

# Better debt advice

From a moment of crisis  
to a lifetime of resilience





the Money  
Advice Service

# Foreword

Debt advice can – and does – change lives. Evidence shows that debt advice can help resolve people’s issues, increase their confidence, improve their wellbeing, and set them on a road towards greater financial resilience.

However, identifying and addressing the root causes of problem debt is difficult. This research has identified a series of challenges which need to be overcome if debt advice is to achieve its potential. While advice is excellent at dealing with emergency issues, in many cases the focus could be sharper on tackling the causes of debt and supporting clients towards long-term change.

This report sets out the findings from the most in-depth study into debt advice delivery yet conducted in the UK. It provides evidence that while good practice is plentiful, practices vary greatly, and no one provider consistently excels throughout the whole journey.

There is often a perception that there is a trade-off between serving more clients and serving clients better, with funding models incentivising quantity rather than quality. With demand for advice increasingly exceeding supply, advisers are under great pressure to do more with less.

This research highlights ways that some providers are addressing this challenge. It reaffirms that many clients are highly capable – despite the stresses they are under – and able to contribute far more than is sometimes assumed to the debt advice process. Encouraging clients to take responsibility for tasks themselves can help develop skills and confidence, while helping reduce some of the burden on advisers.

The findings have already had an impact on our draft commissioning strategy, particularly its focus on improving quality, developing financial capability and delivering holistic support. We will apply what we have learnt throughout the delivery of the final strategy, mindful of the trade-off mentioned above.

For us, evolving debt advice is a journey, and as we deliver the strategy we will continually evaluate the impact of changes to ensure they are effective. Making the best use of emerging technologies will be crucial, and will enable us to maximise the value for money of our funding.

This was an in-depth review covering a real cross section of advice providers. However, there will be broader good practice in agencies not reflected in the scope of this work. We want to hear more about this and for that to feed into an ongoing discussion into good practice in debt advice.

We are optimistic that the good practice that exists can be built on to improve the effectiveness of advice for all. In today’s environment, this is more important than ever.

## **Colin Kinloch**

Debt Advice Strategy and Innovation Manager  
Money Advice Service

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- PayPlan
- Raise
- Shelter
- Step Change

Thanks also to the recipients of advice, who agreed to be interviewed at moments when, clearly, research was not their main priority.

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All photographs come from fieldwork and have been used with permission

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# Executive Summary

## Background to the research

### Context and objectives

The debt advice service landscape is extremely diverse, with variety in terms of funding model, delivery channel and geographic coverage. There are also a huge number of organisational, cultural and procedural differences between providers.

This research, commissioned by the Money Advice Service, sought to understand how the delivery of advice varies between organisations, and to identify areas of good practice to be shared across the sector.

Specific research objectives included:

- Understanding what clients need from advice, and how advice is delivered against those needs.
- Identifying practices that are leading to good outcomes for clients.
- Identifying what services could do better, or differently.
- Developing a list of guiding principles for the sector to aspire to.

### Methodology

This research was highly ambitious in its scope, incorporating multiple methodologies, providers, advisers and clients.

Fifteen advice providers participated in the research, spanning free-to-client and fee-charging organisations, different delivery channels, and large and small providers. Several methodologies were used, each of which generated unique insights. For further details, see Appendix B of this report.

In total, the research team conducted:

- 200+ hours of observation, data collection and interviewing at debt advice providers.
- 120+ interviews with debt advice staff, including advisers.
- 150+ interviews or discussions with current, past and potential clients of debt advice – covering an extensive range of different situations and experiences.

## Key findings

### Meeting client needs

The debt advice sector has many strengths. Key strengths are the technical knowledge of advisers, and the degree of compassion and empathy offered to all clients, regardless of their situation or circumstances.

However, clients have a broad range of often complex needs, and the research found that current advice services are not always able to meet all of them. This limits the potential of services to resolve clients' difficulties for the long-term.

For example, many clients disclosed issues that, in their mind, were the 'root causes' of their indebtedness (such as legal issues, relationship breakdown, unemployment, addiction etc.) and they felt that these problems were still unresolved at the end of the debt advice process. When asked, many advisers recognised the importance of these issues, but were not routinely supporting clients to address them.

The other client needs identified fall into three broad categories. Sector performance has been analysed against these and is summarised in the following table:



Category	Need	Sector Performance
<p>Improved financial situation</p> 	<p>Clients need support to improve their financial situation, for both the short and long term</p>	<p>Providers are good at providing crisis relief, but are less effective at bringing about long-term improvement.</p> <ul style="list-style-type: none"> <li>● A core strength of the sector is dealing with emergency issues, and advisers often go out of their way to advocate for clients with creditors and at court.</li> <li>● However, some advisers seem to be recommending solutions which, whilst effective in the short-term, are not always sustainable or effective long-term.</li> <li>● Many advisers are good at helping with benefits. Some clients would benefit from more help with other ways to increase income or reduce expenditure.</li> <li>● Advisers widely report that some clients, even with significant budget cutbacks and income maximisation, struggle to get a balanced budget.</li> </ul>
<p>Enhanced skills and knowledge</p> 	<p>Clients may need support with wider money management</p>	<p>Providers are missing some opportunities to help clients develop the skills and knowledge to avoid future problems.</p> <ul style="list-style-type: none"> <li>● Advisers are good at helping clients to understand which bills are a priority.</li> <li>● However, few advisers interviewed saw improving 'financial capability' as part of their role.</li> <li>● Advisers regularly assume that clients are unable to take on even small tasks relating to their financial affairs.</li> <li>● This means that opportunities for clients to build skills are often missed.</li> </ul>
<p>More positive outlook</p> 	<p>Clients need to feel confident and motivated to make changes</p>	<p>Advisers are skilled at empathising with and reassuring clients, but can fail to motivate change.</p> <ul style="list-style-type: none"> <li>● At first contact, advisers are good at making clients feel confident that they will be able to improve their situation.</li> <li>● After this, debt advice often focuses on technical administration rather than motivation.</li> <li>● While some advisers try to help clients change their perspective, many do not see behaviour change as part of their role, or lack confidence in helping with this.</li> </ul>

## Challenges across the client journey

Debt advice is complex, and there are inevitably challenges to overcome.

Some providers are highly aware of these challenges, and are developing practices to address them. The research identified examples of high quality and innovative practices across the sector, including in technology, structure and communication. However, quality and innovation was found to vary, both between providers, and across the client journey.

The key challenges at each stage of the journey are as follows:



**1. Growing debts:** Clients often do not seek advice until they are in crisis. While some providers engage in outreach activities to encourage people to seek help earlier, few are actively reaching out to those who are at risk, in part due to a lack of capacity. People struggle to accurately 'choose' advice that meets their needs, and once a provider is chosen, high demand means that clients often encounter barriers to access, such as long waits.



**2. Accessing debt advice:** The information given to clients is often overwhelming and confusing, with advisers sometimes feeling they need to rush to provide information in case clients drop out. Advisers struggle to obtain accurate figures from clients during financial assessments.



**3. Receiving advice and selecting solution:** Clients often find it hard to understand the debt solutions available to them, and sometimes feel they are not encouraged to consider them fully, or take the time to conduct their own research. This can be due to advisers feeling under pressure to get clients to choose an option before they drop out. Once a solution has been chosen, clients often do not feel in control of its implementation – with many actions being carried out by advisers.



**4. Making changes and monitoring:** After a solution has been implemented, some clients can feel like they are on their own, whilst others can be difficult to re-engage at the necessary points (e.g. annual reviews). Many clients feel they need more support with maintaining their solution.



**5. Ending solution and onward journey:** Clients feel there is a lack of communication at this stage, with some not knowing when their solution is complete. Support with the implications of debt solutions or with adjustment to 'post-solution' financial management is limited.

## Areas for development and innovation

The research showed that advisers and clients have different perspectives on what the journey can and should look like.

Advisers suggest that their focus is mainly on the 'moment of advice giving' (i.e. the selection and administration of debt solutions). However, clients feel that this focus on a single moment of advice giving does not adequately address their needs, or the root causes of their debt.

This suggests that experimentation with different models for the client journey may provide more opportunity to build clients' resilience for the future, by addressing root causes and providing longer-term support.

The issue of 'drop-out' (commonly mentioned by advisers) would need to be better understood and overcome in order to move to a model which involves longer-term engagement. Funding incentives may also need to evolve to support and incentivise alternative delivery models.

Many advisers attempt to reduce drop-out by providing as much information as possible at an early stage. Clients report that the level of information given can be extremely overwhelming. Experimenting with, and evaluating, alternative strategies could be beneficial.<sup>1</sup>

This research has highlighted several challenges and as a result four key areas for development have been identified. There is a need to:

- **Place a greater emphasis on long-term change:** Support clients to make longer-term improvements to their financial capability, their financial situation (beyond benefit maximisation) and their attitude and behaviour relating to money and debt.
- **Provide more holistic support:** Enable clients to address wider (non-debt specific) issues, such as relationship breakdown, job loss, domestic abuse issues, mental health difficulties, addiction or unstable housing.
- **Better match need and level of support:** Encourage advisers to recognise the diversity of client situations and capabilities through more nuanced needs assessments, and ensure that wherever possible clients are encouraged and supported to carry out tasks independently, helping them to develop skills for the future.
- **Promote and share responsibility for the delivery of high quality debt advice:** Encourage an ethos of continuous and collective improvement by sharing examples of effective and innovative practices within and between organisations. For example, innovation in technology and digital systems should be shared and built upon.

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1. Research by Money Advice Service – 'Using behavioural science to increase the uptake of debt advice' – explores strategies relating to behavioural science for decreasing drop-out

## Delivery principles

To ensure the needs and opportunities outlined in this research are developed and maximised, the research team worked with stakeholders, advisers and clients to develop several service delivery principles for the sector to work towards, based on analysis and insights from the data.

