Widening the horizons of thought and action

a review of 2010

Foundation for Credit Counselling
Britain's leading charity for people with debt problems

contents

Lord Stevenson of Balmacara

Chairman's introduction

Debt is no respecter of person; no one is guaranteed immunity, irrespective of age, sex or social circumstances. This is clear from the experiences of two of our clients chronicled in this review (pps 7 to 10): because of events outside their control, both clients are now facing unmanageable levels of debt, and we are grateful to them for sharing their stories with us. Their experiences illustrate that debt rarely occurs in isolation: rather it is often part of other life events, and very likely to impact emotionally as well as financially. Support for both aspects is necessary for the full rehabilitation of the client, which must be our overarching aim.

The launch of our Wellbeing service in 2010 made a start to addressing the emotional as well as the financial needs of our clients. Available on our online counselling facility, this service helps clients to recognise that they may be suffering from depression and makes suggestions of ways of coping, including online cognitive behavioural therapy. We are fortunate to have had the interest and support of experts, including Professor Rachel Jenkins from the World Health Organisation and Dr Andrew McCulloch from the Mental Health Foundation. I would like to thank them both for their contribution which I am glad to say continues.

The credit industry, which continues to support the work we do, does not always get enough recognition for the what it does in this field, not only by referring people to the free, impartial and independent debt advice available through CCCS, but also by supporting developments such as Wellbeing and for devising products appropriate for our clients once they have their finances in order once again.

There is one other person who was instrumental in the development of Wellbeing and that is my immediate predecessor as chairman, and now honorary President of CCCS, Malcolm Hurlston. Overseeing its launch at the end of 2010 was Malcolm's last act as chairman, representing the culmination of many years of work on his part in realising the vision he had for CCCS.

That CCCS is one of the UK's hidden treasures, and able to do so much good work in debt advice and debt management is a tribute to our Board of Trustees, and the work of the executive team under chief executive, Gordon Bell. And as anyone who has visited one of our centres will testify, we are served by a professional, committed and enthusiastic staff who do so much to help people who need support in this field.

But it is important going forward for CCCS to be better known. And having recently completed a strategic review, 2012 will see significant changes in the operation of the charity being rolled out. These will include a new brand; stronger relationships with charities that also deal with clients in need of debt advice; and a more visible presence in policy formulation in the debt advice field.

Lord (Wilf) Stevenson launching CCCS statistical yearbook for 2010 in the House of Commons with Gordon Bell, CCCS chief executive.

An example of the new approach is the pilot scheme which we commenced in 2011 with Citizens Advice Bureau to provide Debt Management Plans for their clients. Although it is early days, this partnership is already proving that by working together we can do more for people who are experiencing problems with their debts, and that there may be other ways in which we can collaborate for the greater benefit. In a society where credit plays such a prominent role, both for the individual and the wider economy, this has to be a good thing.

The bigger picture

CCCS Wellbeing was launched at an event held in London on December 15 2010. Underlining the interest in the links between debt and mental health, the launch was attended by a wide range of representatives from the advice, credit and mental health sectors. To support CCCS and the Centre for Mental Health Research's work with the Australian National University on creating the online service, His Excellency, John Dauth, Australian High Commissioner, was guest of honour.

Unmanageable debt is rarely an isolated problem in people's lives. Rather it is rooted in some other difficulty they are dealing with such as illness, unemployment, relationship breakdown or bereavement.

CCCS has long been aware of the strong link between debt and mental health problems with many of our clients reporting increased levels of stress and anxiety due to their money worries. Clients often cite depression as a reason for their debt problem.

Understanding the relationship between debt and depression

To understand how to help people in these situations, the relationship between debt and depression has been the focus of a considerable amount of research.

One of the most alarming findings was by Howard Meltzer, Professor of Mental Health and Disability at the University of Leicester, who examined in depth the links between debt and suicide. He found that being in debt doubled the likelihood of having suicidal thoughts in the previous year, even after taking account of many of the other factors known to increase such thoughts – personal and lifestyle factors as well as traumatic lifetime experiences[1].

Another important piece of research was carried out by Professor Rachel Jenkins, Director of the World Heath Organisation Collaborating Centre. Her paper, *'Recession, debt and mental health: challenges and solutions'*, had several recommendations for those helping people with debt problems[2].

