

# MONEY ADVICE TRUST

BUSINESS  
DEBTLINE

NATIONAL  
DEBTLINE

WISER  
ADVISER

ADVICE YOU CAN TRUST



Changing Lives, Together  
Our Impact 2016

# About the Money Advice Trust

**The Money Advice Trust is a national charity helping people across the UK to tackle their debts and manage their money with confidence.**

The Trust runs National Debtline, offering free, independent and confidential advice on personal debt over the phone and online, and Business Debtline, the UK's only free dedicated debt advice service for self-employed people and small business owners. The Trust is also the leading training body for UK debt advisers through our Wiseradviser service, and provides training and consultancy to companies who engage with people in financial difficulty.

Beyond our frontline activity, we work closely with government, creditors and the advice sector to improve the UK's money and debt environment.

**Foreword**

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**Changing lives**

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**Key achievements**

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**Supporting people**

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**Supporting businesses**

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**Supporting the advice sector**

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**Influencing policy & practice**

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**Working in partnership**

# Foreword

Our three year strategy for 2014 – 2016 set out an ambitious plan to help more people, more effectively across all areas of our work. This involved changes to the ways in which we provide support, including investment in key technologies to make it easier than ever for people to use our services.

On the following pages, we are pleased to report back on the results of this investment.

## Changing lives

2016 was another year of expansion for our frontline services, as we increased the number of advisers at both National Debtline and Business Debtline to help us to meet ever-growing demand. As a result, we gave support to more people than ever before by telephone and through webchat, empowering people to change their lives through our assisted self-help approach. We also continued to help more people online, increasing our overall cost effectiveness.

We expanded our range of Wiseradviser training courses to support advisers across the UK to better help their clients. We also significantly grew our training and consultancy work, helping more creditors to support their customers in vulnerable circumstances.

## Working together

Collaboration is at the heart of everything we do. In 2016, we continued to work in partnership with the advice sector, creditors and other organisations that have a role to play in the debt and credit environment. Our Partnership Board continues to provide an opportunity to share collective learning, expertise and experience amongst our partners and helps guide the direction of our work.

## Uncertain times

2016 was, of course, a year of great change – and great uncertainty. In the wake of the result of the EU referendum, the long-term impact of Brexit on household finances is yet to become clear. However, rising inflation, slow wage growth and the expansion of household borrowing are all signs that demand for debt advice will continue to increase.

In these uncertain times, we will do all we can to meet this growing demand – and work with our many partners to help even more people to change their lives for the better.



Joanna

Joanna Elson, OBE, CDir  
Chief Executive, Money Advice Trust

# Changing lives

## What we do

We want people across the UK to tackle their debts and manage their money with confidence.

**We work to achieve this in a number of ways:**

- Supporting people and small businesses to manage their debts
- Supporting the debt advice sector through training and tools to help people manage their debts
- Influencing policy and practice to prevent debt becoming problematic, and to better enable people to manage debt when it does arise

## Helping people to help themselves

At the heart of our approach is our belief that the best way to help people in financial difficulty is to **empower them to help themselves**. Our services and tools for people in debt help them to understand their options and give them the confidence to take the next step to manage their debts.

This self-help approach allows people to manage their own situation, resulting in better long-term financial health.

## How we know we change lives

Our services put us in a unique position to understand why people fall into unmanageable debt and the challenges they face. Reviewing and evaluating the impact of our services is important to us too. We use regular feedback from the people we help, across all our services and channels, to understand how we help change lives. This insight also informs improvements to our services and our policy work.

**The model we follow, which informs the content of this report, is as follows:**



# Key achievements 2016

## Changing lives

Our advisers helped:



158,980

people by phone.



37,796

people by webchat.

We had over:



1,235,760

visits to our websites.

National Debtline survey feedback:



84% callers

made contact with creditors.



4 out of 5

would recommend our website.



87% callers

felt more in control of finances.