### Future-focused:

- Ensure clients are encouraged to change their perspective from 'dealing with the crisis' to 'making long-term change'.
- Ensure clients are helped to make decisions and changes that will benefit their situation in the long-term.

### Empowering:

- Promote a 'can do' attitude amongst advice recipients – by framing advice as a process where clients regain control.
- Ensure people are given the opportunity to develop skills and capabilities.

### Thorough and personal:

- Be investigative in the approach to gathering information about, and assessing, a client's needs.
- Maintain a tailored and personal approach to advice delivery.

### Accessible:

- Present information as clearly and simply as possible.
- Ensure that services are easy to find and access by different audiences.

### Positive and proactive:

- Make the service appealing by framing advice as a positive action.
- Ensure that advice does not begin and end at the 'moment of advice giving', but that it helps clients across a longer journey towards financial resilience.

### Efficient:

- Help as many clients as possible by ensuring processes are efficient.
- Allocate resource according to the need of each client.

# Section 1:

## Advice needs of over-indebted people

# 1.1 What are the advice needs of over-indebted people?

This research obtained the views of past, current and potential debt advice clients about their experiences of debt, as well as what they want and need from debt advice.

These clients came from a range of different backgrounds and circumstances, from people living on low incomes who struggle to make ends meet, to people who work full-time but find it difficult to effectively manage their money. Some had experienced severe income shocks, while others had seen their debts gradually accumulate to an unmanageable level.

Clients express a range of views on what they need from the advice process. For example, many past clients feel it is important that people learn from the advice given, whilst potential clients see the advice moment as an opportunity to bring about important personal and lifestyle changes. Overall, clients want to feel supported to make long-term improvements to their financial situation and the capability to avoid returning to the same situation again.

Many clients also feel it is important to address bigger issues, which they feel are the 'root cause' of their problems. These include issues such as addiction, financial abuse, underemployment, unstable housing or adult children not paying their way. Clients realise that, unless these issues are addressed, their financial situation may either not improve, or continue to get worse.



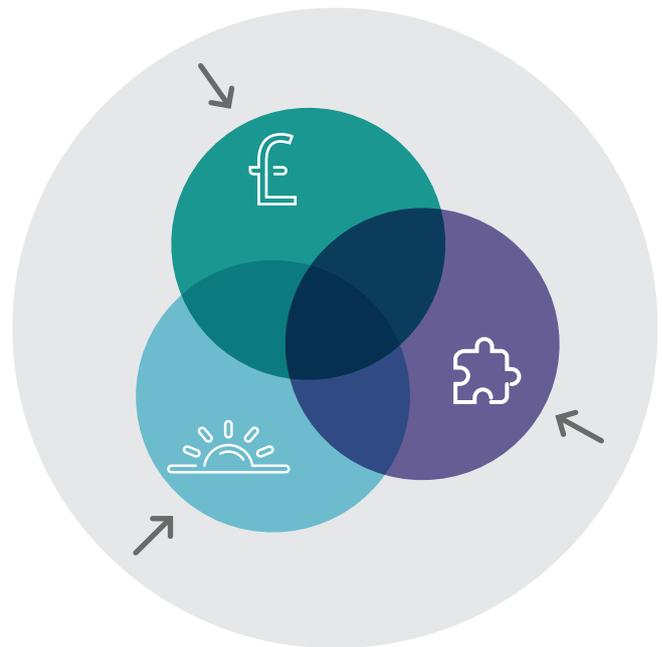
## Categorising advice needs

Through analysis of the needs expressed by clients, a framework was developed to categorise these needs<sup>2</sup>.

Within this framework, the root causes of a client's debt problem can influence and impact on each of the three overarching needs expressed by clients.

For example, mental health problems can sometimes affect a client's cognitive ability (capability) and mindset (motivation), as well as their financial situation (opportunity) if they experience challenges with employment.

Life context (root causes, e.g. employment, health)



**Improved financial situation (opportunity)**

**Enhanced skills and knowledge (capability)**

**More positive outlook (motivation)**

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2. This framework is based on the COM-B behaviour change model (see Michie, S., van Stralen, M.M., & West, R. (2011). The behaviour change wheel: A new method for characterising and designing behaviour change interventions. *Implementation Science*, 6(1), 6–42). A similar framework is included within the Money Advice Service's recent report: 'An Unavoidable Challenge? Repeat Clients in the Debt Advice Sector'. The two frameworks are both based on the COM-B model and therefore largely align with each other. The category names in this report reflect additional insights from this research. The Money Advice Service's financial capability model is also based upon the COM-B model: [https://masassets.blob.core.windows.net/cms/files/000/000/570/original/A4\\_MAS\\_Fincap\\_Measuring\\_Financial\\_Capability\\_Building\\_Builds\\_Nov2016.pdf](https://masassets.blob.core.windows.net/cms/files/000/000/570/original/A4_MAS_Fincap_Measuring_Financial_Capability_Building_Builds_Nov2016.pdf)



**“I really don’t think I will ever be able to save. I am always living pay cheque to pay cheque.”**

Lee, 27, client



**“I need to know how to stay on track with my spending. There’s so much I want to do and work towards but it seems impossible to work out how to get there.”**

Ricky, 39, client



**“I want to feel like trying to save is worth it and that every little helps, but it feels so hard and impossible. If I could see the benefit to trying to make changes, I would.”**

Lesley, 58, client

### 1. Client need: Improved financial situation

Most clients expressed that without improving their overall financial situation, it was unlikely that they would ever be able to repay or effectively manage their debt. They recognised that changes or improvements would need to be realistic and maintainable, to make a lasting difference.

Specific needs include:

- Finding an effective and affordable debt solution.
- Increasing income and maximising benefits.
- Building savings to reduce reliance on credit.

### 2. Client need: Enhanced skills and knowledge

Many clients expressed concern at their levels of financial capability and literacy. Some felt that weaknesses in these areas might have contributed to their difficulties, and would continue to do so if these weren’t dealt with.

Specific needs include:

- Being able to monitor and stick to a budget.
- Being able to deal with unanticipated expenses.
- Knowing how to prioritise bills and payments.
- Knowing how to successfully manage and communicate with creditors.
- Having a better understanding of financial products.
- Understanding how to make improvements to their situation or behaviour.

### 3. Client need: More positive outlook

Many clients recognised that improving their situation would take time, and that without feeling motivated and confident, they would not be able to make and sustain the difficult changes needed.

Specific needs include:

- Being confident in their ability to improve their financial situation.
- Feeling motivated to take responsibility.
- Being confident in their financial skills and capabilities.
- Being able to maintain momentum when working towards future goals.

## 1.2 How well is the advice sector meeting these needs?

There are many clear examples of good practice advice being delivered across the sector – with obvious strengths around the technical knowledge of advisers and the degree of compassion and empathy offered to clients.

Advisers are extremely committed and often go out of their way to help advice recipients – from acting as advocates at court to providing support with difficult personal relationship issues.

Most individuals who had experienced advice were united in their praise for the kindness and empathy shown to them by advisers, at a time when they felt heightened anxiety, stress, and even shame at their situation. Both current and potential clients feel that this non-judgemental approach is an essential aspect of the advice process.

The acts of these advisers are laudable, but the challenge seems to be that the consistency and quality of the support on offer is highly variable (between advisers and between advice giving organisations), leading to differing outcomes between clients. For example, the research found evidence of varying quality in terms of oversight processes, client relationship management (CRM) systems, and methods for recording and sharing case notes between teams.

Some advisers recognise that dealing with the root causes of debt, as highlighted by clients, is important. They often feel let down by a 'system' that isn't properly supporting clients to address the root causes of their problems. At the same time, other debt advisers don't see it as their responsibility to support clients with wider issues, often blaming the economic and political climate for problems that they feel are inevitable.

Although advisers are good at recognising the individuality of clients' financial situations, they are generally not acknowledging variations in capability. Despite indications that most clients are capable of carrying out some actions themselves, there is a tendency towards 'hand-holding'. Clients are generally not encouraged to take on responsibility or carry out tasks independently, which minimises their opportunity to develop skills for the future.

This section outlines the current practice of the advice sector and opportunities for improvement, mapped against the key needs of debt advice clients.



**"She was great, she did so much for me. All I needed to do was hand in some bills and work out what I was spending. She then contacted everyone I owed money to. I feel like this was just what I thought I needed at the time, but it would have been helpful to know how to do some of this myself."**

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**Margaret, 52, Client**

## Improved financial situation

Advisers speak knowledgeably about how they can prevent clients' debts from accumulating further and help them to reduce what they owe. However, their aspirations tend to focus only on short-term change and are sometimes limited to preventing clients' situations from deteriorating further.

For some clients, financial improvement is extremely challenging. Advisers widely report that some clients, even with significant budget cutbacks and income maximisation, struggle to get a balanced budget, which makes advice-giving difficult.



Need	Current Practice	Opportunities for improvement
<b>Finding an effective and affordable debt solution</b>	<ul style="list-style-type: none"> <li>When it comes to debt solutions, stress and anxiety mean that immediate relief is often a priority over long-term benefit</li> <li>Clients tend to find solutions that clear the debt or keep creditors 'at bay' more instantly appealing (e.g. DROs, Token Payment Plans).</li> <li>Advisers can struggle to promote solutions which might be more affordable or sustainable in the long run.</li> </ul>	After emergency issues have been dealt with, advisers could present clients with a range of options and encourage them to invest time in choosing the solution that will benefit them most over the long-term.
<b>Increasing income and maximising benefits</b>	<ul style="list-style-type: none"> <li>Advisers regularly ensure that clients receive all the benefits they are entitled to. Many clients see this as invaluable as they find the benefits system difficult to engage with.</li> <li>Advisers were rarely observed discussing opportunities beyond benefit maximisation. Advisers suggest there is little they can do to help with employment issues.</li> </ul>	Exploring income options beyond benefit maximisation could be a larger part of the debt advice process, where this is possible for the client. For example, charging adult children rent, considering downsizing, or selling unwanted goods.
<b>Building savings to reduce reliance on credit</b>	<ul style="list-style-type: none"> <li>Many clients are anxious about poor credit scores and often seek guidance on how to improve their rating.</li> <li>With hindsight, some realise that it might have been beneficial to explore ways to reduce their outgoings and therefore their reliance on credit.</li> <li>There is little evidence of advisers challenging clients on their credit needs or encouraging them to think about reducing reliance on credit over time through saving.</li> </ul>	Providing help and tips on saving money day-to-day, discussing the pros and cons of credit use, and encouraging clients to start building savings.

