

Outcomes report

2018

MONEY
ADVICE TRUST

BUSINESS
DEBTLINE

NATIONAL
DEBTLINE

WISER
ADVISER

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.

We run 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 people who are self-employed and other small business owners.

We are also the leading training body for UK debt advisers through our Wiseradviser service, and provide training and consultancy to companies who engage with people in financial difficulty.

Beyond our frontline activity, we work closely with the UK government, the devolved administrations in Scotland, Wales and Northern Ireland, regulators, creditors and other partners to improve the UK's money and debt environment.

Foreword

We are pleased to welcome you to our new outcomes report, which presents the results of the Money Advice Trust's work across the UK throughout 2018.

Whether through the advice we provide at National Debtline and Business Debtline, our training for advisers and creditors, or our work to influence government policy – helping people to tackle their debts and manage money with confidence is at the heart of what we do.

To work further towards this vision, we made several changes to our services in 2018 – and it is our pleasure to share with you the results in this report.

Improving our services

The year saw significant improvements to our advice services, with a new quality framework, an improved National Debtline website and an expanded team of Business Debtline advisers.

We also stepped up our joint working with our partners in the rest of the advice sector – establishing a new partnership between Business Debtline and StepChange Debt Charity – and continuing our successful referral partnership with Citizens Advice.

Innovating our approach

2018 was a year of innovation across our services. We used behavioural insights to create our new 'How to deal with debt' guide, helped more people via webchat than ever before and launched our new Wiseradviser learning platform.

We continued to develop our new online advice tool, which is now being piloted.

Influencing change

We made real progress, too, against our influencing priorities – securing improvements to the Government's plans for Breathing Space, making further progress on government debt collection and building more support for bailiff reform.

Meanwhile our training and consultancy with creditors continues to bring about change for people in vulnerable circumstances.

Working in partnership

None of this work would have been possible without the support of our many partners and funders. This support made a difference to hundreds of thousands of lives in 2018, and has put us in a stronger position at a time when demand for debt advice is growing.

The debt advice landscape has changed significantly over the last 12 months – and we have been pleased to work with the new Money and Pensions Service, and the devolved administrations in Scotland, Wales and Northern Ireland, as they develop their plans for the future.

We look forward to working with them and all of our partners to continue to improve, innovate and influence change in the years ahead.



Adam Sharples CB
Chair



Joanna Elson OBE
Chief Executive

June 2019

Our vision

Our work enables people across the UK to tackle their debts and manage their money with confidence.

We do this by

1. Supporting people and small businesses to manage their debts themselves.
2. Improving quality in the money advice sector through training and tools.
3. Influencing policy and practice to improve the UK's money and debt environment.

Helping people to help themselves


Our approach provides people in financial difficulty with the support and tools they need to understand their options and gives them the confidence to take the next steps to deal with their debts. This allows people to manage their own situation, and can result in better longer-term outcomes.

Our model




Our year in numbers

Helping people to tackle their debts


 **204,310**
people helped in 2018


 **133,380**
by phone

 **70,930**
by webchat


 **1.7m visits**
to our advice websites

Training the free money advice sector

 **10,730**
training places provided to debt advisers in 820 organisations


 **85%**
of free money advice agencies in the UK access Wiseradviser training


Training for creditors on vulnerability

 **3,480**
staff trained, in 60 creditor organisations in 2018

After our advice


 **9 in 10**
clients' debts reduce or stabilise


 **8 in 10**
are more confident managing their money

 **3 in 4**
report a positive impact on emotional or mental health

Influencing policy and practice

 **36**
consultation and policy responses

 **4**
policy priorities progressed through our influencing strategy

 **6**
research reports published during the year

For details of our theory of change and survey methodology visit www.moneyadvicetrust.org/impact

Helping people to tackle their debts

NATIONAL DEBTLINE

In 2018, National Debtline helped 98,890 people on the phone. We helped a further 54,050 people through our webchat service. In addition there were 1,371,590 visits to the National Debtline website.

Our model

1. We help people find their next steps

Our advisers help people with a range of different problems by taking them through the options available based on their circumstances. A typical caller will have between one and five debts.



