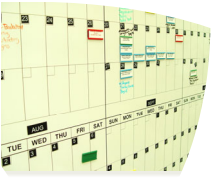




▶ OUR WORK WITH HYDE HOUSING ASSOCIATION 2



▶ WHAT OUR CLIENTS ARE SAYING AND AN OVERVIEW OF OUR PARTNERSHIP WITH COMMUNITY FINANCE..... 3



▶ THE FUTURE DIRECTION OF DIRECT DEBT LINE 4

Annual Review

DIRECT DEBT LINE

Jill Stevens, Chair of the Trustee Board and Director of Consumer Affairs at Experian, gives an overview of Direct Debt Line

Dealing with debt - Fighting poverty

As a well-established charity providing money advice for over 12 years, DDL is constantly looking for new ways to ensure clients are receiving the advice they need in ways which are accessible and that the most vulnerable get the help they need.

We have therefore been demonstrating the business case for money advice amongst a range of partners, especially Registered Social Landlords (RSLs). This report also outlines

our work to locate money advice within the framework of financial inclusion with plans to link closely with credit unions in a unique project we hope to start in the New Year.

It is with great pleasure that I thank staff and fellow trustees for all their hard work which has helped us achieve these successes.

We are now planning for the future and we hope you find our vision for 2010 an interesting and exciting one.

DDL is constantly looking for new ways to ensure clients are receiving the advice they need

Our mission - and how we seek to deliver it

Direct Debt Line is a charity that provides free, confidential debt advice and seeks to reduce poverty by working with a range of partners. *To achieve this mission, DDL will:*

- **Work in partnership** with statutory and non-statutory organisations to provide joined-up solutions to debt and financial exclusion.
- **Relieve poverty** by providing a range of specialist casework advice services for people in debt, especially those on very low incomes.
- **Promote awareness** of the social and economic issues which contribute to debt and disadvantage and challenge unfair practices.
- **Deliver cost-effective** tailored services to public and sector organisations to help them achieve their strategic and financial goals.



01323 635999

STRONG GOVERNANCE

DDL has made it a priority to ensure that it has the strategic vision and capability to see the organisation through a period of rapid and substantial change. Jill is joined on the board by range of experts from the money advice and consumer sectors including practioners, policy makers and experts in business development planning.

To find out more - visit www.directdebtline.com



Our work with Hyde Housing Association

Since October 2006, Hyde tenants have been able to access a dedicated advice service

For some time **Mrs H** had been unaware of her full benefit entitlement and, as a result, had built up council tax arrears with the local authority and rent arrears with her landlord, the housing association. Both were considering taking legal action against Mrs H and she was in danger of being evicted.

After Mrs H contacted DDL, our advisers helped her to make

claims for housing benefit and council tax Benefit.

The whole case took some four months to complete, demonstrating how complex the system can be.

However, in the end, DDL was not only able to ensure Mrs H was receiving full housing and council tax benefit (meaning the arrears did not increase) we were also able to get both benefits backdated with a payment of

We were able to get a payment of £1,675 to help clear council tax and rent arrears.

£1,675 to clear all of her arrears.

This case shows what DDL's service can do, not just in relation to increasing clients' income and reducing their stress and anxiety, but also by directly clearing a rent arrears problem for the housing association.

We estimate that every £1 invested in a DDL service could help reduce rent arrears by up to £3.

Over a nine month period DDL helped almost 80 Hyde tenants with rent arrears

Early successes

Ms R is living with her partner and three children on a very low income from paid employment. As the family was repaying a number of creditors their expenditure was exceeding income, leading to rent arrears.

DDL was able to help Ms R draw up a budget and negotiate affordable repayments with her creditors, including one which

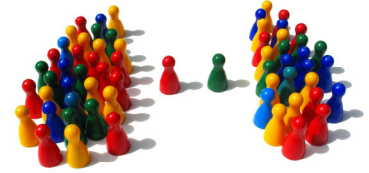
had taken bailiff action. Essential expenditure is now easier to meet and a repayment plan to clear the arrears has been agreed.

Mr W was medically retired, and had £18,000 worth of debts. Having previously used a commercial, fee-charging debt solutions agency, all available income was being

used to repay Mr W's debts and fees to the company. The resulting stress led to Mr W experiencing another heart attack.

DDL was able to help Mr W gain a fresh start through bankruptcy. His health has improved and he is now able to meet his essential outgoings.

SMARTER INVESTING: The benefits of working with DDL



- Our advisers can help tenants claim all the housing benefit they are entitled to, helping to ensure an arrears problem gets no worse.
- We can then help tenants apply for backdated benefit, which could clear the arrears entirely.
- It is likely that tenants with rent arrears will have other debts. DDL can help prioritise these and ensure that the most important, of these get paid first.

THE PRE ACTION PROTOCOL

Since October 2006, landlords have additional responsibilities to their tenants with rent arrears who may be facing eviction. These include an obligation to provide assistance with housing benefit claims and to seek alternative negotiated ways to recover arrears without court action. Contracting with DDL can help Registered Social Landlords meet these duties - **contact us for more information.**



WHAT OUR CLIENTS ARE SAYING

Your efforts have been invaluable and I dread to think what my circumstances would be now if it were not for your help. I thought you may like to know what a difference you have helped to make.

Thank you for everything you have done for me in my hour of need. I appreciate very much what you and your company have done.

Just to say how grateful I am for all your help. After your telephone call I could feel the worry lifting away from my head. May I say that you and the staff do a fantastic job and seem to go all the way helping people like myself. A very big **THANK YOU**

Thank you for all your help, it has made such a difference, not only to me but to my children as well.

DDL plans to help deliver a uniquely joined-up telephone based advice service

Working in partnership with community finance

DDL has teamed up with the East Sussex Credit Union (ESCU) to look at ways of delivering more cost effective financial inclusion services across the county.

That means designing services that meet the needs of people, many of whom are leading chaotic lifestyles and are on the lowest incomes.

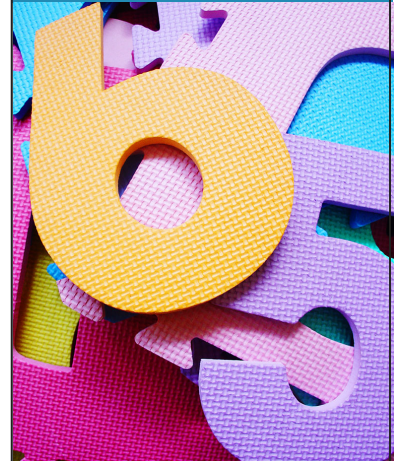
We are aiming to deliver the 'Advice, Banking, Credit and Deposits' ('ABCD' model) of financial inclusion by providing a unique and predominately telephone based service where people can access both money advice and affordable credit at

the same time and in a way convenient to them.

For too long community finance and money advice agencies have worked separately despite their shared aim of enhancing financial inclusion, and we hope that our model will be replicated nationwide.



REAL RESULTS: A statistical overview



Out of 100 clients receiving a casework service:

- 80% will had non-priority debts
- 50% needed help with claiming benefits
- 40% had council tax and / or water arrears
- 30% paid lump sums towards their rent arrears
- 20% could be helped with grants from various trusts

On average ...

- Clients with multiple creditors had non-priority debts of £8,000
- Those with council tax arrears owed £1,000
- If a client had arrears with their water company they owed £800
- Tenants had rent arrears of £700 each