## Enhanced skills and knowledge

A small number of advisers recognise that supporting clients to develop their financial skills and knowledge is vital to ensuring they can manage independently. However, this is not a universal view – some advisers state that developing these capabilities is not part of their job role.



Need	Current Practice	Opportunities for improvement
<b>Being able to monitor and stick to a budget</b>	<ul style="list-style-type: none"> <li>Whilst income and expenditure information is collected for financial statements, few advisers are using this as a starting point for a budget – with many viewing it as simply a way to determine solution suitability.</li> </ul>	Providers could frame financial statements not only as an item used to negotiate with creditors, but as the basis of an ongoing budget.
<b>Being able to deal with unanticipated expenses</b>	<ul style="list-style-type: none"> <li>Many clients say that they aren't able to prepare for unexpected bills or events.</li> <li>In advice sessions, whilst advisers talk to clients about prioritising bills, few discuss proactively preparing for unexpected events or bills.</li> </ul>	Providers could help clients build strategies to cope with unexpected events. For example, by suggesting putting money aside in a savings account.
<b>Knowing how to prioritise bills and payments</b>	<ul style="list-style-type: none"> <li>After advice, clients are confident that they know the differences between priority and non-priority bills, and have a plan to manage their priority bills.</li> <li>It is less clear how clients are going to manage non-priority bills. For example, advisers were observed putting clients on long-term token payment plans to deal with non-priority creditors.</li> </ul>	Whilst it is important that clients are clear about which debts are a priority, advisers should also ensure that clients have a strategy for dealing with non-priority debts over the longer term.
<b>Having a better understanding of financial products and the risks involved</b>	<ul style="list-style-type: none"> <li>Clients are often aware that they have limited knowledge of financial products, particularly the risks involved.</li> <li>A small number of advisers also recognise that clients struggle with this and have developed resources about products and their risks. This literature is often deliberately 'financial jargon-free' to ensure that clients fully understand it.</li> </ul>	Signposting to resources about products could be more routinely covered within the advice process.
<b>Understanding how to make improvements to their situation or behaviour</b>	<ul style="list-style-type: none"> <li>Clients want support to analyse their situation and behaviour, to work out what might have gone wrong and make positive changes.</li> <li>However, advisers highlight that this is difficult to discuss when clients present for advice, as they are often in a high state of stress and not in a reflective mindset.</li> </ul>	Identify moments where clients are more receptive – for example, after emergency issues have been dealt with – and use these to encourage self-reflection and change.

## More positive outlook

Advisers tend to focus on the technical aspects of advice (i.e. debt solutions) and not the clients' feelings about changing their situation or behaviour. Many advisers are unsure how to go about motivating clients or encouraging them to change their behaviour; many express the view that the political and social climate makes change impossible for many clients.



Need	Current Practice	Opportunities for improvement
<b>Being confident in their ability to improve their financial situation</b>	<ul style="list-style-type: none"> <li>• Clients can feel that their situation is hopeless and that there is little they can do to change it.</li> <li>• Advisers can sometimes exacerbate this feeling by blaming external factors (e.g. the political climate) and not helping the individual to feel in control.</li> </ul>	Advisers could do more to ensure that clients feel hopeful about their future (e.g. by providing success stories and encouraging self-belief).
<b>Feeling motivated to take responsibility</b>	<ul style="list-style-type: none"> <li>• Many clients feel responsibility towards creditors and would like to do their best to pay back debts.</li> <li>• Sometimes advisers can take an 'anti-creditor' tone which can undermine the sense of responsibility clients previously felt.</li> </ul>	Portray a more balanced view of creditors – encouraging clients to take responsibility for their debts wherever possible.
<b>Being confident in their financial skills</b>	<ul style="list-style-type: none"> <li>• Clients often don't feel confident in their financial skills, which makes them feel that change is impossible.</li> <li>• This feeling is not addressed by advisers, who can underestimate clients' capabilities and take control of actions rather than encourage clients to complete tasks themselves.</li> </ul>	Encourage clients to carry out simple (and complex) tasks and provide them with positive feedback when they complete them.
<b>Being able to maintain momentum and motivation when working towards future goals</b>	<ul style="list-style-type: none"> <li>• Clients often find advisers' positive encouragement motivating.</li> <li>• However, this encouragement is often given at the start of the process and there are fewer examples of clients being rewarded for making progress towards goals or staying on track.</li> </ul>	Building in extra ways to contact and encourage clients after their debt solution has been set up could help them stay motivated (see Section 2).

# Section 2:

# Experiences through the client journey

# 2.1. Challenges across the client journey

Delivering debt advice is extremely challenging. As discussed in the previous section, clients have a broad range of often complex needs, including challenging emergency issues, which need to be resolved if a client is to overcome their difficulties for the long-term.

There are therefore inevitably challenges to overcome throughout the client journey. Some providers are highly aware of these issues, and are finding ways to address them. However, quality and innovation was found to vary between providers and across the journey.

This section gives a summary of the key challenges that exist at each stage of the journey, grouped into the stages shown in the diagram below.

These stages were identified during conversations with providers and clients. Whilst there was variety in the journey between providers, in principle the same five stages are experienced by all clients (albeit not always in a linear manner).

It became clear that these two groups had differing perspectives on what the journey can and should look like.

Advisers suggest that their focus is mainly on the 'moment of advice giving' – in particular, choosing and administering a debt solution. When asked to

describe the journey, many advisers focus exclusively on the steps immediately before or after selecting a solution.

From the client's perspective, this moment is important but not the only focus. For many, choosing a debt solution is just one step towards their end goal (improving their long-term financial situation) and their ideal journey is therefore longer, with a different end-point.

Consequently, some recent clients find the weighting of support towards the selection of a debt solution frustrating, especially when they feel they have other issues – that they see as the root causes of their debt – that need to be addressed. For some, the breathing space that implementing a solution provides could also be an opportunity to encourage reflection and support larger changes to their situation or behaviour.

This suggests that experimenting with different models for the client journey may provide more opportunity to address root causes and provide longer-term support to clients.



## Challenges: stage by stage



### Stage 1. Pre-advice: Growing debts

The pre-advice stage is a potentially lengthy period – from the point at which the client starts accumulating, or falling behind on debts, until they seek or are referred for help.

There are significant barriers to seeking advice. Many people do not fully realise the extent of their debts, or understand where the line between manageable and unmanageable debt lies. There is also stigma associated with seeking help, with many perceiving that ‘debt advice’ is not for ‘people like them’.

Whilst some providers engage in outreach activities to try to encourage people to seek help earlier, few providers are actively reaching out to those who are at risk, in part due to a lack of capacity. This means that many clients do not access advice until they are in crisis.

When people do reach out for help, they can struggle to identify which providers are most suitable for them, as providers’ offers can look very similar. This means clients often choose the first provider they come across.

Once clients have ‘chosen’ a provider, in many cases they can encounter significant barriers to access – including long waits and a lack of suitable channels or opening hours.



### Stage 2. Advice: Accessing debt advice

When a client accesses advice, a lot of different activities are undertaken – including undertaking a detailed financial assessment, identifying emergency issues and understanding the causes of debt.

Initial interactions with clients are often time-limited, which means that advisers feel they need to rush to provide information in case the client ‘drops out’. Despite some providers trying to simplify information, clients often feel overwhelmed and confused at this stage.

Obtaining an accurate financial assessment can be particularly challenging. Whilst some providers forewarn clients about what documentation is needed, clients often struggle to collate information, sometimes due to not having engaged with their debts previously. Some providers are making progress in this area, through technology or step-by-step instructions.

Many clients are unsure about how much they typically spend, and some guess when put on the spot during assessments. Some advisers feel that they lack effective means to obtain accurate information from clients, while others can exacerbate inaccuracies by unintentionally giving clues about the ‘correct’ figures to give to qualify for certain solutions.



### 3. Advice: Receiving advice and selecting a solution

This stage of the advice process includes several key activities – from clients being recommended and choosing a solution, through to a solution being set up. It also includes managing creditors – sometimes by clients, but more commonly by advisers.

Clients find it hard to understand the debt solutions available to them. Many clients described feeling confused and overwhelmed by the options presented. Whilst some providers recognise their duty to help clients decipher complexity around debt solutions, few have found a way to help clients easily understand the differences between options.

This issue can be exacerbated by advisers feeling under pressure to get clients to choose an option before they drop out. Clients sometimes feel they are not encouraged to consider the options fully or take the time to conduct their own research. There is also often a lack of exploration of clients' plans and goals, leading to confusion over which option is the most appropriate both short and long-term.

Once an option has been selected, providers tend to take control of actions for clients (such as contacting creditors on their behalf), which, while ensuring the solution is adequately set up, does not necessarily support clients to build skills and capability.



### 4. Post-advice: Making changes and monitoring

At this stage, the client's debt solution has been set up, and the client is required to fulfil the obligations of that solution (e.g. by making repayments).

Apart from standard review points (e.g. annual reviews for Debt Management Plans (DMPs)), there is little contact between providers and clients once a solution is in place.

Some clients feel anxious about this limited communication, and worry about where to turn if they struggle to maintain the solution, or if they recognise they are falling back into bad habits.

Others feel that once a solution has been put in place, the debt has effectively been 'taken off their hands' and they do not need to keep in touch. This can make it difficult for providers to re-engage clients when necessary i.e. for annual reviews.