Business Debtline survey feedback:



92% callers

clear on next steps to take.



90% callers

debt has reduced or stabilised.



58% callers

advice helped them to continue trading.

“Knowing that you have helped is the best reward. It really hits home when a client calls back and tells us that we have helped them to sleep, or that they are now able to cope.”

LAURA, DEBT ADVISER WITH NATIONAL DEBTLINE FOR 6 YEARS

## Together

Wiseradviser provided **8,619 training places to 860 free-to-client organisations** across the UK. Our Innovation Grants funded four advice projects to support hard-to-reach people and improve the quality and range of money and debt advice across the UK.

Wiseradviser survey feedback:



71%

improved knowledge of money advice.



96%

increased confidence when giving advice.



97%

made them better at helping people with debt problems.

We delivered training and consultancy to more than 2,308 staff in 53 organisations in 2016. Our practical support and tools helps creditors to identify customers in vulnerable circumstances, and support those with mental health problems and serious illnesses.

Survey results from vulnerability e-learning:



95%

above-average understanding.



91%

rated module 'above average' or 'excellent'.



80%

said module will be directly relevant to work.

“Wiseradviser has been a great help in giving me the knowledge and skills required for my role. It has provided me with a wider knowledge of debt strategies and options so I have a more complete understanding of debt.”

WISERADVISER TRAINING ATTENDEE

“As a result of the training I feel more confident in having phone discussions with the customer and not being afraid of raising vulnerability issues.”

TRAINING & CONSULTANCY ATTENDEE

### Influencing

We responded to **25 consultations** in 2016, and worked closely with stakeholders to shape policy. We also launched our **Borrowed Years** research.

## Changing lives

National Debtline helped **138,120 people on the phone** and a further **34,065 people through our webchat service**. In addition, there were **1,104,300 visits to the National Debtline website**.

Survey results from the people we help:

### Post-contact



**93% callers** clear on next steps to take.



**4 out of 5** would recommend our website to a friend in debt.

### 9-12 months later



**84% callers** made contact with creditors.



**93% callers** debt had reduced or stabilised.



**87% callers** felt more in control of finances.



**77% callers** positive impact on emotional and mental health.

“National Debtline were saviours for us. I never spoke to anyone who wasn’t friendly and helpful. All our debts have now been paid off but my husband and I will be eternally grateful that National Debtline were there to help.”

NATIONAL DEBTLINE CALLER



## Together

With our funders’ support, we have invested in our services to ensure that they meet the needs of people who come to us for help now, and in the future.



### Advisers

24 new advisers in our contact centre.



### Webchat

6 advisers responding to people online.



### Website

content made more mobile friendly.

## Who we help



### Age



### Housing status



### Employment status

**18-24**  
14%  
**25-35**  
30%  
**36-50**  
34%  
**51-65**  
17%  
**Over 65**  
5%

**Rent**  
65%  
**Mortgage**  
19%  
**Living with friends/family**  
13%  
**Owned outright**  
4%  
**Homeless**  
2%

**Full-time**  
43%  
**Unemployed**  
25%  
**Part-time**  
23%  
**Sick**  
10%  
**Retired**  
8%

# Janice\*, Stoke



Janice lives in a rented house with her husband and their two daughters. She discovered that they owed council tax dating back to 2003. The local authority had been sending letters and then bailiffs to an old address so Janice and her husband had been completely unaware of the problem.

As a result of charges the original debt had grown significantly. Janice decided to get some advice on how to deal with the situation so she called National Debtline.

National Debtline advised her to do a Freedom of Information request that showed she had notified the local authority of her change of address but they had continued to contact her at her old address.

National Debtline advised Janice to complain to the local authority and take the matter to the ombudsman if that didn't work, which she did. The ombudsman found in Janice's favour and all charges were removed. She came to an arrangement to repay the remaining council tax which she has now cleared.

“It totally empowered me about what I could do, what I could expect, what I was responsible for, what I wasn't responsible for, **and just gave me the strength to fight it.**”

\* Names and photos have been changed.