94% of callers are clear on their next steps after our advice



98% of webchat users are clear on their next steps

2. People are empowered to take action



96% of callers followed all or some of the advice we gave



83% of callers are more likely to open their post

3. Debts reduce and wellbeing improves



9 in 10 callers say their debts reduced or stabilised



3 in 4 callers saw a positive impact on their emotional and mental wellbeing

For survey methodology visit www.moneyadvicetrust.org/impact

“Very friendly and supportive during difficult financial times. The adviser was very helpful in explaining information without it being overwhelming or too complicated.” National Debtline caller

“I am feeling so relieved I got in touch with National Debtline today. I am feeling empowered and educated to take the next steps to dealing with my debts.” National Debtline webchat user

An example client journey



Anne was off work due to sickness and fell behind with her bills

1 in 5 clients cite ill health or disability as the reason for being in debt

1 in 3

have credit card debts – the most common debt we help with

She turned to credit to cover outstanding bills



Unable to pay a council tax bill, she called National Debtline for help

council tax is the fastest growing household debt amongst our clients

She spoke to our adviser, Laura, who took her through her options



Following Laura’s advice, Anne contacted her creditors to agree repayment plans

Anne now feels more confident with her money and feels less likely to be in the same position again

8 in 10 callers feel more confident with their money a year on from our advice

“The person who helped me was understanding, careful and gave very helpful advice which I followed and it has helped me resolve the issues.” National Debtline caller

Improving and innovating

A focus on quality

We continued to develop our quality framework, with a clear focus on monitoring and assuring the quality of our advice services.

Website improvements

We continued to improve the accessibility of the National Debtline website, and carried out user-testing to inform improvements to our budget tools, homepage and fact sheet libraries.



Partnership with Citizens Advice

Our partnership with Citizens Advice goes from strength to strength, with calls to their Adviceline continuing to be routed through to National Debtline.

How to deal with debt guide



In 2018 we developed a new ‘How to deal with debt’ guide, supported by Ogilvy Consulting Behavioural Science Practice and the Money and Pensions Service.

In addition to its use by National Debtline clients, approximately 33,700 guides will be sent out to advice agencies this year.

Supporting small business owners

BUSINESS DEBTLINE

Business Debtline helped 34,490 small business owners and self-employed people over the phone and 16,880 via webchat. In addition there were 338,540 visits to the Business Debtline website.

Our model

1. We help small business owners find their next steps

Business Debtline is the UK's only dedicated free debt advice service for people who are self-employed and other small business owners. Our advisers help small business owners with a range of problems relating to their business and personal finances, which are often intertwined.



93%
of callers are clear on their next steps after our advice



97%
of webchat users are clear on their next steps

2. People are empowered to take action



98%
of callers followed some or all of the steps our advisers gave



87%
of callers know more about how to negotiate their repayments with creditors

3. Debts reduce and wellbeing improves



9 in 10
callers saw their business debts reduce or stabilise



8 in 10
callers said they were better at business budgeting as a result of our advice

For survey methodology visit www.moneyadvicetrust.org/impact

“Since speaking to you, I have managed to make sensible agreements with my creditors - I am in a much better position, thank you.” [Business Debtline caller](#)

“I was talking to someone who understood and made me feel confident that I can tackle the issues independently with the right help and advice - which I did!” [Business Debtline caller](#)

An example client journey



Tom is self-employed and works in construction. Last year his amount of work reduced and he struggled to put money aside to cover debts from the previous year's trading.

22%
of callers are in the construction industry

6 in 10
callers surveyed said they'd used personal credit to cover business costs

Facing a large bill from HMRC Tom took out a personal loan and became overdrawn due to essential household bills.



He contacted Business Debtline after he realised he was unable to keep up.

38%
of callers have an overdraft debt



After speaking to our adviser Jess, Tom negotiated an affordable repayment plan and is able to continue trading.

“To deal with such a sensitive subject via webchat and come across so human is a great skill. You gave sound advice and I will definitely be using and recommending this service.” [Business Debtline webchat user](#)

Improving and innovating

Expanding the service

We were able to expand our team of Business Debtline advisers from 34 to 45 in 2018, enabling us to help 15,000 more self-employed people and small business owners.