She suggested that money advisers cannot be expected to become 'mental health experts', but when a client discloses a mental health problem which requires, but is not receiving, therapeutic support, advisers should be able to offer signposting information and/or referral services should be provided. Another recommendation was for an emphasis on co-ordinated 'debt care pathways' between local health and advice services – that is, the routes by which individuals with debt and mental health problems gain access to the support they need.

1 *Personal debt and suicidal ideation*, Meltzer H et al, Psychological Medicine, May 2010, Cambridge University Press.

2 *Recession, debt and mental health: challenges and solutions*, Mental Health in Family Medicine, Volume 6, Number 2, June 2009, pp. 85-90(6) Authors: Jenkins, Rachel; Fitch, Chris;

CCCS's new online care pathway

CCCS has responded by offering a new service to help such clients. Trigger questions have been added to our online counselling tool, CCCS Debt Remedy, to identify clients who may be anxious or depressed. Those who are identified as possibly anxious or depressed will then be offered the opportunity to undergo a more detailed diagnosis using the charity's new online tool, CCCS Wellbeing.

CCCS Wellbeing will then identify if the person is severely, moderately or mildly depressed, or not depressed at all. Those diagnosed as severely or moderately depressed will be referred to a GP. Those diagnosed as mildly depressed will be referred to e-couch, which is computerised cognitive behavioural therapy developed by the Australian National University. Normal and mild states of anxiety and depression will also be provided with advice on maintaining a healthy, balanced lifestyle.

> *"Money advisers cannot be expected to become 'mental health experts'"*
>
> PROFESSOR RACHEL JENKINS

Launched in December 2010, initial findings highlight the need for the service with almost half of the people undertaking CCCS Wellbeing being diagnosed as severely depressed, with 30.9 percent moderately depressed and 15.2 percent mildly depressed.

L to r: Dr Andrew McCulloch, chief executive, Mental Health Foundation, Professor Rachel Jenkins, World Health Organisation with Australian High Commissioner at launch of CCCS Wellbeing.

Enhanced support for vulnerable clients

Mental health problems may also mean that someone may need extra support during the counselling process. To help those who are unable to undertake CCCS's standard counselling, we have launched a new service providing additional assistance to vulnerable people who are struggling with debt.

The Debt Advocacy team, based in CCCS's South East counselling centre and led by managing counsellor Maggie Kirkpatrick, will provide extra support to people identified as vulnerable, which could be because of their mental health, but also their age or mental capacity. This will include help with completing forms and undertaking welfare benefits checks, and where appropriate, CCCS will contact creditors to explain special circumstances, for example if someone is terminally ill.

Run by some of the charity's most experienced counsellors, CCCS expects a significant number of its clients to benefit from the service. These will include some of the 12,000 people it counselled last year who were claiming Disability Living Allowance as well as the growing number of older people CCCS helps with their debt problems

Conclusion

CCCS Wellbeing and the Debt Advocacy service give the charity an important opportunity to understand the emotional context in which our clients are dealing with debt. It allows us to either provide the support they need or to signpost them to more specialist help.

The new services draw on our online expertise and almost two decades of counselling experience, while enhancing both.

Not that this is a time to be complacent. Debt problems tend to be as complex as life itself and the charity will continue to look for new ways that we can help people deal with the challenges they face.

A flexible service

Clients' needs change for reasons outside our control and our service needs to be sufficiently flexible to meet these needs. One obvious change in 2010 was the continuing low levels of interest rates, coupled with lender forbearance, that reduced demand for our specialist mortgage counselling service by almost 70 percent. On the other hand, the recession meant that more of those who work for themselves were finding it increasingly difficult to make ends meet, resulting in higher levels of demand to our specialist self-employed centre based in Newcastle.

Andrew Mitchell, International Development Secretary, on a visit to CCCS Birmingham which specialises in Debt Relief Orders. Mr Mitchell, who is a Birmingham MP, is talking to counsellor Greg Cooper.

Debt Relief Orders (DROs) continue to offer a valuable way out of the debt impasse for the less well-off and our Birmingham centre now deals exclusively with DROs, while specialist bankruptcy counselling has been re-housed in Leeds. Our centre in Limavady will be offering DROs to Northern Irish clients, following their introduction in the Province in June 2011.

Our aim is for our services to accommodate the spectrum of client need. To this end, we ran a nine month pilot to test the viability of a token payments scheme whereby clients suffering from a short-term shock such as sudden job loss can pay £1 per month per creditor for a period of six months, allowing them a breathing space to sort out what are likely to be

CCCS ER

In view of the growing numbers of elderly people with debt problems we are seeing, the decision was taken to launch our own equity release service.