## Debt profile



Number of debts



Total debt (£)



Reasons for debt



Priority debts we advised on



Non-priority debts we advised on



Time before contacting us

Number of debts	Total debt (£)	Reasons for debt	Priority debts we advised on	Non-priority debts we advised on	Time before contacting us
1-2 33%	1-1,000 16%	Job loss 23%	Council tax 25%	Credit card 30%	Less than 3 months 46%
3-5 33%	1,001-5,000 32%	Taking out too much credit 22%	Benefit overpayment 14%	Overdraft 21%	3-6 months 15%
6-10 25%	5,001-10,000 18%	Ill-health or disability 21%	Rent 13%	Personal loan 14%	6-12 months 11%
11-20 8%	10,001-15,000 10%	Relationship breakdown 15%	Energy 12%	Water 12%	1-2 years 8%
21+ 1%	15,001+ 23%		Vehicle finance 11%	Catalogue 11%	2+ years 18%

## Changing lives

Business Debtline helped **20,860 people on the phone**, and a further **3,731 people through our webchat service**. In addition, there were **132,462 visits to the Business Debtline website**.

Survey results from the people we help:

### Post-contact



**92% callers**  
clear on next steps to take.



**97% users**  
satisfied with the webchat service they received.

### 6 weeks later



**90% callers**  
debt has reduced or stabilised.



**89% callers**  
more knowledgeable about financial matters.



**58% callers**  
advice helped them to continue trading.



**74% callers**  
feel less stressed about personal and business debts.

“An informative and extremely valuable service. Having someone at the end of the phone guiding you through, step-by-step, tailored to your situation, really is a lifeline.”

BUSINESS DEBTLINE CALLER



## Together

With our funders' support, we have invested in our services to ensure that they meet the needs of people who come to us for help now, and in the future.



### Advisers

New team of 6 more advisers taking calls.



### Webchat

An adviser responding to people online.



### Website

Content made more mobile friendly.

## Who we help



### Age



### Business type



### Number in household

<b>18-24</b> 4%	<b>Construction</b> 19%	<b>1</b> 42%
<b>25-35</b> 21%	<b>Wholesale and retail</b> 16%	<b>2</b> 21%
<b>36-50</b> 44%	<b>Accommodation and food service</b> 13%	<b>3-5</b> 34%
<b>51-65</b> 26%	<b>Transport and storage</b> 8%	<b>6+</b> 3%
<b>Over 65</b> 5%		



# cases

## Mo\*, café owner



Mo took over running the family café business three years ago after his dad died suddenly. His dad had always done the books and accounts so it was a steep learning curve for Mo.

Shortly afterwards, a large coffee shop opened on the same street as Mo's and business took a downturn. He was unable to take a salary from the café and started to fall behind with essential bills including his suppliers, energy and business rates.

He was able to come to an arrangement with his suppliers and for his business rates, but after missing two payments his energy supplier threatened to disconnect the supply.

Mo called Business Debtline who told him about a charitable trust fund that could help him with his energy arrears. His application was successful and the trust fund paid off his outstanding energy debt enabling him to get back on top of his on-going payments.

“I was hoping they were going to try and help me negotiate with the company, so I could carry on trading, because obviously if they cut my gas and electric off, it's quite difficult to run a cafe. **They helped me a lot more than I thought they were going to.**”

\* Names and photos have been changed.