Overall, this lack of contact means that clients can lack necessary support with maintaining their solution, or to help them towards financial goals and lifestyle changes.



## 5. Post-advice: Ending solution and onward journey

At this stage, clients are completing their debt solution and looking ahead to the future.

Clients are often unsure as to how long their solution will last, and it can be unclear when it has ended, with only a minority receiving communications from providers at this point. Many also struggle to adjust to the change in financial situation that the end of their solution brings.

Despite a few providers offering information leaflets at the end of solutions, many clients have unanswered questions at this point about how their debt solutions might impact their access to financial services in future.

Few are given resources to build financial capability and prevent them getting back into debt.

**Appendix A discusses these challenges in greater detail. It also outlines ways that some providers are addressing these challenges. This includes detailed case studies of high quality and innovative practices in a range of areas including technology, structure and communication.**



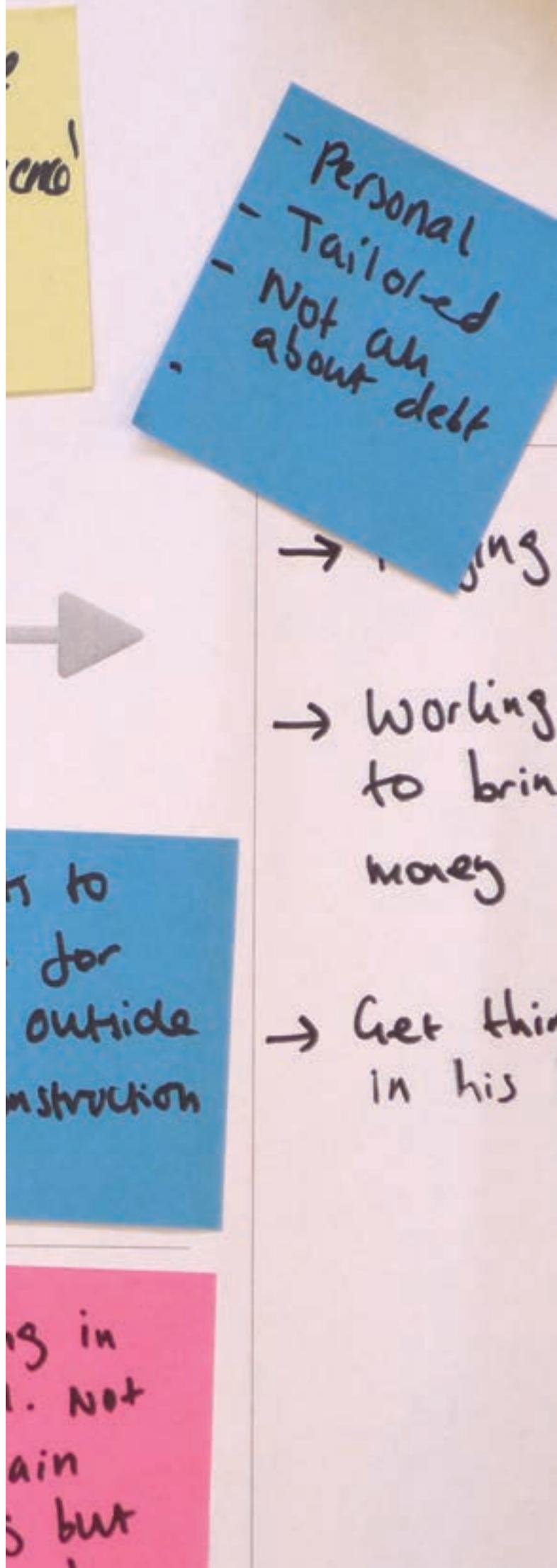
# Section 3:

## Areas for development and innovation

## 3.1 Areas for development and innovation

This research has identified four main areas for development within advice delivery. It suggests there is a need to:

- **Place a greater emphasis on long-term change:** Support clients to make longer-term improvements to their financial capability, their financial situation (beyond benefit maximisation) and their attitude and behaviour relating to money and debt.
- **Provide more holistic support:** Enable clients to address wider (non-debt specific) issues, such as relationship breakdown, job loss, domestic and financial abuse issues, mental health difficulties, addiction or unstable housing.
- **Better match need and level of support:** Encourage advisers to recognise the diversity of client situations and capabilities through more nuanced needs assessments, and ensuring that wherever possible clients are being encouraged and supported to carry out tasks independently, helping them to develop skills for the future.
- **Promote and share responsibility for the delivery of high quality debt advice:** Encourage an ethos of continuous and collective improvement by sharing examples of effective and innovative practices within – and between – organisations. For example, innovation in technology and digital systems should be shared and built upon.



## Principles for delivering against needs

To ensure the needs and opportunities outlined in this research are developed and maximised, several practical service delivery principles have been developed.

An initial set of principles were drafted by the Money Advice Service. These were refined throughout this research based on consultation with stakeholders, advisers and clients. They were further refined in a series of co-design workshops with potential clients across nine towns and cities in Wales.

It became clear through this process that potential and existing clients were open and supportive of the principles, with many commenting that they described the type of service they would both like and need to engage with. Advisers also recognised that whilst the principles are ambitious in nature, they outline the type of service they should be delivering to their clients.

The page opposite describes each principle as well as an assessment of how well the sector is deemed to be operating against it, based on the evidence presented in this report.

## Current sector performance



### 1. Future focused

- Ensure clients are encouraged to change their perspective from 'dealing with the crisis' to 'making long-term change'.
- Ensure clients are helped to make decisions and changes that will benefit their situation in the long-term.

### 2. Empowering

- Promote a 'can-do attitude' amongst clients – by framing advice as a process where clients regain control, as opposed to a process where control is relinquished to an adviser.
- Give people the opportunity to develop their skills and capabilities, by encouraging them to carry out actions independently.

### 3. Thorough and personal

- Be investigative in the approach to gathering information about and assessing a client's needs – recognising that enabling clients to become 'debt-free' relies on uncovering the root cause of their debt problem.
- Use a tailored and personal approach – recognising that every client's situation and capabilities are different.

### 4. Accessible

- Present information as clearly and simply – and as free from technical jargon – as possible.
- Ensure that services are easy to find and access by different audiences – such as those who prefer online contact, or who need advice outside of working hours.

### 5. Positive and proactive

- Make the service appealing to potential recipients by using encouraging language and framing advice as a positive action.
- Ensure that advice does not begin and end at the 'moment of advice giving', but that it helps clients across a longer journey towards financial resilience.

### 6. Efficient

- Help as many clients as possible through efficient processes (e.g. making sure clients bring the right documents, etc.).
- Allocate resource according to the need of each client – and encourage clients to take on tasks where they are capable of performing them.

# Appendix A: Detailed challenges and opportunities across the client journey

# Appendix A: Detailed challenges and opportunities across the client journey

Delivering debt advice can be complex, and inevitably there are challenges to overcome. It is evident that some providers are aware of these issues and are using innovative ways to address them.

The following section outlines the challenges that exist at each stage of the journey and the ways providers are addressing these, including some detailed good practice case studies.

The section is grouped into the following stages, covering the full client journey – from before a client seeks advice to the end of their debt solution. Whilst there was variety in the journey between providers, in principle the same five stages are experienced by all clients (albeit not always in a linear manner).



# 1. Pre-advice: Growing debts

The pre-advice stage is a potentially lengthy period – from the point at which the client starts accumulating or falling behind on debts, until they seek or are referred for help.



## The challenge:

Lack of proactivity on behalf of both clients and providers

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### Clients

- Clients tend to only access advice in moments of heightened anxiety and stress – when they believe their situation is ‘bad enough’ to warrant support.
- A high number of potential advice recipients are not fully aware of the extent of their debt or where the line between ‘manageable’ and ‘unmanageable’ debt lies.

### Debt advice providers

- Few providers are delivering any kind of early intervention to at-risk customers.
- Relatively few providers have outreach activity to identify and engage at-risk people (as opposed to people in crisis).
- Some providers turn people away if their situation is not severe enough (e.g. they haven’t yet missed a payment).

---

### Some providers are addressing this challenge through:

- **Outreach** – Some providers are proactively approaching at-risk groups to make them aware of advice services, for example through drop-in sessions at supermarkets.
- **Partnerships and referral networks** – Some providers are working with other local organisations to generate referrals (e.g. law centres working with CABs).
- **Promotion** – Some are promoting their services in community centres or libraries.

**“I left it until the point when bailiffs started banging on the door, scaring the life out of me”**

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**Kay, 36, past client**

## The challenge:

People find debt advice stigmatising and off-putting

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### Clients

- People don't see debt advice as for 'someone like them' and have strong negative stereotypes about 'typical' advice seekers.
- Some people believe that seeking help is a sign of failure or desperation.

### Debt advice providers

- Providers are using words like 'counselling', 'crisis' and 'poverty', which can have strong (and often negative) associations for potential advice seekers.
- This can reinforce the negative stereotypes and perceptions that people have about advice.

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### Some providers are addressing this challenge through:

- **Changing language** – Some providers are evolving their brand and the tone/language used in interactions to make their offer more appealing (for example, changing the job title of debt advisers to the more aspirational 'money coach').
- **Creating a strong brand** – Fee-paying debt advice providers are more likely to market themselves as offering 'professional services', which makes them feel less charitable or for 'needy people'.

**“Debt advice is for poor people or people in a really bad way, who need to go bankrupt. It's not for people like me, with a full-time job and credit cards. Everyone is in that situation, aren't they?”**

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**Melanie, 38, client**

## The challenge:

It's difficult for clients to 'choose' advice that accurately meets their needs

---

### Clients

- People are often unclear about the different types of help that are available to them when struggling with their finances.
- Few clients actively 'choose' an advice provider that meets their specific needs, often using the first provider they find (e.g. top of online search results).