After commencing operations in April 2010, CCCS ER dealt with 1,500 enquiries, carried out 260 assessments, completed 72 cases with another 32 in the pipeline and facilitated the repayment of £3.6m of debt. CCCS operates the only equity release scheme recommended by Which? and received recognition as the *Best New Advice Service* in 2010 at the Equity Release Awards.

It is particularly gratifying that in this often troubled market place, CCCS ER has received no regulated complaints to date while customer feedback has been very positive.

Pictured receiving the award are Steve Nicholson (far left), chief executive, Tom Moloney (far right), equity release manager.

temporary difficulties.

Results from the pilot suggest that such offers provide much needed respite for clients at difficult times, although six months is probably not long enough to allow for a material change in their circumstances. We shall be considering whether to make token offers a regular part of our service as part of the strategic review of the charity which we are conducting in 2011.

CCCS VA

By the end of 2010 CCCS Voluntary Arrangements (CCCS VA) was managing over 1,700 Individual Voluntary Arrangements (IVAs).

A combination of fee structure and less money available to repay debts is driving IVA fees down to what may well prove to be unsustainable levels, with the average fee as low as £1,100 compared with £1,400 at the start of the year. Fees need to be a realistic reflection of the expertise and work involved, therefore we shall be working with like minded others in the industry to ensure that IVAs remain viable as a useful way of dealing with some people's debt problems.

As in previous years, we continued to urge the industry to greater transparency. In particular, we welcomed the opportunity provided by the Insolvency Service review of its published statistics to push the case for breakage rates to be public domain information, thus making it easier for the public to choose between IVA providers.

Specialist counselling sessions carried out in 2010:

Self-employed	**13,251**
Mortgage and repossessions	**2,383**
Debt Relief Orders	**9,341**
Bankruptcy	**1,154**
Welfare benefits	**2,128**

Client experience David and Elizabeth

Elizabeth Allsop and her husband, David Glickman

"David and I never thought we would be entering our sixties – a decade when most would hope to be enjoying a well-earned retirement – struggling to cope with problem debt.

Everything seemed fine a few years ago, my husband owned a small business, employing four members of staff, and I had a good job at a car dealership.

Then the recession struck. The business began to suffer, and in an effort to avoid making anyone redundant, we re-mortgaged our home.

It became difficult to meet our monthly repayments, and we found ourselves relying on credit cards and loans. At the time we thought things would improve – but two years later the business folded.

David got another job but was made redundant after twelve months. I was made redundant as well, and times became very tough for us.

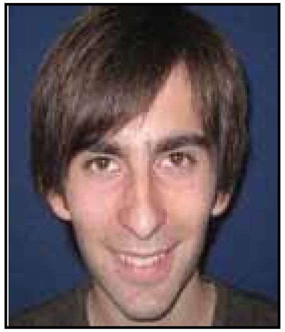
... debts just grew and grew with interest and charges

For months we tried to carry on and were too embarrassed and ashamed to admit the scale of our debts. We couldn't pay, and the debts just grew and grew with interest and charges. Debt collectors would phone us constantly – sometimes as often as three or four times a day.

It was such a relief to talk to someone about it

We approached a debt management company I found on the internet – but they charged a fee, which discouraged us from going ahead. We eventually called the CCCS helpline and explained everything.
It was such a relief to talk to someone about it.

We still have large debts but we now have a plan to deal with them, thanks to the counsellors at CCCS. They are still helping us with questions and advice along the way. In many ways they are like the Samaritans – they're always there for you when you need them.



CCCS counsellor Andrew Davidson

"Despite working hard all their lives, a series of unforeseen circumstances have left Elizabeth and David facing unmanageable debt.

"Like a lot of people over the past few years, their personal finance situation has suffered hugely as a result of the recession.

"Although doing all they could to repay what they owe, they suffered setback after setback.

"It is particularly hard that they have to deal with this at a time in their lives when they would have expected to slow down and relax a bit."

Client experience Trudy Hamilton

Trudy Hamilton

"At the time I started to fall into debt, I was a business manager for one of the major banks. I had an excellent credit rating – and was getting offers of credit left, right and centre. I was having problems in my relationship, and turned to shopping as a form of stress relief. Filling the boot of my car with new purchases – not just for me, but for my daughter and step-children – gave me a wonderful feeling of euphoria, and took my mind off problems at work and at home.

This feeling never lasted long, before the realities of paying the bills set in.

