusing...for example: You need a wee bit of cash to tide you over till payday... you take out a £50 loan from Wonga, for 5 days, you pay back £52.....seems reasonable?

The APR on that loan you took out is...1652%

## APR

### CDFIs are cheaper than commercial credit!

	Conduit	Satsuma	Provident
<b>Total Repayable</b>	<b>£587.86</b>	<b>£948.00</b>	<b>£780.00</b>
<b>Loan Amount</b>	£500	£500	£500
<b>Period of Loan</b>	26 Weeks	26 Weeks	26 Weeks
<b>Representative APR</b>	89.9%	991%	535.3%
<b>Total charge of Credit</b>	£87.86	£448.00	£280.00
<b>26 Payment Amount</b>	£22.61	£36.83	£30.00

*Taken or estimated from company website or Lenders Compared 25/10/17. For exact quotes, please refer to company website.*

## What about Credit Unions?

Credit unions and CDFI's both provide affordable credit options to an often differing customer base.

CDFI customers tend to be social housing tenants, have low or no wage, thin or no credit history, no ability to save and are reliant on benefits

Conduit Scotland aims to work closely in collaboration with all credit unions locally within West Lothian, Fife and Falkirk to build productive partnerships. If a customer is able to access a credit union loan we would support them to do so, and refer when appropriate.

**This new service is for people who may not currently be eligible to apply for a loan through their local credit union.**

## Working Together

We know our place! We know that affordable credit will play a part in alleviating crisis and financial shock, in addition we work with a wide range of local partners to ensure that our customers are supported to build financial and social resilience.

Whilst many services face cuts, the importance of working in partnership increases and we welcome working together with a wide range of services to improve the lives of people experiencing poverty.

We have four easily accessible shops in Dunfermline, Kirkcaldy, Bathgate and Falkirk, our doors are open to partners who wish to meet with us but also to support customers in our premises. We regularly create space for local community development and welcome your thoughts on pop-ups, colocation, two way referrals and any other innovative and collaborative approaches to tackle poverty across Fife, West Lothian and Falkirk.

**Please contact [Stephanie.plotnikoff@conduit.org.uk](mailto:Stephanie.plotnikoff@conduit.org.uk) for more information.**

## What do our customers say?

**"Got a lot of good advice, encouraged me to face my financial difficulties. I don't want it to hinder me forever so now see a way through it due to Conduit referral to debt advice"**

**"Well informed and staff could access further information for me when I needed it"**

**"It's a very good service to have for folk in my position that have to try to borrow from high cost lenders. Feel like Conduit want to help me get back on track financially"**



## About our Service

We have **four shops**

- 34 High Street Kirkcaldy
- 31 Chapel Street Dunfermline
- 13 Bank Street in Falkirk
- 79 Southbridge St in Bathgate.

All shops have desks for support agencies and partners so customers can chat and receive advice.

### Shops open from 10-4, Monday - Friday

Customers can also apply online at [www.conduitscotland.com](http://www.conduitscotland.com) and on the phone on **0300 111 0559**.

Phone Line Open 8:30 – 5:00, Mon-Fri

**Pop-ups** are available in other localities within Fife, West Lothian and Falkirk, providing information and where possible, a loan application service.

**Loan amounts** can range from £100 to £1000. A repayment period of 6-12 months is normally offered.

**The application** asks for personal details, income and expenditure. Additional information may be required in some circumstances. Decisions are sent by email, telephone or text. Loan funds usually take around 3 working days to go into account, there is a faster payment option available for a small fee.

#### **Conduit Scotland does not issue loans to:**

- Those under 18 years of age
- Anyone whose bank account does not accept direct debits
- Anyone who is currently bankrupt or subject to a Protected Trust Deed or debt arrangement scheme

For more information please contact [stephanieplotnikoff@conduit.org.uk](mailto:stephanieplotnikoff@conduit.org.uk)



Lending Fairly: **Changing Lives**