

bristol debt advice centre

improving lives by tackling financial problems



chair's report

Bristol Debt Advice Centre (BDAC) provides specialist debt advice and representation to some of the most vulnerable members of society - individuals who would otherwise have limited access to justice - we prioritise free face to face advice across Bristol and South Gloucestershire. BDAC's advice team, which includes specialist debt advisers, energy advisers and financial capability workers assisted **2,882** clients during April 2009 and March 2010. The difficult economic climate over last year has been unprecedented and of the total number of people helped, **2,356** were new clients who had not contacted us for advice before.

Despite the increase in client numbers, we faced unprecedented funding challenges, which will continue into the coming months. Many of our primary funding streams have or are coming to an end, which has resulted in a concentrated effort on fundraising activities. We tendered as part of a consortium for continuation of our Legal Services Commission contract and were awarded this in November 2010. Although this does give BDAC a small measure of stability, there is increasing danger that legal aid for social law activities, such as debt advice and welfare benefits advice, will be cut. BDAC will be doing all it can to prevent these cuts - especially as we see daily evidence of the positive impact that specialist debt advice can have on individuals and society - research highlights that every £1.00 invested in legal aid, represents a saving of £2.98 to society.

The Financial Inclusion Fund (FIF) is scheduled to conclude at the the end of March 2011. Although we hope that this funding will be continued, we are still awaiting a Government decision regarding this programme. If it is not extended, a substantial level of face to face advice capacity will be lost across the region. This is a vital source of funding as it allows agencies to support a wider range of people who would not usually be eligible for legal aid.

Despite the challenges, 2009/2010 also offered some very positive outcomes. We applied for and were awarded additional funding from Bristol City Council to run increased services during the recession. We were also very grateful to receive an unexpected legacy donation.

Running successfully for five years, the Energy Advice Project commenced its final year of funding and we have been working to secure continuation funding for this important work. We were disappointed with the decision of the British Gas Energy Trust to discontinue funding, however we are delighted to maintain our relationship with the EDF Energy Trust who have confirmed funding for a further two years. We have also established a new relationship with Ebico Energy Trust, which will allow us to expand the work of the Energy Team to include preventative work as well as reactive advice. The team have expanded their activities which now include home visits to individuals living in the area previously defined as Avon.

Our self help services are also well attended, enabling people to complete activities such as online Debt Relief Order forms, seek and apply for charitable grant assistance, and budgeting workshops. We have been focusing on outreach, and sessions have been delivered to client groups of other agencies such as Bristol Drugs Project, Barnados, and Survive. Our financial capability workshops on budgeting and managing your money are expanding into South Gloucestershire.

BDAC's social policy project has been progressing well. Engaging in regular meetings with the local council tax department and bailiff companies to improve the way customers are treated, the team are also contributing to Bristol City Council's Corporate Debt Policy. We are working to strengthen links between local taxation, bailiff companies and advice agencies to identify ways of combating social exclusion. They team are currently in the process of seeking legal advice for a costs hearing at the local County Court to legally challenge certain costs (specifically Section H redemption fee) added by bailiff companies. They have assisted with numerous individual complaints, many of which have been successful and they have recently launched our PPI and Harassment self-help packs on BDAC's website. They have collected enough data to enable them to prepare joint complaints to at least one major high street bank about the mis-selling of PPI and harassment of clients.

BDAC continues to Chair the regional Financial Capability Forum and participate in the ACFA partnership. Behind the scenes the Trustees initiated a staff restructure aimed at increasing BDAC's capacity to serve more clients and ensure that we can react flexibly to external change. Our website has been updated and we are twittering regularly.

As 2010 draws to a close, I would like to thank all our funders and donors for their ongoing financial support to BDAC, particularly in the difficult economic times which sees demand for our services increase and availability of funds diminish. I would also like to acknowledge and thank BDAC's trustees, staff and volunteers - both past and present - whose skills, commitment and enthusiasm continue to make BDAC's work possible.

We have a number of priorities for the coming year, not least celebrating BDAC's 21st birthday. However, although this is a key milestone for BDAC, we remain aware that the number of people facing financial hardship and poverty is increasing. These are very difficult times for us all, and likely to remain so for some time. There are many ways in which you could contribute or get involved and we would be delighted to discuss these further with you.