## Debt profile



Number of debts



Total debt (£)



Reasons for debt



Priority debts we advised on



Non-priority debts we advised on



Time before contacting us

1-2	1-1,000	Business failure	Council tax	Credit card	Less than 3 months
41%	10%	39%	17%	32%	34%
3-5	1,001-5,000	Taking out too much credit	Business income tax	Overdraft	3-6 months
30%	21%	18%	11%	23%	14%
6-10	5,001-10,000	Ill-health or disability	Business VAT	Supplier debt	6-12 months
21%	15%	15%	10%	18%	14%
11-20	10,001-15,000	Mental health problems	Vehicle finance	Personal loan	1-2 years
6%	10%	11%	9%	16%	16%
21+	15,001+		Business energy	Family/personal	2+ years
1%	41%		9%	6%	21%

## Wiseradviser

Wiseradviser provided **8,619 training places** to **860 free-to-client organisations** across the UK. **4,385** advisers used the Wiseradviser website to access training and other learning resources. **64%** of Wiseradviser training places were provided through online courses and five new courses were developed.

**Survey results from the advisers we trained:**

Post-course

12 months later



**71%**

improved their knowledge of money advice.



**96%**

increased confidence when giving advice.



**97%**

made them better at helping people with debt problems.



**83%**

applied learning in role within three months.



**98%**

helped them do their job better.



**94%**

shared their knowledge with colleagues.

## 5 new courses



E-learning: Financial Conduct Authority: The impact of consumer credit regulation so far



E-learning: Consumer Credit Act: Time orders



E-learning: Consumer Credit Act: Hire purchase, bills of sale and car finance agreements



E-learning: Understanding and supporting clients in vulnerable circumstances



Face-to-face: Supporting clients in vulnerable circumstances

“Wiseradviser has been a great help in giving me the knowledge and skills required for my role. It has provided me with a wider knowledge of debt strategies and options so I have a more complete understanding of debt.”

WISERADVISER TRAINING ATTENDEE



## Jim\*, debt adviser

“I am a volunteer and I am interested in financial capability. I see improving a client’s capability as a way of up-skilling them so they are more aware and can make informed financial decisions in future to avoid moving into debt. A large number of my clients are unemployed and have mental-health problems.

“Through the knowledge gained, I have been able to make valuable contributions to the team and support trainee debt advisers. I have found being able to choose topics of particular relevance when I need them very useful. If an issue crops up at work that I know nothing or very little about, I will find a relevant module on Wiseradviser and work through it. I find it useful being able to revisit modules and refresh my knowledge. The training is providing me with a sound knowledge of debt advice but also provides me with a resource to return to if I am unsure about something.”

\* Names and photos have been changed.

# Advice sector

## Adviser resources

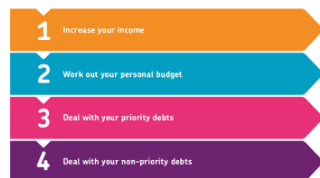
We provide resources and tools for the advice and credit sectors, which they use to support people in debt. **In 2016:**

**27,790+**  
self-help  
packs

sent to 218 debt advice agencies across the UK.

Dealing  
with  
your  
debts

NATIONAL  
DEBTLINE  
ADVICE YOU CAN TRUST



Follow us on Twitter  
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0808 808 4000

MONEY  
ADVICE TRUST

**CFS**

The Common Financial Statement

Home

Apply for a licence

The Common Financial Statement > Apply

**CASHFLOW**

**165**

Common Financial Statement (CFS) new licences granted to organisations. Over 1,000 income and expenditure budgets completed through CASHflow.

**12-step  
guide**

on vulnerability, launched to help advice agencies better support their advisers.



## Innovation Grants

Last year we funded four projects aimed at helping individuals or small businesses to deal with their debts, improving the UK's money and debt environment.

### Nudging by Design Behaviour Change

Toolkit of 'nudge' principles designed for the debt advice sector, helping clients tackle debt and improve financial health.



### BE Secure Hyde Housing

Used behavioural economics to 'nudge' tenants towards debt advice, resulting in a 16% reduction in arrears.

### Starting Point Wallet Watchers

Lesson plans, videos and training hand-outs developed by young people, for young people.



### Get in Quick SDAIS

Working with health visitors, midwives and 40 young families to reduce debt and increase income (£35,854 total, £895 average per client).