### Debt advice providers

- Clients often expressed that it was not clear what kind of advice is available at different providers and said that from their descriptions many look very similar.
- Few have processes in place for referring customers to more appropriate forms of advice. For example, once clients end up in the face-to-face channel, they typically stay there, even if they might have preferred online support.

---

### Some providers are addressing this challenge through:

- **Collaboration between providers** – Some advice providers are referring clients to alternative providers who might be more suitable for them (e.g. signposting clients to telephone advice or self-help support).

**“I didn't know what I was looking for, I just Googled debt advice and they were one of the first links I found.”**

---

**Laura, 35, past client**

## The challenge:

People can sometimes struggle to access advice in a convenient manner

---

### Clients

- After having decided to seek advice, people often report that it is difficult to get through to an adviser, due to advice being inaccessible outside of working hours or via channels other than face-to-face.
- Others report delays in getting through to providers via phone or long waits at drop-in sessions, causing them to give up.

### Debt advice providers

- Providers readily admit that due to high demand and sometimes inefficient administration or 'triage' processes (e.g. confusion over allocation of clients to staff members), providers struggle to help everyone.

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### Some providers are addressing this challenge through:

- **Channels of communication** – Some providers allow clients to contact them through a range of channels (e.g. telephone, face-to-face and web chat).
- **Flexible opening hours** – Some providers have extended opening hours to cater for working patterns.
- **Initial triage** – Some providers are using staff/volunteers to provide initial assessments to customers, to free up adviser time.

**“We are already under huge strain and struggle to see everyone. We don’t have the time, resource or capacity to reach out to people as well. All that would mean is we wouldn’t be able to see them. That wouldn’t be positive, would it?”**

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**Advice centre manager**

# Detailed case studies

## Outreach at local events and services

Centre 70 and Mary Ward Legal Centre

### What is being done?

- Centre 70 are co-delivering support with services who work with individuals at risk of financial difficulty. This includes partnerships with food banks.
- The Mary Ward Legal Centre has strong relationships with local CABs, where they do regular outreach sessions with people who are dealing with multiple and complex needs e.g. mental health issues, combined with language barriers.

### Benefits for clients

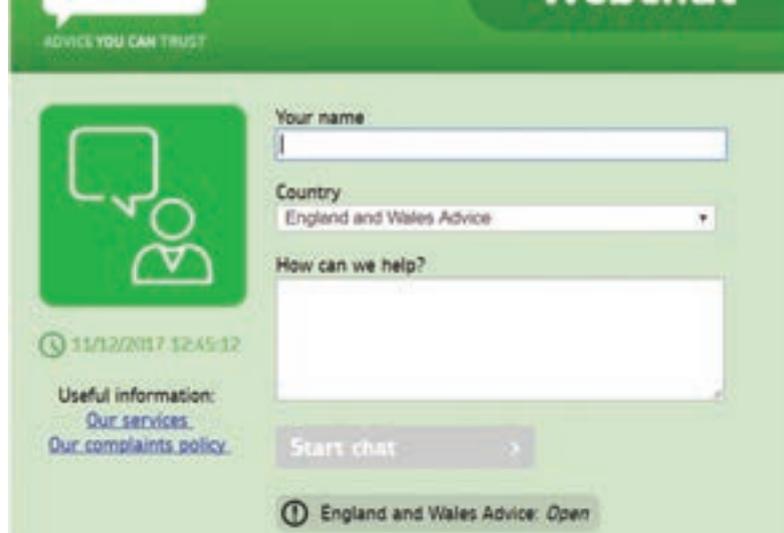
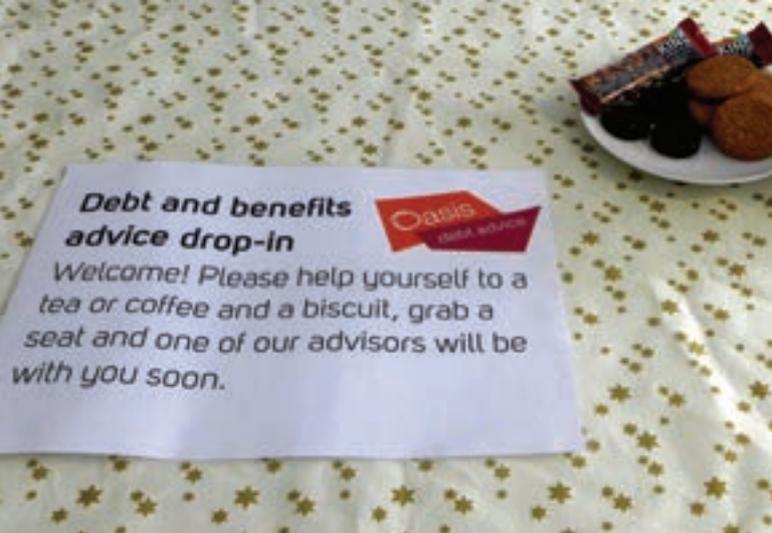
- Raises awareness that advice is available, and encourages people to think about their financial situation earlier.
- Takes advice to clients, removing some barriers to access.

**“As an advice provider, you need to recognise where your potential clients might be – you can’t always expect people to come to you.”**

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**Provider**





### Evening and weekend drop ins

CMA Oasis And East Dunbartonshire Citizens Advice

#### What is being done?

- CMA Oasis Debt Advice and East Dunbartonshire Citizens Advice provide extended opening times, including weekend and evening drop-in sessions.
- These sessions are framed as ‘come and chat about anything that might be bothering you’, to make the service approachable and stigma-free.

#### Benefits for clients

- Extended hours increase access by enabling those who work during the day to use the service.
- Framing advice as a ‘chat’ makes the service less daunting. This means that clients are more likely to access before they are in a heightened state of anxiety.

### Webchat service

National Debtline and Manchester Citizens Advice

#### What is being done?

- National Debtline and Manchester Citizens Advice provide a webchat function which enables higher degrees of flexibility as it enables clients to access advice at a time that suits them – and anonymity.

#### Benefits for clients

- People can access help at a time and place that suits them.
- This may be particularly beneficial for people who value anonymity or who are nervous about discussing their problems face-to-face or on the phone.

**“We have found if we make it a bit more light-touch and frame it as ‘come and have a chat’ then people are more likely to feel comfortable in attending.”**

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**Adviser**

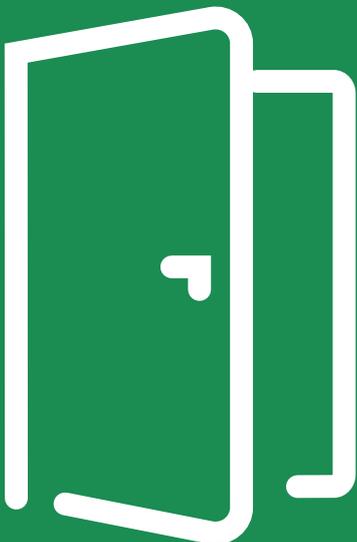
**“I could do it from home and didn’t have to talk to anyone face-to-face – so it was less embarrassing.”**

---

**Peter, 55, client**

## 2. Advice: Accessing debt advice

During this stage, a lot of different activities are happening – including undertaking a detailed financial assessment, identifying emergency issues and understanding the causes of debt.



## The challenge:

The information given to clients can be overwhelming

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### Clients

- Clients often feel that the information they are given (written and verbal) is overwhelming, confusing, and full of jargon.

### Debt advice providers

- Providers are often aware of the time-limited nature of their interactions with clients, and therefore tend to provide lots of information in case the client drops out.

---

### Some providers are addressing this challenge through:

- **Language that is accessible for all** – Some information sheets are being adapted to make them jargon-free and suitable for a lower reading age, making the information more accessible.

**“You do have to get as much out of them as possible at that first interaction. Clients can disappear and you want to make sure they don’t get in a worse position. We almost have to squeeze as much out of them as possible really early on.”**

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Telephone adviser

## The challenge:

Clients frequently find the financial assessment overwhelming and obtaining accurate information is difficult

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### Clients

- Some clients are unsure what information or documentation is required for financial assessments. Even when they are told, they can struggle to retain this information and some get overwhelmed thinking about paperwork.
- Most clients are unsure about how much they typically spend, and some guess when put on the spot during assessments.

### Debt advice providers

- Advisers struggle to obtain accurate figures and feel they have limited strategies for obtaining better information.
- Advisers sometimes unintentionally give clues or suggestions to clients about the 'correct' answers to give to qualify for certain solutions or have their offers accepted by creditors.

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### Some providers are addressing this challenge through:

- **Providing clear and easy step-by-step guidance** – Some are creating step-by-step information sheets to make financial assessments feel less overwhelming.
- **Starting financial assessment early** – In a few instances, clients are encouraged to start filling in their income and outgoings before speaking with an adviser, meaning that they are more prepared and therefore potentially more accurate in their responses.

**“During the financial assessment, I wasn’t honest at all. I found it unrealistic to get things down to the penny”**

---

**David, 43, past client**

# Detailed case studies

## Using technology to collect information

Raise

### What is being done?

- Raise are using iPads during in-home visits with clients to collect and input data on clients' finances. For example, taking photographs of letters and statements and inputting spending data into a digital income and expenditure form.

### Benefits for clients

- Advisers can more easily ensure the accuracy of clients' statements, and can therefore understand their situation better and suggest more appropriate solutions.
- Digital collection also saves advisers time as they don't have to re-input data.

**“We are dealing with vulnerable people – we can't always expect them to gather everything together effectively”**

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**Adviser**





### **Fully probing into income and outgoings**

Manchester Citizens Advice and PayPlan

#### **What is being done?**

- Citizens Advice Manchester explain why it is important to reply honestly to the adviser's questions (e.g. 'something missed can change everything').
- PayPlan use follow-up questions to ensure clients have fully considered all their spending, for example by saying 'How often do you do a top-up shop?'.

#### **Benefits for clients**

- By encouraging clients to fully consider their answers, advisers can build up a more accurate picture of clients' circumstances and recommend the most appropriate course of action.