Roger Hawes
Chair of Trustees

annual report
2009/2010

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giving advice

"To get through the hardest journey we need take only one step at a time, but we must keep on stepping"



"the biggest change for me as a result of your advice is that my stress levels have improved - I have more confidence in my abilities to solve any problems"

client feedback - 2010 outcomes survey

Mr Jones is a homeowner. He has been out of work due to ill health for six years, hoping his health would improve and that he would be able to return to work. In order to maintain payments to his creditors he has been paying for his mortgage and other priority expenditure on his credit cards. In addition, Mr Jones suffers with severe depression and has severe short term memory problems. This made it very difficult for the adviser to initially address the situation – even having a progressive conversation to understand his financial situation was very challenging. His short term memory is so affected that he struggles to even remember the beginning of a letter by the time he is midway through it. He is also still hopeful of returning to work and struggles with the idea that his creditors will not simply wait for him to do this.

We have discussed his situation and advised him on his options, including selling his property to downsize but this caused him a great deal of distress due to his depression and was not something he is able to consider at that stage.

Because of his additional needs, we contacted Care Direct and our client's GP in order to try and get him further assistance to manage his day to day financial affairs, such as a social worker or a support worker. We finally had success through Age Concern (now Age UK) who were able to allocate an advocate to support the client. We are working with them to assess whether the client is eligible for pension credit and Disability Living allowance, and also advised the client to maximize his income by taking in lodgers and avoid repossession.

We have set up payment arrangements to address his council tax arrears in order to prevent the debt being passed to bailiffs which would cause Mr Jones a great deal of anxiety and distress.

With gas and electricity arrears of over £5,000, we have been liaising with his suppliers to inform them of Mr Jones' health condition. They have agreed to delay the installation of a pre-payment meter and have stopped disconnection proceedings. Our concern was that if a pre payment meter was installed, Mr Jones would not remember that he needs to top up the meter and will therefore be left without utilities. We have set up payment arrangements to address his gas and electricity arrears.

This case is ongoing due to the client's multiple and complex needs. We have extended our work with the client in order to move him into a sustainable situation for the long term. We are now addressing his non-priority debts. Our strategy for the positive outcomes we have already and hope to continue achieving relies on working with other agencies, which are able to support Mr Jones – we are currently working his AgeUK advocate set up a system where he can remember which payments he needs to make and when.

Financial problems are indiscriminate - they do not favour one person over another. Individual circumstances can change which may force people into facing unexpected and difficult challenges. Some people don't know how to begin to deal with these problems. Others start but get lost in bureaucracy and red tape. Some people just need a little advice and information to help them on their way.

From the moment an individual dials our telephone number or steps through our doors they have taken the first step in identifying that there is a problem and chosen to take positive and decisive action to do something about their financial situation.

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BDAC works within a strict funding environment: in terms of meeting quality standards for the advice that we give; the targets we need to meet; and the reports that we need to submit. However, whilst meeting these challenges, it is important that we do not lose sight of the individuals that we help. Below are some case studies which illustrate how our advice impacted the lives of these clients.

I have volunteered at BDAC for three years; I was recently asked by my supervisor what part of the work at BDAC I had found most interesting and what came to mind immediately was not a particular part of the money advice process but individual clients who I was able to help to improve their financial situation.

In particular, one client's circumstances stood out as being in extreme poverty due to a lack of income and the level and nature of the debts. Her situation had changed significantly after her partner left the household.

A single parent with a total weekly income of £135 through benefits for herself and seven year old child, she was paying approximately £65 per week of this on debt repayments including £50 per week to a doorstep lender. This left her with only £70 per week to pay for everything else – food, clothes, and gas, electric, water etc. She managed by only spending about £26 per week on groceries. Her child at least received free school meals but this lady was regularly going without meals to ensure that her child had enough to eat. Her home was six miles from BDAC's office and she walked to her appointments every time because she was unable to afford the bus fare.

Her overall level of debts was about £24,000 of credit debts plus £600 of gas and electric arrears. It was worries concerning the gas and electric arrears that prompted her to approach BDAC. I contacted her utility company during the first appointment and agreed a payment arrangement for her arrears which was far lower than the client had expected, which alleviated her initial worries.

We also urgently contacted the doorstep lender and stop the weekly collection visits pending our review of her financial situation. That, along with putting her other accounts on temporary hold, meant that our client was able to start to live 'normally'. She was able to start taking the bus for her journeys and spend extra money on essential items for her and her child.

We discussed bankruptcy as a long term solution to her financial situation, although the client was initially upset at the thought of this. Through discussion and ensuring that the client understood all her options, she eventually decided to proceed with a petition for bankruptcy and saved up the £360 fee over several months. We completed the application forms together and the client was overjoyed when she found out that the application was successful – "at long last I am now leading a normal life, I can't thank you enough".

with thanks

Community Legal Services
Bristol City Council
South Gloucestershire Council
EDF Energy Trust
Ebico Trust for Sustainable Development
Department of Business, Innovation & Skills
Lloyds TSB Foundation
Friends Provident Foundation

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