I separated from my partner, and was left to raise my daughter alone. Work was getting more and more stressful, and I was working long hours to meet my targets. I was getting next to no quality time with my daughter, but I knew I had to work hard to earn enough to repay my growing mountain of debts.

This led to the most extraordinary feelings of guilt. It was a vicious circle – the guiltier I felt about my debts, the more I spent to make up for it, and the higher my debts grew. I would lie awake at night adding up in my head how much money I owed, trying to justify it to myself in any way I could. I was diagnosed with depression, and began to self-medicate with heavy drinking.

My mum could see I needed help, and urged me to seek advice. All I knew about debt management was what I had seen on TV adverts – I didn't know that there were charities you could turn to.

I contacted a debt management company and spoke to a young man who did nothing to reassure me. He took down some details, but was extremely negative about my situation. He told me what he thought I should do, but didn't explain all of my options – instead just telling me that if I did nothing, there was

a "very high probability" that I would lose my home.

I was shocked. After putting down the phone I remember just staring at the wall, asking myself what on earth I was going to do. My answer was to open a bottle of vodka, and later that evening I attempted suicide.

Some time after I returned home from hospital, one of my creditors suggested contacting the CCCS helpline. I must have been on the phone with the counsellor for an hour and a half. He took down all of my information and explained all of my options. It couldn't have been more different from my previous experience – it was such a relief to be told I was doing the right thing by seeking help.

CCCS helped me put together a budget, and dealt with all the details – contacting my creditors for me to arrange a Token Payment plan.

I'm still suffering with the effects of my nervous breakdown, and I can't face going back to work – but after speaking with CCCS I feel I no longer have to face my debts alone. I can now concentrate on rebuilding my life, in the home I once thought I might lose. ”

Counsellor Stephen Hey

"Trudy was in a very difficult situation when I first spoke to her and was only in a position to make minimum repayments.

"We were fortunate to have the 'Token Payment Arrangement' pilot operating at the time which suited Trudy's situation, so I wanted to get her on board with this new plan.

"This would enable her to make one monthly payment to us instead of struggling to make payments herself to a range of creditors.

"I thought that this would at least help to reduce the strain and take the pressure off for the six months while on the plan, and that this would allow her some breathing space to deal with her situation."

Reaching out

In recognition of the need to build awareness of our service among all those who are likely to need it, this has been a ground-breaking year for CCCS's partnerships.

There is now a team of four including three partnership officers and the creation of a partnerships manager position to lead the team. Their job will be not only to manage existing partnerships, but to forge new relationships too.

One of the big focuses for the team will be the partnership that CCCS has built with Citizens Advice. This follows CCCS winning a competitive tender process to be the preferred debt management partner for a one-year pilot scheme involving 80 bureaux.

The partnership will enable bureaux to introduce clients who have the means to set up a debt management plan (DMP) to CCCS as a trusted partner.

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"Working together, Citizens Advice's partnership with CCCS as a trusted supplier will give our clients the reassurance of a DMP provider that has been carefully assessed and selected. We hope that the partnership will set an industry standard to offer consumers a genuine opportunity to access free quality debt advice that will help and motivate them to resolve their debt problems. Our partnership allies the complementary skills of two agencies, aiming together to offer the right service to those who need our help."

Gillian Guy, chief executive, Citizens Advice

The pilot, starting in August 2011, will see clients continue to receive an impartial and complete debt advice service from their bureau and continue to be advised about all the debt solution options available to them. For clients who choose to set up a DMP through CCCS, the bureau will automatically transfer the

Princess Royal, Citizens Advice Patron, being introduced to CCCS counsellor, Lucy Kellaway, at the volunteers' reception at CAB's annual conference for volunteers at York University in September. Standing on Lucy's right is Rob Sandalls, CCCS partnership development officer.

client's records to CCCS which will then negotiate with creditors, set up the DMP for the client and manage the client's debts.

Strong links were built with a number of housing associations with CCCS hosting a roundtable discussion with 12 registered social landlords to introduce them to our services, and find out how they currently assist financially excluded tenants and how to refer more people needing help. The charity now has a network of relationships with housing associations across the country including the Peabody Trust, Affinity Sutton, Metropolitan and Genesis housing associations which have been given a special number for their clients to call and links to Debt Remedy put on their websites, both of which are promoted in communications to the associations' service-users.

Building on this, the *My Home Finance* programme set up by the National Housing Federation, is piloting Debt Remedy in two of its shops from mid 2011. This will involve callers to the advice shops, which are aimed at those unable to obtain high street lending, being able to access Debt Remedy when they visit.