### **Encouraging engagement with their debt**

Castlemilk Law Centre

#### **What is being done?**

- Castlemilk Law Centre recognise that some people are reluctant to open letters from creditors. To encourage them to start engaging, they ask clients to put their letters in chronological order before they receive advice.

#### **Benefits for clients**

- Through this simple action, clients are encouraged to start engaging with their debt – helping them to retain control and build confidence in dealing with financial matters.

**“Bringing your own experience into questions is so helpful. I know on the way home I often stop in the corner shop for a few bits and bobs I don't need. Ask clients if they are doing that too!”**

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**Adviser**

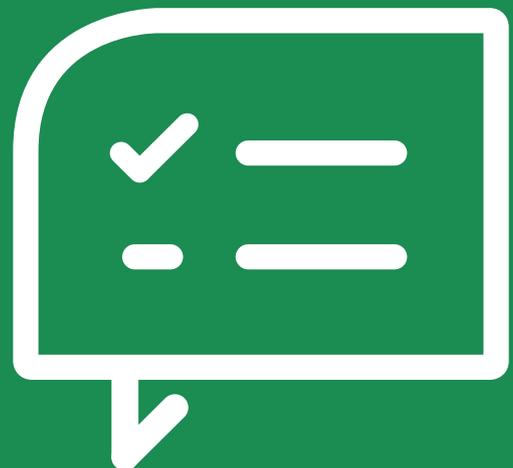
**“I ask people to come along with their letters in chronological order, because then at least they're looking at their letters instead of handing them unopened to me.”**

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**Adviser**

### 3. Advice: Receiving advice and selecting a solution

This stage of the advice process includes several key activities – from clients being recommended and choosing a solution, through to a solution being set up. It also includes managing creditors – sometimes by clients, but more commonly by advisers.



## The challenge:

Clients find it hard to understand the debt solution options available to them

---

### Clients

- Many clients describe feeling confused and overwhelmed by the options presented to them.
- Many clients have entrenched negative associations with some solutions.
- Clients sometimes feel that they are not encouraged to think fully about the solution or conduct their own research.

### Debt advice providers

- While some providers recognise their duty to help clients decipher complexity around debt solutions, few have found a way to help clients easily understand the differences between options.
- Many express frustrations that clients drop out before choosing an option. Advisers therefore feel under pressure to rush the set-up process.
- There is often a lack of exploration of clients' plans and goals, leading to confusion over which option is the most appropriate both short and long-term.

---

### Some providers are addressing this challenge through:

- **Simplifying information** – Some providers are trying to refine key messages about options – e.g. by providing a sheet with recommended options alongside a summary of all options.
- **Provider resources** – In most cases, providers have standardised reference materials (e.g. on intranet) they can consult, to ensure they are giving simple and accurate information to clients.
- **Preventing drop-out** – Some are trying to be more proactive in contacting clients about solutions, e.g. setting dates to check in if the client hasn't been back in touch.

**“I normally like to hear there are several different ways I can do something. Although I was told about lots of options by the adviser, I found it hard to understand all of them.”**

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**Natalie, 33, past client**

## The challenge:

Clients often do not feel in control of the implementation of their solutions

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### Clients

- Most clients rely heavily on their advisers to implement the solution, sometimes feeling that only advisers have the expertise to implement the solutions smoothly.
- Those who are more involved in implementing the solution often have greater confidence that they could do it again, and feel more in control of their finances.

### Debt advice providers

- Providers tend to take control of actions for clients (such as contacting creditors on their behalf), which, whilst ensuring the solution is adequately set-up, does not necessarily support clients to build their own skills and capabilities.

---

### Some providers are addressing this challenge through:

- **Templates** – Toolkits and templates (e.g. creditor letters or phone call plans) are seen across numerous providers.
- **Next step checklists** – Some providers give clients a breakdown of what they need to do once the solution is in place (e.g. on an online account or on paper).

**“I didn’t do anything really. She sorted it all out for me. It’s not that I couldn’t but it just seemed to happen that way. She said she would have better luck contacting the creditors and stuff so I thought, why not? Makes sense for her to do it all.”**

---

**Rhiannon, 29, past client**

# Detailed case studies

## Simplifying leaflets and handouts

Christians Against Poverty

### What is being done?

- CAP use varied formats to help clients access and understand their written information about debt solutions. They provide a booklet alongside the advice letter which contains simple explanations in an easy read format to help clients make informed decisions.

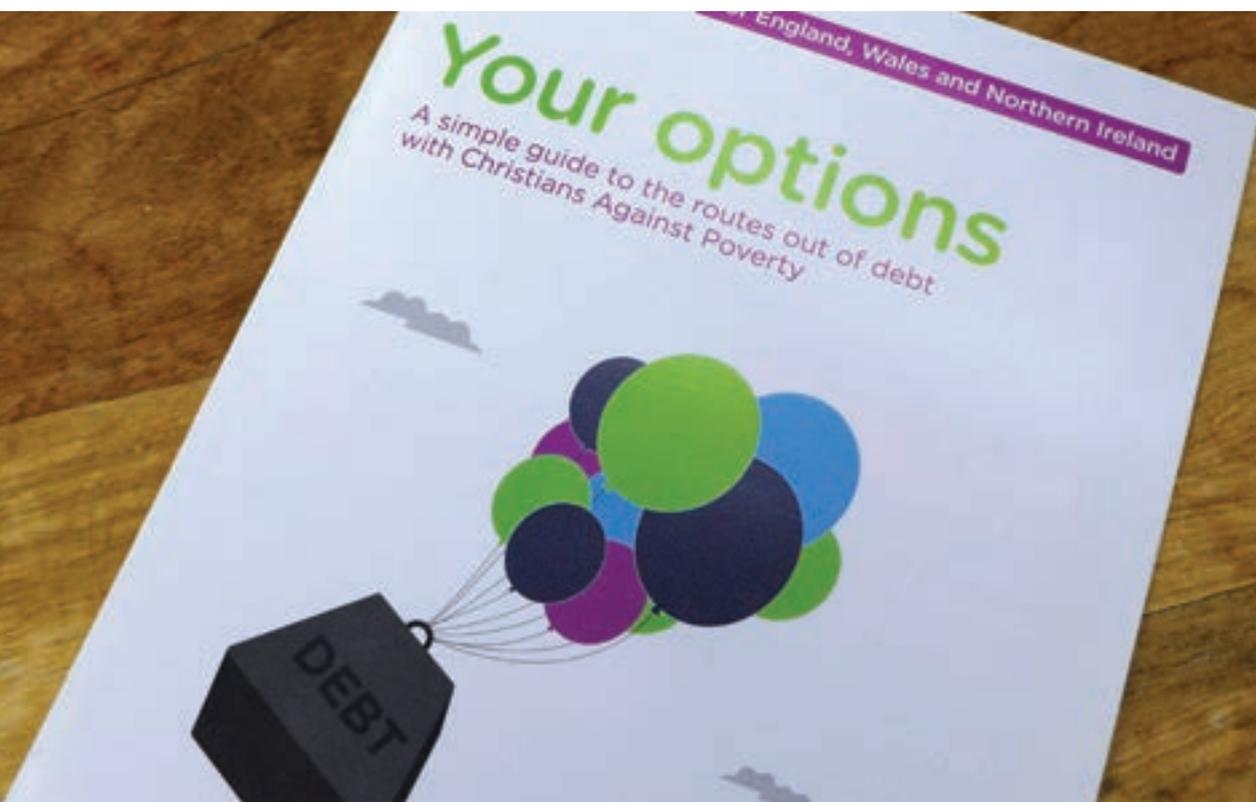
### Benefits for clients

- Making information more accessible means that clients are more likely to engage with advice and make informed choices about what to do next.
- This can increase their motivation and make it easier for them to make decisions.

**“It’s so important that information makes sense – you cannot expect people to engage with financial jargon.”**

---

**Adviser**





### Exploring client priorities and goals

PayPlan

#### What is being done?

- Advisers at PayPlan are trying to fully understand the clients' goals and priorities for the future – for example, 'you said you wanted to be in a position to support your son through university?'

#### Benefits for clients

- Advisers can tailor their advice to the client's situation and suggest appropriate solutions, helping them to deal with their debt in a way that (wherever possible) does not prevent them from reaching their goals.

### Encouraging clients to talk to creditors

Community Money Advice Oasis

#### What is being done?

- CMA Oasis teach clients how to negotiate with creditors themselves. Clients first listen into phone calls that the advisers make on their behalf, before being encouraged to make a second phone call to creditors themselves.

#### Benefits for clients

- By learning how to approach a conversation with a creditor, clients build skills and confidence to engage with financial providers and deal with issues themselves.

**“Recognising where your client's priorities are will help you work out how well things will go. Would you do something if you didn't care about it?”**

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Adviser

**“We cannot be around forever, nor can we talk to creditors on behalf of people all the time. It's fundamental that clients feel confident and enabled to deal with them.”**

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Adviser

## 4. Post-advice: Making changes and monitoring

At this stage, the client's debt solution has been set up, and the client is required to fulfil the obligations of that solution (e.g. by making repayments).



## The challenge:

Clients feel like they are on their own after a solution has been set up – whilst providers can struggle to re-engage clients

---

### Clients

- After clients agree and set up their debt solution or strategy, many feel that contact with providers is limited.
- Some feel that they are falling back into bad spending habits – and don't know where to turn for support.
- Others are anxious about relationships with creditors, with some still being contacted.
- Once a solution has been put in a place, some clients feel the debt has been 'taken off their hands,' and that they do not need to keep in contact with the provider.

### Debt advice providers

- While some providers contact clients at review points – for example at the annual review for Debt Management Plans, many are concerned that it is hard to get clients to engage with these.
- Apart from these standard review points, there is little communication between providers and clients.