Referrals from StepChange Debt Charity

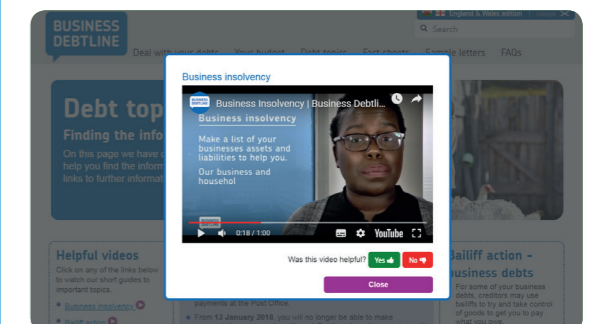
As a result of our working together to improve the debt advice journey, self-employed people contacting StepChange Debt Charity are now routed straight through to Business Debtline.

Building new partnerships

2018 saw us develop new Business Debtline partnerships and build on our existing work with a range of creditors. We also trialled the use of outbound appointments for callers with energy debts, tripling the number of budgets completed and significantly increasing positive client outcomes.

New online advice videos

We launched a series of online advice videos featuring members of the team introducing the Business Debtline website's most visited debt topics.



What we saw in 2018

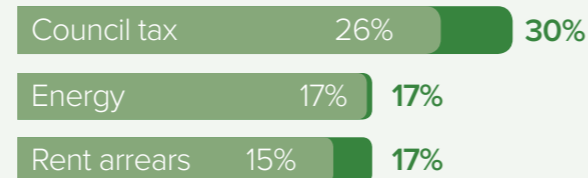
Surge in callers with household debts continues



More National Debtline callers are now struggling with essential household costs, such as council tax, rent arrears and energy bills.

In 2018, 30% of callers had council tax arrears, up from one in four (26%) in 2017 and just 15% a decade ago.

Most common household debts (% of callers)



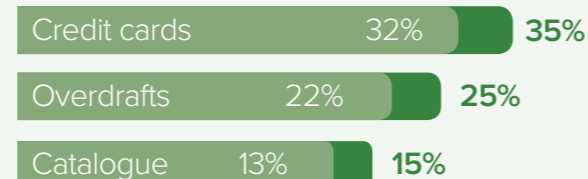
Key: ■ 2017 ■ 2018

More credit debts for the first time in nearly a decade



While the proportion of callers with credit debts has steadily decreased in the last decade, 2018 saw the first rise in the proportion of callers with credit card debt (35%, up 3% from 2017) and overdraft debt (25% up 3% from 2017) since 2009.

Most common credit debts (% of callers)



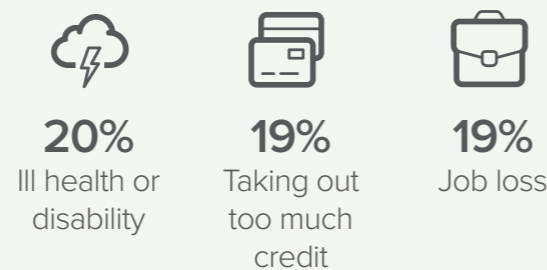
Key: ■ 2017 ■ 2018

Rise in deficit budgets



More callers now have deficit budgets, where the money coming in does not cover essential household spending. 39% of callers now have a deficit budget, up from 27% in 2009.

Most common reasons for debt

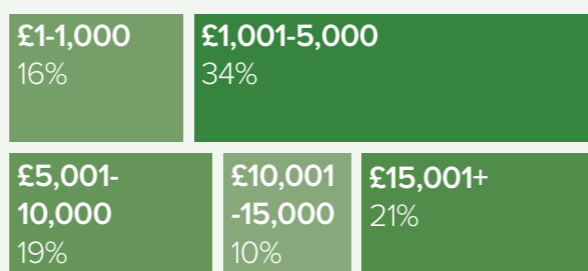


Sharing our insight

In September, we published our 'Decade in debt' report which looked at how debt problems have changed in the last ten years as seen at National Debtline.

Find out more www.moneyadvicetrust.org/decadeindebt

Total debt (% of callers)



Late payments causing problems



46% of Business Debtline callers surveyed have experienced problems with late payments.

While not the main reason for debt, this often led to increased debt problems, making it harder to pay tax and business debts.

Most common reasons for debt



26%
Business failure



22%
Taking out too much credit



16%
Reduction in work / hours

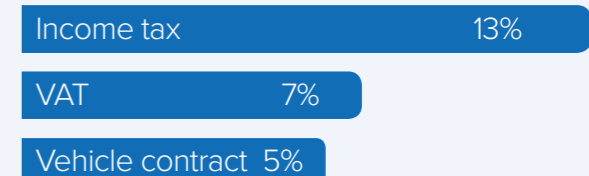
Other key reasons include ill health or disability (15%) and mental health problems (12%)

People delaying seeking help



In 2018, 61% of callers had waited six months or longer before seeking debt advice – up 4% from 2017. 29% of callers waited two years or more.