CCCS has also sought relations with unions as a way of reaching employees struggling with debt or those who are being made redundant. The bespoke version of Debt Remedy and link to Money Matters on the USDAW website, as well as articles in its membership publications and a stand at its annual conference, are examples of the way that CCCS can work with unions to achieve this.

The bailiffs firm, Marston, had been looking for ways to refer people on to advice and support when the firm was notified that they were dealing with their debts. Marston, which sends around 800,000 warrants a year, has added CCCS's contact details to all standard notices and warrants issued. This intervention has proved to be successful and CCCS has been able to help a growing number of people through it.

In the future, the economic downturn and the impact it is having on organisational budgets as well as on the public is the context in which new partnerships will be made. There have already been discussions with a range of councils to look at ways we can work together as they deal with cuts to their own budgets. We will continue to seek new links with them, and other organisations to identify people having money problems, to ensure that anyone who needs debt advice knows free help is available.

The times we live in

The combination of a new government coupled with an economic recession has created challenges for the whole of the free debt advice sector, including CCCS. It seems inevitable that these challenges will have a dramatic impact on the future shape of the provision of debt advice.

Given the cutbacks in public funds for the foreseeable future, funding is one of the biggest issues for the free sector and not just for those organisations dependent on public sector funding. A levy on lenders to pay for debt advice has been suggested and this could have consequences for our fair share model, although to date lenders remain supportive of the work of CCCS.

We are concerned to ensure that funding pressures on the free sector does not mean that more people feel compelled to pay for debt advice, hence our determination to ensure our service is better known not only among those who need help but also by those who are likely to have an impact on shaping the debt landscape, including government and those individuals and organisations likely to influence its decisions.

Given the pressures on local sources of debt advice, we have contacted MPs whose constituencies lie close to our centres. High profile visitors include Justice Secretary, Kenneth Clarke, to Nottingham and the

What next for personal debt? fringe event at Tory Party Conference

CCCS participated in the autumn party conferences for the first time in 2010. With support from the Finance and Leasing Association (FLA), the theme of the fringe sessions was *What next for personal debt?*

Pictured left to right are the then CCCS chairman, Malcolm Hurlston, Mark Reckless MP, Dr Nick Wilkinson, an economist from Richmond University and Stephen Sklaroff, director general of the FLA.

International Development Secretary, Andrew Mitchell, to Birmingham. We are also targeting back bench MPs together with their case workers to ensure they know where to refer distressed constituents for help with debt problems.

Our statistics offer a rich source of material about the actual circumstances of the overindebted and as well as our annual statistical yearbook published in the first quarter of the year, we have commissioned a series of reports, anlaysing the personal situation of households with debt problems. Under the overall title *Debt and the Family*, the first one was published in July 2011, focussing on household debt. *Debt and the generations* and *Debt and the regions* will follow in October and by next year.

Our public affairs activity was undertaken in tandem with our media work. One of the big messages that ran through all our media promotions was that CCCS has capacity to give free debt advice to whoever needs it. It was crucial to make this fact well known as media reports of a lack of capacity in the free debt advice sector meant that some people, thinking that no free debt advice was available, would end up paying for debt advice.

Issuing an average of one press release a week, we secured a broad range of coverage in print, online and broadcast media.

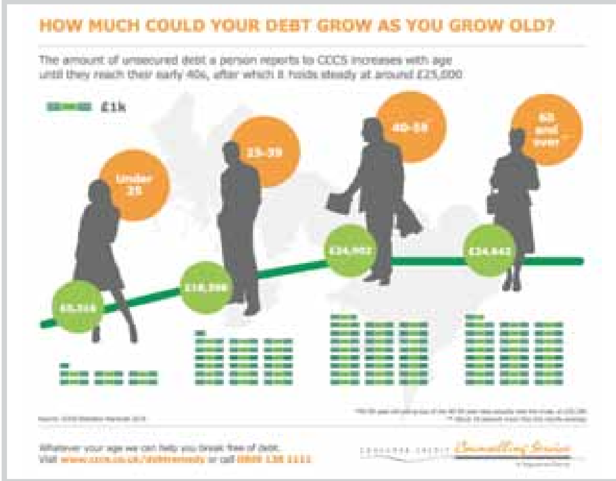
Our media coverage has begun to migrate from just the personal finance sections of the media to the harder news items. This is important in raising our profile so that people know that we exist but also that our voice is heard on issues pertaining to our clients, and those struggling with their finances more generally.