## Influencing

An important part of achieving our vision – to help people across the UK to tackle their debts and manage their money with confidence – is to ensure our experience is put to use to influence public policy.

We responded to 25 consultations in 2016, engaged 20 parliamentarians and influenced key decision makers.

### This helped to bring about the following:

1. Action to improve outcomes for people in vulnerable circumstances, through our leading role in the work of the BBA's Vulnerability Taskforce.
2. A greater focus on local government debt collection, through our work with the APPG on Debt and Personal Finance and other partners.
3. Plans to reform Bills of Sale legislation, by shaping the Law Commission's successful proposals to the government.
4. Agreement across the advice sector on a detailed plan for further bailiff reform, leading to our joint **Taking Control** campaign in 2017.

## Media

In 2016 we secured **1,948 items** of media coverage, in outlets reaching a monthly average of more than **18 million people**. Our social media presence continued to grow, with more than **500 incidents of engagement** a month. This helped to raise awareness of our services and the issues faced by the people we help.



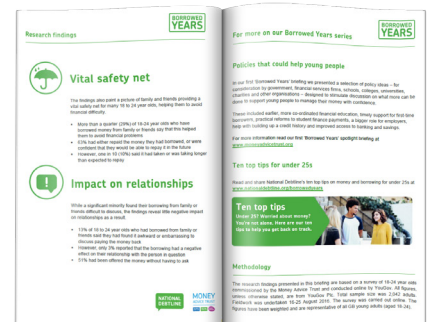
## Research

Our programme of research enhances understanding of the debt and credit environment and improves money advice practically.

In 2016, we launched our **Borrowed Years** research, shining a spotlight on the experiences of people aged 18-24 struggling with money worries and debt. We also offered a range of policy ideas to help young people to avoid and deal with financial difficulty.



Half of under-25s worried about debt



**Council tax debt rises as households struggle to pay**

**Younger generation is losing sleep over debt**

# and practice

## Training & consultancy

We have delivered first-class staff training and consultancy across a range of themes to more than 2,308 staff in 53 organisations in 2016. Our practical support and tools help creditors to identify customers in vulnerable circumstances, and support those with mental health problems and serious illnesses.

### Survey results from vulnerability e-learning:



95%

above-average understanding.



91%

rated module 'above average' or 'excellent'.



80%

said module will be directly relevant to work.

"As a result of the training I feel more confident in having phone discussions with the customer and not being afraid of raising vulnerability issues."

TRAINING & CONSULTANCY ATTENDEE



### Case study: Barclaycard

The Trust partnered with Barclaycard to strengthen its practice in supporting vulnerable customers, and help build on their on-going work in the space.

Together they undertook a detailed analysis of frontline, specialist, on-shore, and off-shore activity on vulnerability, focusing on its customer services, collections, and fraud operations. The main aim was to understand the experience of individual customers in a vulnerable situation. Notably, this involved understanding how staff on off-shore sites might sometimes perceive vulnerability through a different 'cultural lens'. The Trust used this insight to work with Barclaycard on designing a bespoke training and support programme.

To date, over 2,000 people who support UK credit card customers have been trained, using both face-to-face and online education. Staff report that this is delivering better customer outcomes and this will continue to be monitored for impact in the coming years.

\* Photos have been changed.

## Working together

87 of our partners completed a survey to help us to understand perceptions of the Trust and our services, the value stakeholders attach to our Partnership Board and Funders' Forums and the effectiveness of our stakeholder communications, events and meetings.

Themes when asked 'what makes the Trust stand out?':



Business support



Training provision



Self-help model



Relationships & Partnership Board



Our professionalism



Our funding model

# Working in partnership

**We place partnership working and collaboration at the core of everything we do, and have strong relationships across the advice sector, government, regulators and the private sector.**

By working together, we shape the UK's money and debt environment to help people in financial difficulty, often helping them to avoid unmanageable debt in the first place.