---

### Some providers are addressing this challenge through:

- **'Light touch' ways of keeping in touch** – Some providers are communicating with clients informally, in a way which seems less daunting to clients e.g. monthly newsletters.
- **Adviser proactivity** – Some individual advisers are setting reminders for themselves to check in on clients, sometimes from their own personal phone number.

**“It is so hard to get them to check in with you for a review. Clients are notoriously flaky. It would be great to offer more but I don't see how that would be possible”**

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Telephone adviser

## The challenge:

Progress towards goals is not monitored or supported

---

### Clients

- Clients are seldom contacted to explore their progress towards financial goals and lifestyle changes.
- Clients are rarely provided with tools or strategies to help them maintain progress through the course of their solution.

### Debt advice providers

- Advisers admit that they struggle to maintain contact with clients, which they believe hinders their ability to build in these 'additional extras.'

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### Ways providers are addressing this challenge:

- There is little evidence of providers addressing this challenge.

**“The adviser has not rung me to see how I’m getting on...I’m fed up of it all.”**

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**Alison, 45, past client**

# Detailed case studies

## Sharing progress reports on debt repayment

Gregory Pennington

### What is being done?

- Gregory Pennington contact clients at regular intervals and share digestible information and progress charts (including pie charts and timescales) which show how much debt clients have paid off.

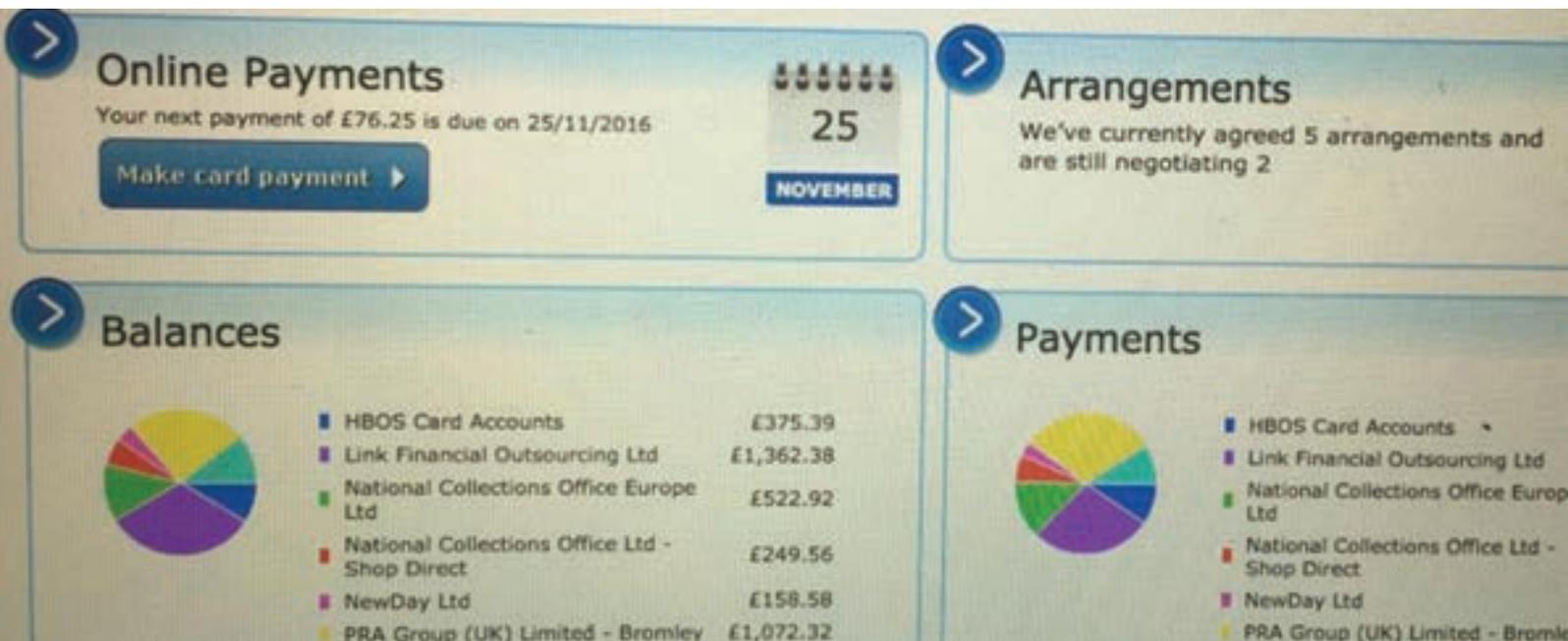
### Benefits for clients

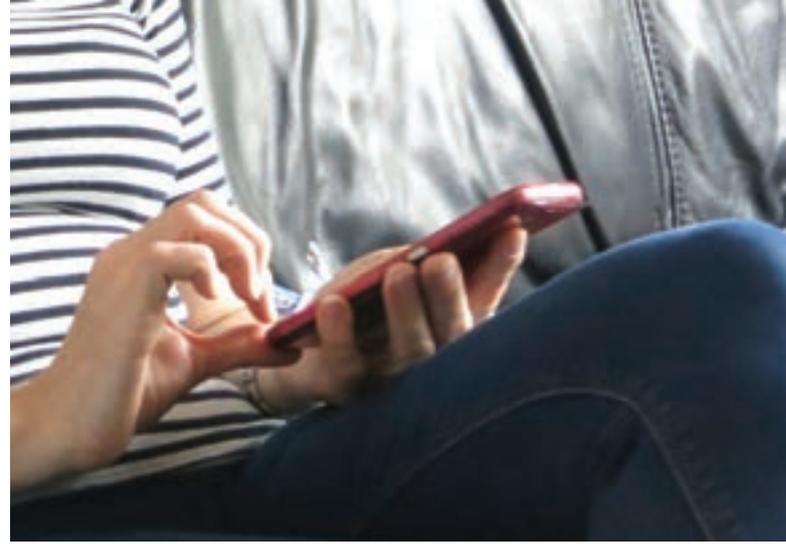
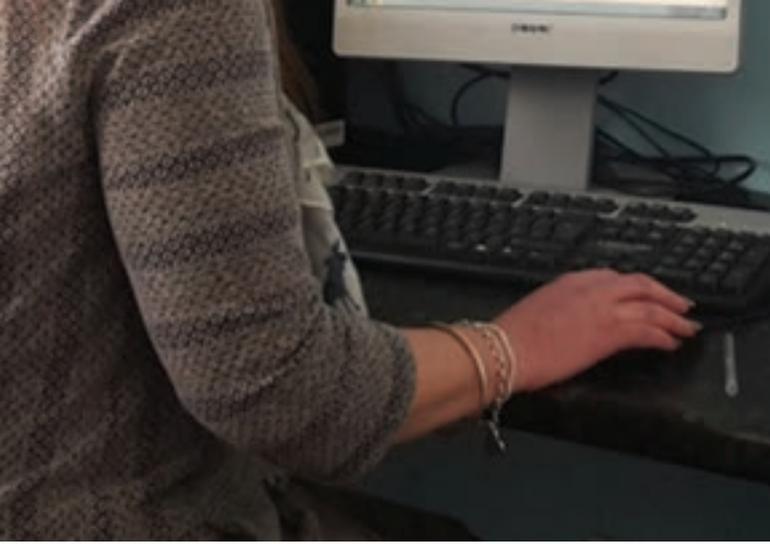
- Accessible reports enable clients to see progress to date, and could encourage them to reflect on whether the solution is sustainable for them, how their budgeting is going and what changes they might need to make.

**“We recognised that people just need a quick and easy way to decipher information about where they are at.”**

---

**Adviser**





### Monthly updates with debt countdown

Step Change

#### What is being done?

- Step Change send monthly emails to their clients showing how long it will be until they have repaid their debt.

#### Benefits for clients

- This provides clients with the opportunity to stay engaged with their solution and to think about strategies for speeding up debt reduction e.g. through increasing saving, maximising income and reducing outgoings.

### Using apps to track progress

PayPlan

#### What is being done?

- PayPlan have recently introduced an app that allows clients to see their past and upcoming payments, track their progress and get back in touch if they have any further questions.

#### Benefits for clients

- This provides clients with the opportunity to feel in control of repaying their debt and feel motivated for the future.
- The option to get back in touch provides the opportunity to deal with any issues before they get worse.

**“They send me emails telling me how long until I’m debt free and it’s really not very long now! I’m really proud of the work I’ve done to get here!”**

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**Mohammed, 34, client**

**“A lot of our client base are digitally savvy – they use online banking anyway, so this make sense.”**

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**Adviser**

# 5. Post-advice: Ending solution and onward journey

At this stage, clients are completing their debt solution and looking ahead to the future.



## The challenge:

There is a lack of clarity and recognition at the end of debt solutions

---

### Clients

- Clients are often unsure as to how long their solution will last – and some are unaware when it has come to an end.
- At the end of solutions, only a minority of clients experience recognition from providers. Clients highly value it when they do.

### Debt advice providers

- Advice providers are generally not communicating with clients at the end of solutions.

---

### Some providers are addressing this challenge through:

- **Celebrating the end of a solution** – There are a few examples of providers offering positive reflection, such as through celebratory emails and letters sent on completion of a solution.

**“I’m panicking a bit about what happens at the end of the solution. I don’t remember if I’m supposed to do anything or does it just stop? What’s next?”**

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**Keeley, 33, client**

## The challenge:

Limited communication around implications of debt solutions and future financial management

---

### Clients

- Some clients have unanswered questions about how their debt solution might impact future access to financial services.
- Others may be concerned about what to do to adjust to this financial change or to avoid returning to a negative situation.

### Debt advice providers

- Few providers give support or resources to clients at the end of or after their debt solution – to build financial capability and prevent them getting back into debt.

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### Some providers are addressing this challenge through:

- **Tips and tricks** – Some providers offer access to financial tips and tricks on how to make and save money.