This move to the news sections of the media is a continuing aim of our media work, and ties it in more closely to our public affairs activity, both of which will focus on meeting the range of external challenges facing CCCS.

Our social media presence has developed considerably in 2010 with the creation of two Twitter accounts, the creation of a CCCS blog and a regular blogpost on the Third Sector website. Our eServices team run regular debt days communicating items of interest to those with debt problems via social media. In addition it provides online debt forums for third parties including the Guardian, MoneySavingExpert and Netmums.

6.2 million households in the UK are financially vulnerable: 3.2 million are already in financial difficulty, either three months behind with a debt repayment or subject to some form of debt action such as insolvency, with a further three million at risk of getting into financial difficulty because they are finding it hard to make ends meet and are vulnerable to increases in household bills

Source: *Debt and household incomes* a report by the Financial Inclusion Centre commissioned by CCCS July 2011



Our eServices team produces an "infographic" once a month based on CCCS stats which other organisations can use on their websites to illustrate current debt problems.

"The changing economic environment means that life is likely to get worse for many vulnerable consumers, large numbers of whom will already be at risk of over-indebtedness. Ensuring their plight is not forgotten is CCCS's priority."

LORD STEVENSON OF BALMACARA, CHAIRMAN OF CCCS

The Foundation for Credit Counselling is the registered name of the charity which operates as CCCS.

Good governance

CCCS aims to treat staff, clients and creditors fairly, efficiently and responsibly in line with the recommendations of the Charity Commission of England and Wales and its equivalent in Scotland, the Office of the Scottish Charity Regulator. It is the role of the Trustees to ensure that the charity complies with these standards by developing and maintaining a robust framework against which the actions of the charity can be judged and aligned.

This framework begins at the very top of the charity with separation of the roles of chairman and chief executive and its integrity sustained by a strong team of trustees, all of whom are subject to regular re-appointment in general meeting.

The trustees

Lord (Wilf) Stevenson of Balmacara became chairman in December 2010. Lord Stevenson was made a life peer in July 2010. Prior to this he worked in the Policy Unit at Number 10, ran the independent think tank, the Smith Institute, and was deputy director and then director of the British Film Institute (1988-97).

Jeremy Burton is a trustee for many important charities in the Leeds area and is strongly connected with the local community. He is Honorary French Consul in Leeds and a deputy Lieutenant of West Yorkshire. He is a founding trustee of FCC and a trustee of Credit Action.

David Coates is a financial services specialist whose speciality is helping businesses develop. He joined Experian as managing director of the Business Information and Consumer Information divisions. In 2000 he was appointed managing director and founding director of Callcredit in Leeds. In 2004 he joined the private equity backed company Davenham as chief executive and took the group public in 2005.

Mike Fairey retired in 2008 as deputy chief executive of Lloyds TSB. He originally joined Barclays Bank in 1967 and held a number of senior and general management appointments, including managing director of Barclays Direct Lending Services from 1990 to 1991. Mike joined TSB Group in 1991 and held a number of senior and director positions as the banks merged and Lloyds TSB Group grew substantially, culminating in his position as deputy group chief executive in 1998.

Sir Geoff Mulcahy has a long and distinguished career in retailing. He was appointed Group managing director of Kingfisher in 1984 and retired as chief executive in 2002 after building it into the largest non-food retailer in the UK. He is currently chairman of

Javelin Group, a retail consultancy, and a non executive director of Instore plc and The Home World. Sir Geoff was knighted in 1993 and is immediate past chairman of British Retail Consortium.

Daniel Phelan is editor-in-chief of Civil Society Media which publishes the magazines Charity Finance, Professional Fundraising and Governance. He founded the Charity Awards, an annual UK wide programme recognising excellence in charity management

Suzanna Taverne has broad experience at board level of strategic development and organisational change, working across public and private sectors in senior management, strategy and financial roles. Suzanna is currently a non-executive director of the Nationwide Building Society, a non-executive director of Ford Financial Europe, chair of Gingerbread and a trustee of the Design Museum.

Malcolm Hurlston, the founding chairman, stood down at the end of 2010, but is now honorary president.
Chris Leslie also resigned following his re-election to Parliament and his appointment to the Shadow Front Bench.

