




**The Debt Crunch  
Life and Indebtedness in Derbyshire**

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**EMMA partnership**  
EAST MIDLANDS MONEY ADVICE  
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**East Midlands Money Advice (EMMA)**

- Face-to-Face debt advice project covering Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire
- Partnership of 24 advice agencies (seven partners across Derbyshire)
- Funds 50 debt adviser across the region (12 in Derbyshire)
- Scheduled to see over 7,500 new debt clients each year (over 2,000 across Derbyshire)
- Overarching remit to develop and support financial inclusion partnerships within the region

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## The Problem with Debt.....

### Friday 11<sup>th</sup> July 2008

- Consumers will borrow an additional £293m
- Consumers will pay £258m in interest
- The average household debt will increase by over £11.75
- 424 mortgage possession claims will be issued and 302 mortgage possession orders will be made
- 408 landlord possession claims will be issued and 312 landlord possession orders will be made
- 282 people today will be declared insolvent or bankrupt
- 74 properties will be repossessed

Source: Credit Action July 2008

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## The Problem with Debt Strategy.....

- A complete lack of joined-up thinking
  - Face to Face Advice project – BERR
  - Growth Fund - DWP
  - Financial Capability - FSA
  - Illegal Money Lending - Local Authorities
  - Now Let's Talk Money/Champions - DWP
  - Small pockets of associated funding streams
  - Despite a national strategy, and a Task Force and Ministerial Working Group to oversee it, no coherent structure to drive forward at operational level

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## The Challenge for Derbyshire

- The need to translate a disparate national agenda into a comprehensive local strategy
- The need to pull together all pieces of the jigsaw
- The need to initiate a solution to the problem:
  - Creating a Partnership
  - Measuring Provision and Identifying Need
  - Producing a Strategy
  - Developing Delivery Solutions

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## Creating a Partnership

- Define areas (District/County etc.)
- Determine Lead Body (One organisation, Steering Group, new Partnership structure)
- Decide Membership
  - Local Authorities
  - Advice Agencies / Third Sector Lenders
  - Housing Associations
  - Service Providers (Sure Start, Age Concern, Voluntary and Community Organisations etc.)
  - Banks, Building Societies, Financial Services providers
  - Strategic Partners (EMDA, GOEM, NOMS etc.)
  - Financial Inclusion Champion

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## Measuring Provision & Identifying Need

- Affordable Credit Provision
- Face to Face Debt Advice
- Availability of all advice and information
- Savings models, availability and capacity for Savings Gateway
- Financial Capability, awareness and education
- Home Contents Insurance, bank accounts and other financial products


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## Producing a Strategy



- Development of a coherent, joined-up strategy at local level – wholly opposite to the national one !
- Measurable targets and objectives against identified areas of need
- Development of a comprehensive integrated service:
  - Money and Debt Advice
  - Savings
  - Affordable Credit
  - Access to financial products (bank accounts, insurance)
  - Promotion, Awareness and Education
- Exploration of all possible avenues of funding provision


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## Developing Delivery Solutions

- Development of primary service areas
- Accessibility to services via all community based outlets
- Effective referral mechanism and workflow to ensure all service needs can be met at once
- Promotion and publicity of partnership, issues and objectives


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## First Steps.....

- This Conference !
- Contributing to the debate
- Declaring a commitment
- Establishing that first Partnership discussion

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