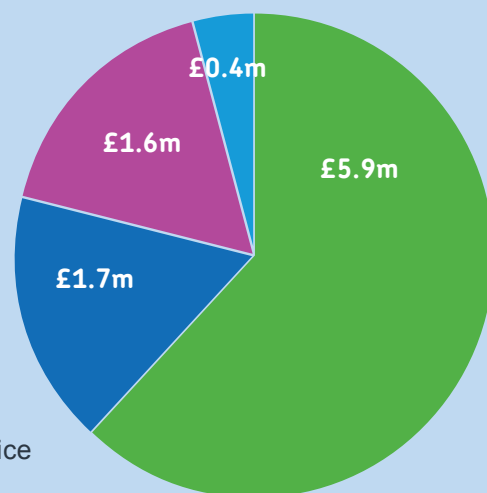
We bring these sectors together formally through our Partnership Board which meets twice a year, once in London and once in Scotland, Wales or Northern Ireland.

## Our funding

The Trust is funded by generous donations from a number of our partners, which include banks, building societies, utilities, government and the Money Advice Service. Our funding model has been developed by our Funders' Forum, who scrutinise our approach each year. Our funders' support is hugely valued and allows us to continue our life-changing work.

### Where our funding goes

- National Debtline
- Business Debtline
- Supporting the sector
- Influencing policy and practice



## We are grateful to the following partners for their support:

- Accountant in Bankruptcy
- Advice UK
- Advice Northern Ireland
- American Express Foundation
- Association of British Insurers
- Barclays Bank plc.
- Barclaycard
- BEIS
- Business Energy Solutions
- Brighthouse
- British Bankers' Association
- British Business Bank
- British Gas
- Building Societies Trust Limited
- Capital One
- Cabinet Office
- Citizens Advice
- Citizens Advice Northern Ireland
- Citizens Advice Scotland
- Comic Relief
- Consumer Finance Association
- Council of Mortgage Lenders
- Department for Communities NI
- DWP
- EDF Energy
- Energy UK
- E.ON
- Esmée Fairbairn Foundation
- Experian
- Finance & Leasing Association
- Financial Conduct Authority
- Home Retail Group
- HM Treasury
- HSBC Bank plc.
- Institute of Money Advisers
- Lloyds Banking Group
- MBNA
- Ministry of Justice
- Money Advice Scotland
- Money Advice Service
- Nationwide Building Society
- Non-Standard Finance
- Northumbrian Water
- Npower
- Ofcom
- Ofgem
- Ofwat
- Payplan Ltd
- Provident Financial
- QuickQuid
- Santander
- Scottish Government
- Scottish Power
- SSE
- StepChange Debt Charity
- The Royal Bank of Scotland Group
- TSB
- UKAR
- UK Cards
- Vanquis Bank
- Welsh Assembly
- Wescot Credit Services
- Wessex Water
- Wonga
- Yorkshire Building Society
- Yorkshire and Clydesdale Bank

## Our Trustees

**Adam Sharples CB**  
Chair

**Anna Bennett**

**Tracey Bleakley**  
Chair, Audit and Risk  
Committee

**Simon Crine**

**Adrian Keasey**

**Gail Scott-Spicer**

**Jenny Watson CBE**  
Deputy Chair and Chair, Nomination  
and Remuneration Committee

**Claire Whyley**

**Sian Williams**

**Merrick Willis OBE**  
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## Our Ambassadors



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President



**Liz Barclay**



**Sir Sherard Cowper-  
Coles KCMG LVO**



**Martin Hall MVO MBE**



**The Rt Hon. Sir Ian  
McCartney**



**Sir Brian Pomeroy CBE**



**Carol Sergeant CBE**



**Simon Walker**

# Money Advice Trust

The Money Advice Trust is a charity formed in 1991 to help people across the UK tackle their debts and manage their money with confidence.

# MONEY ADVICE TRUST

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[www.moneyadvicetrust.org](http://www.moneyadvicetrust.org)

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