The staff

GORDON BELL	CHIEF EXECUTIVE
FIONA MEGAW	CHIEF OPERATING OFFICER
STEVE NICHOLSON	CHIEF FINANCIAL OFFICER
DELROY CORINALDI	DIRECTOR OF EXTERNAL AFFAIRS
VIKKI BROWNRIDGE	HEAD OF COUNSELLING
LAURA CARVER	HELPLINE AND SUPPORT MANAGER
LESLEY CHEESEMAN	HEAD OF TRAINING AND DEVELOPMENT
IAN CRACKNELL	SUPPLIER AND FACILITIES MANAGER
SCOTT GRAHAM	SERVICE SUPPORT MANAGER
HEIDI HUTCHINS	HEAD OF HUMAN RESOURCES
JOANNE PROSSER	HEAD OF DEVELOPMENT
SUE REYNOLDS	HEAD OF CLIENT SERVICES
PAULA SEARLE	HEAD OF ESERVICES
FRANCES WALKER	HEAD OF MEDIA AND PUBLIC AFFAIRS

Counselling centre managers

SANDRA AMPHLETT-PAULS	LEEDS
TIM BLESSED	EAST MIDLANDS (NOTTINGHAM)
KEITH SPEDDING	NORTH EAST (NEWCASTLE)
PAULA HOGARTH	WEST MIDLANDS (BIRMINGHAM)
MAGGIE KIRKPATRICK	SOUTH EAST (EASTBOURNE)
HELEN MARSLAND	NORTH WEST (CHESTER)
DEBBIE MILLS	NORTHERN IRELAND (LIMAVADY)
ELIZABETH MCVEY	SCOTLAND (GLASGOW)
MARK ROBINSON	WALES (CARDIFF)
NICHOLE DUNCAN	WEB SUPPORT (NEWCASTLE)

CCCS VA

STEVE NICHOLSON	CHIEF EXECUTIVE
JACKIE WESTERMAN	INSOLVENCY PRACTITIONER

CCCS ER

STEVE NICHOLSON	CHIEF EXECUTIVE
TOM MALONEY	EQUITY RELEASE MANAGER
IEUAN JAMES	EQUITY RELEASE ADVISER
TONY PLUNKETT	EQUITY RELEASE ADVISER

CCCS VA and CCCS ER are wholly owned subsidiaries of the Foundation for Credit Counselling.

Patrons and friends

LORD THOMAS OF MACCLESFIELD	PATRON CCCS
LORD FOULKES OF CUMNOR	PATRON CCCS SCOTLAND
RT HON ALUN MICHAEL MP	CHAIRMAN WELSH ADVISORY
RHYS DAVID	MEMBER WELSH ADVISORY
JOHN GRAY	MEMBER WELSH ADVISORY
GARY HICKS	MEMBER WELSH ADVISORY
TERRY BLANEY	PRESIDENT MONEY MANAGEMENT INTERNATIONAL
MIKE KAPPAS	PRESIDENT AND CEO APPRISEN FINANCIAL ADVOCATES
DR RACHEL JENKINS	WORLD HEALTH ORGANISATION

Financial stability

CCCS 2010 financials

The information in this financial summary has been extracted from audited accounts for the year ended December 31 2010. The full accounts and auditor's report for 2010 can be obtained from the Consumer Credit Counselling Service, Wade House, Merrion Centre, Leeds LS2 8NG.

Operating income

Eighty-nine percent of our operating income of £32 million comes from the fair share contribution paid by creditors. Fair share is generated by creditors returning as a donation the equivalent of a percentage of the monies repaid to them through debt management plans. In 2010, seven percent of those contacting our service had the means to enter a debt management plan. For about a third of our clients, however, there is no immediate solution to their debt problems. This is a new development for our clients, first emerging in 2009 and is likely to be linked to the recession. This is one of the reasons why we piloted token payments to see if this was a way of helping such clients in the short-term.

CCCS is continually reviewing and expanding the range of services and options available to help clients. Two significant developments in 2010 were the launch of an equity release service and the extension of our online counselling, CCCS Debt Remedy to improve our clients' well-being, particularly their emotional health, including the use of online cognitive behavioural therapy.

We continue to further the cause of financial education by investing in the work of Credit Action, an independent charity, whose accounts are now included with those of CCCS.

Operating expenditure

Staff continue to be the single most important item of expenditure and accounted for 85 percent of total expenditure in 2010. We spent £23.1 million on counselling and client services compared with £21.2 million in 2009.

Demand for our services remains unpredictable. After record demand in 2009, helpline calls were down by 24 percent in 2010. CCCS Debt Remedy experienced a similar drop in numbers.