**“Any additional credit in the future is my biggest fear because of my past mistakes”**

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**Carla, 33, past client**

# Detailed case studies

## Post-solution advice

Christians Against Poverty (CAP)

### What is being done?

- CAP celebrate with their clients when they have made all their debt repayments and offer them additional support with any further issues, including money management courses, budgeting tips and considering the affordability of taking out credit if necessary.

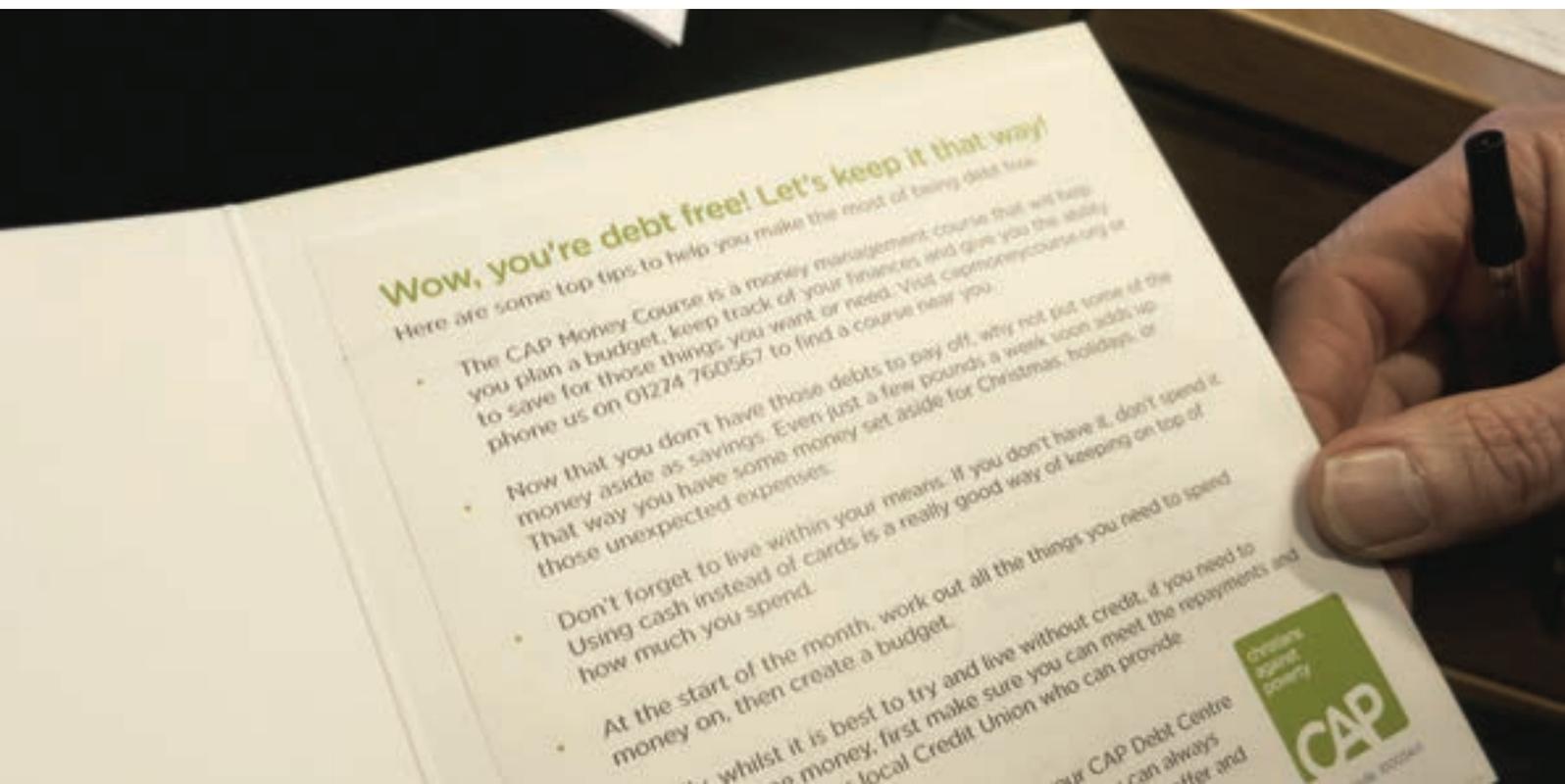
### Benefits for clients

- This motivates clients and builds their confidence in dealing with financial issues, by reinforcing their achievements and developing their capabilities.

**“We like to make a big deal of our clients when they’re done. It’s a massive achievement being debt free and that’s worth celebrating.”**

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**Adviser**



# Detailed case studies

## Online resources

National Debtline (NDL)

### What is being done?

- NDL have created a factsheet library on their website which includes information about different debts, dealing with creditors, debt options and how to budget and save.

### Benefits for clients

- This gives clients extra support to build the skills and capabilities to prevent them becoming over-indebted again – particularly as it encourages clients to do their own research and take control.

**“We have a large database on the website with information and fact sheets. We often say to people to have a look on there. It’s a way to ensure anything we don’t have time to cover they can learn about themselves.”**

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**Adviser**

**NATIONAL  
DEBTLINE**

🔍 Search

[Deal with your debts](#)

[Your budget](#)

[Debt topics](#)

[Fact sheets](#)

[Sample letters](#)

[FAQs](#)

## Fact sheet library

**We have a range of fact sheets and guides**

Click on the links below to find the fact sheets you need.

[PPI complaints](#)

[Need help with a](#)

[Particular debts](#)

# Appendix B:

# Full methodology

# Methodology

Fifteen advice providers participated in the research, spanning free-to-client and fee-paying organisations, different delivery channels, and large and small providers.

In total, the research team conducted:

- 200+ hours of observation, data collection and interviews at debt advice providers
- 120+ interviews with debt advice staff, including advisers
- 150+ interviews or discussions with current, past and potential clients of debt advice – covering a huge range of different situations and experiences

Several methodologies were used (see table on opposite page).

Wherever possible all research took place in situ, with the research team conducting both interviews and observations in sites where advice is delivered, across the UK. Researchers also interviewed advice recipients before and after they received advice, tracking their experiences over time and conducting follow-up interviews to explore clients' retrospective attitudes towards, and understanding of, the support they received.

Fieldwork was conducted between January - June 2017.

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**Phase 1:**  
**Set-up and scoping**

**About**

- Literature review
- 10 expert interviews
- 1 hypothesis workshop
- 4 vision development focus groups with both past clients and potential clients of debt advice

**Achieved**

- Explored client needs
- Gathered examples and ideas for how things could be done differently
- Tested good practice principles with past and potential clients

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**Phase 2:**  
**Service and systems mapping**

**About**

- 15 days initial visits to debt advice centres
- 14 days repeat visits to selected sites

**Achieved**

- Observed providers in action
- Undertook systems mapping with providers to understand the detail of processes as well as the organisational culture and context

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**Phase 3:**  
**Uncovering experience and gathering feedback**

**About**

- 30 tele-depth interviews with past clients
- 6 half-day visits to courts
- 10 follow up tele-depth interviews with individuals recruited at court
- 30 on-going 'tracking' of clients currently receiving debt advice/ maintaining a solution (included telephone interviews and selfie videos/diary entries)

**Achieved**

- Client experiences gathered
- Past client feedback on effectiveness of debt advice on long-term change

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**Phase 4:**  
**Consolidation and prioritisation**

**About**

- 1 consolidation of findings workshop
- 4 'ideas testing' focus groups with past clients of debt advice

**Achieved**

- User feedback gathered on ideas for improvements
- Consolidation workshop presented findings so far and gathered input from the Money Advice Service

# Sample

This research was multi-phased, involving several client types and situations. As such, the following sample and screening criteria was used:

- 29 days of observational research in debt advice centres across the UK, which included 'intercept interviews' with clients and frontline staff. 15 organisations were visited once, with 14 visited twice. These were split between:
  - Local, regional and national providers.
  - One-off assistance vs. case-work and outreach.
  - Free-to-consumer organisations vs. fee-charging organisations.
  - Money Advice Service-funded vs. non-Money Advice Service funded organisations.
  - Mixture of telephone, online and face-to-face organisations (although many organisations provided advice through more than one channel).
- 30 tele-depth interviews with past clients:
  - All had received advice/finished receiving advice 6–12 months prior to interview.
  - Received advice from spread of organisations, including a mix between 'light touch' advice vs. 'heavy input' casework (weighted towards casework).
  - Included a mixture of those who had received 'advice' vs. those who had also entered into a formal solution.
- 10 follow up tele-depth interviews with individuals recruited at court:
  - All recipients of face-to-face advice at court
- 30 on-going tracking of clients currently receiving advice/ implementing a solution:
  - Included a mixture of new to advice vs. received advice in the past.
  - Included a range of delivery methods (telephone, online, face-to-face).
  - Received advice from spread of organisations, including a mix between 'light touch' advice vs. 'heavy input' casework (weighted towards casework).
  - Included a mixture of those who had received 'advice' vs. those who had also entered into a formal solution.
- 4 'vision development' focus groups with both past and potential clients of debt advice:
  - Past clients had accessed debt advice in the last year.
  - Included a mixture of free and fee-paying advice clients.
  - Included a mixture of debt advice organisation accessed.
  - Range of experiences e.g. income shock vs. cumulative debt.
  - Potential clients were all over-indebted but had not received advice in the past.
- 4 'ideas testing' focus groups with recipients of debt advice:
  - All had accessed debt advice in the last year.
  - Included a mixture of free and fee-paying advice clients.
  - Included a mixture of debt advice organisation accessed.
  - Range of experiences from e.g. income shock vs. cumulative debt.

Please note that throughout all groups are referred to as 'clients', unless specifically identified as current, past or potential clients.

Given the scope of the research, several recruitment strategies were used. In the first instance, advice organisations were approached by the Money Advice Service and Revealing Reality to invite them to take part. In turn, these organisations supported the client recruitment process by referring clients to the research team in line with the specification outlined above. In addition, clients were recruited 'live' in court, as well as via free-find recruitment partners.



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Advice Service**