Most common priority business debts (% of callers)

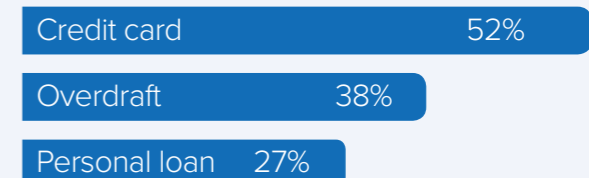


Propping up business with personal credit



Six in 10 callers surveyed had used personal credit to cover business costs. In 2018 one in five (22%) said 'taking out too much credit' was the reason for their debt problem – up from 18% in 2017.

Most common credit debts (% of callers)

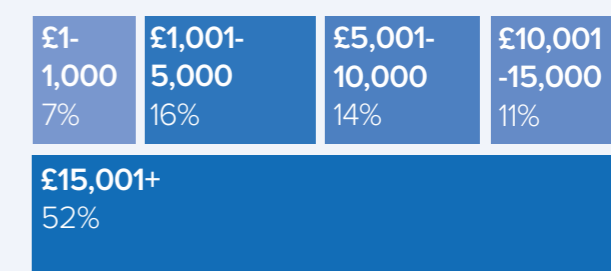


Sharing our insight

In November, we published research into the eight key challenges facing people contacting Business Debtline. Our 'Taking care of business' report looks at challenges such as late payments, low and variable incomes and vulnerable circumstances.

Find out more www.moneyadvicetrust.org/takingcareofbusiness

Total debt (% of callers)



Training the money advice sector

WISER ADVISER

In 2018, Wiseradviser provided 10,730 training places to 2,570 advisers in 820 free-to-client agencies across the UK. 4,250 advisers accessed e-learning and online resources.

In addition to our delivery of Wiseradviser in England and Wales, we continue to work in partnership with Money Advice Scotland, Citizens Advice Scotland and Advice NI to ensure Wiseradviser training is available to advisers right across the UK.

Our model

1. We train advisers to improve their knowledge

We provide free face-to-face and online training on the most important subjects for debt advisers. Courses and content are developed by our team of learning and subject matter experts using insight from advisers registered with Wiseradviser.



98% of advisers said our training improved their knowledge



92% of advisers were enabled to share knowledge with colleagues

2. Advisers apply their learning



95% of advisers say they were helped to do their job



94% felt better at helping people with debt problems

3. Outcomes for people in debt improve



9 in 10 advisers were helped to improve outcomes for their clients



9 in 10 were helped to meet or exceed their clients' expectations

“The course helped me to help my clients by breaking the process down into small achievable steps, which gives them confidence that they can make a difference.”
E-learning user

“I was able to use information gained from the vulnerable circumstances training to help the client to challenge decisions by the housing association.”
Face-to-face learner

An example adviser journey



Generalist adviser

Sam starts volunteering at her local advice centre. Her manager recommends using Wiseradviser to learn how to identify when someone needs specialist debt advice.

Debt adviser

After a few months Sam decides she wants to train as a debt adviser.

She completes the Wiseradviser ‘Introduction to debt advice’ e-learning then attends our face-to-face course ‘Good practice: providing high-quality debt advice’.



Specialist advice

After attending Wiseradviser courses, including ‘Time orders’ and ‘Business debt’, Sam is able to help clients with more complex debt problems.



Ongoing training and support

With new courses and updates to existing courses, e-learning and podcasts, Sam continues to develop her knowledge and skills with Wiseradviser helping her to improve outcomes for her clients.

“The trainer was brilliant and really took time to ensure that you understood if you were finding any of it difficult.”
Face-to-face learner

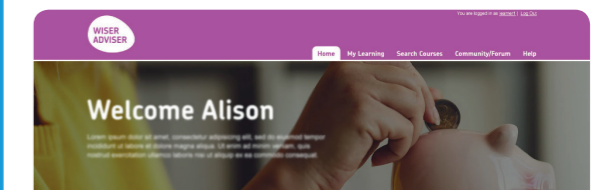
Improving and innovating

New face-to-face courses and e-learning

We designed and launched a face-to-face course on ‘Behavioural theory and its application in debt advice’ and new e-learning on ‘Debt and pensions’, ‘Mental capacity limitations’ and ‘Good practice in case recording’.