The first six months of 2011 suggests that demand for our service will remain static at about the same level as 2010. As a result our helplines are operating at 65 percent of capacity while Debt Remedy, which we estimate could help five million people, has got for all practical purposes unlimited capacity.

CCCS 2010 Financials

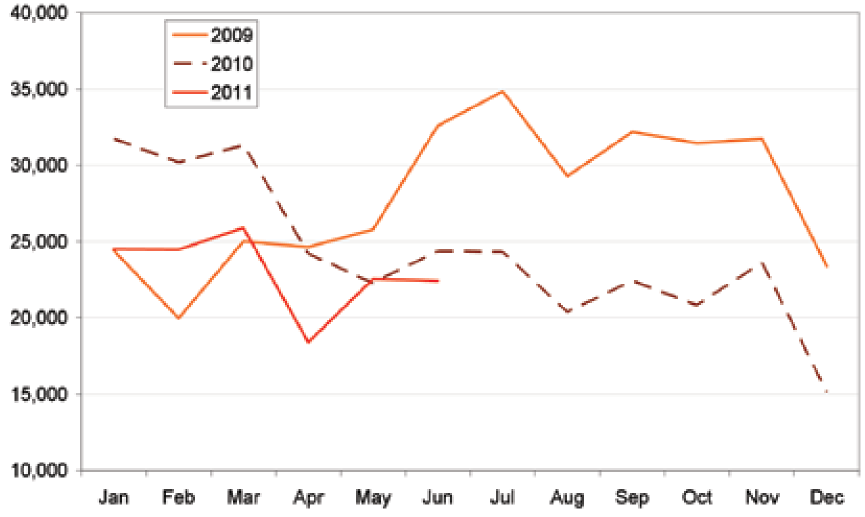
Income	£,000
Income from fair share contribution	28,629
Grants and donations	528
CCCS VA	2,427
CCCS ER	26
Transfer from restricted funds	0
Other income	275
Investment income	238
Total	**32,123**

Expenditure	£,000
Counselling	20,167
Client support services	2,976
CCCS VA	1,557
CCCS ER	184
Promotion of services	1,280
Financial education	461
Grants, governance and other	376
Total	**27,001**

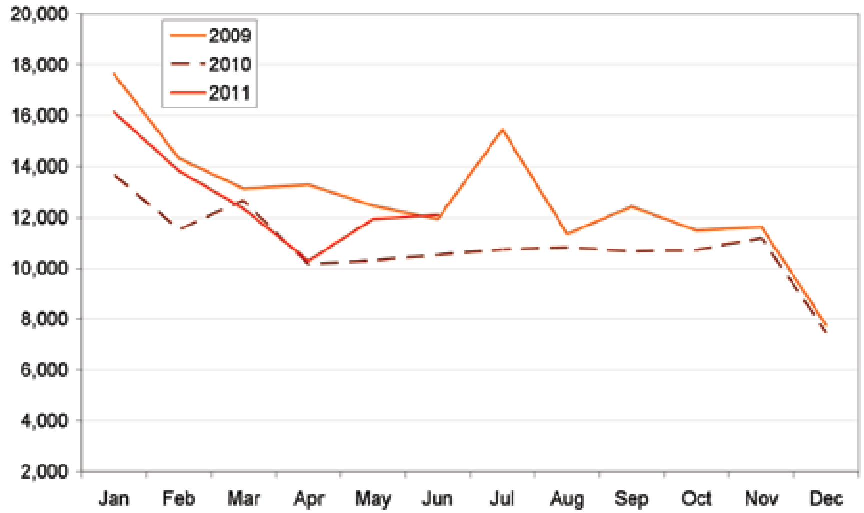
Net Surplus	**5,122**

Demand for our service in the first half of 2011

Helpline calls, 2009-2011



Debt Remedy users, 2009-2011



In the first six months of 2011, calls to our helplines continued to plateau compared with peak demand in 2009. The numbers seeking help via CCCS Debt Remedy have held up better, suggesting that people are increasingly comfortable seeking debt advice online.

Network centres

East Midlands (Nottingham)
Halifax
Leeds
North East (Newcastle)
North West (Chester)
Northern Ireland (Limavady)
Scotland (Glasgow)
South East (Eastbourne)
Wales (Cardiff)
West Midlands (Birmingham)

Chairman’s office
020 7391 4580
CCCS helpline
0800 138 1111
www.cccs.co.uk