Innovating through new technology

We launched a new learning platform for advisers and increased our use of webinars, exploring various subjects including ‘Dealing with death and debts’ and ‘Private parking tickets’.



My Current Courses

Course	Status	Enrol Date	Start Date
Leadership Behaviours for Managers	Completed	03/04/2018	08/04/2018
Coaching for Health Workings	In Progress	03/04/2018	08/04/2018

CPD scheme for advisers

With the Institute of Money Advisers and the Money and Pensions Service, we launched a Continuous Professional Development (CPD) scheme for funded debt advisers.

New research on debt advice and vulnerability

In partnership with the Personal Finance Research Centre at Bristol University and the Money and Mental Health Policy Institute, we published research revealing the realities of providing debt advice to some of the UK’s most vulnerable people.

Improving support for vulnerable customers



Our team of vulnerability experts work across a range of sectors including financial services, water, energy and retail. In 2018, we delivered training to 3,480 staff in 60 creditor organisations to help them improve how they work with people in vulnerable circumstances.

We have now trained more than 19,000 staff in more than 200 creditor organisations.

The income generated from our training and consultancy work is re-invested into our frontline advice services and helps us to continue to deliver free, independent debt advice.

Our model

1. We draw on the best expertise and sector knowledge

Our training and consultancy draws on the expertise of our Vulnerability Lead Chris Fitch and our wider team of experts with experience across a range of creditor sectors.

Based at the University of Bristol's Personal Finance Research Centre, Chris is the UK's leading authority on customer vulnerability and has co-authored several key publications including 'Vulnerability: a guide for debt collection' and 'Vulnerability: a guide for lending'.

2. We improve creditor policies and staff understanding



94% of face-to-face learners rated their tutor as good or excellent



97% of users rated their knowledge as very good or excellent after our e-learning

3. Support for customers in vulnerable circumstances improves

"The training delivered was practical and tailored to our needs and included a strong focus on enhancing staff understanding and confidence when dealing with customer vulnerability. We are now better equipped to provide a consistent high level of support across the organisation and to all our customers."

Santander Consumer Finance

An example creditor training journey



A financial services firm, looking to strengthen its work in supporting customers in vulnerable circumstances, contacts the Training and Consultancy team.

A consultancy review is undertaken, including a training gap-analysis. This looks at the organisation's policies, principles and workplace practices to understand where the organisation is now and what is needed to get them to where they want to be.



An in-depth review of the firm's practice is completed by our subject matter experts. This includes understanding the roles and responsibilities of staff members, examining case studies and listening to customer calls. These findings are used to identify what training is required.



Training is developed and delivered via e-learning or in-house through a face-to-face workshop. This improves staff understanding and gives them the practical skills they need.



Following training we provide on-going support, including resources, webinars and examples of how to deal with complex situations.



To find out more visit www.moneyadvicetrust.org/vulnerability

Improving and innovating

A growing team of experts

Our team of subject matter experts grew in 2018 to include specialists in customer experience and utilities. This enabled us to expand the courses we are able to offer to cover more situations and challenges that customers face.

More vulnerability resources

Our vulnerability resources remain popular with more than 1,000 downloads in 2018 alone. We launched a podcast series and a new guide on mental capacity to complement our Vulnerability Matters newsletter.

New e-learning and face-to-face courses

In 2018 we launched new courses including 'Identifying and supporting customers with mental capacity limitations', and 'Supporting customers who discuss suicidal thoughts'.

UK Finance Vulnerability Academy

We partnered with UK Finance to launch the Vulnerability Academy. The Academy helps firms gain the skills, knowledge and relationships to improve their processes and support for customers in vulnerable circumstances.



In partnership with MONEY ADVICE TRUST

The UK Finance Vulnerability Academy

Improving outcomes for customers in vulnerable circumstances

Influencing policy and practice



We continued to use what we learn from the frontline of debt advice to help bring about changes to policy and practice for the benefit of people in financial difficulty.

In 2018 we made progress on each of our four key influencing priorities – campaigning for bailiff reform, improving government debt collection practices, ensuring an effective Breathing Space scheme and influencing change for people in vulnerable circumstances.

Our model

1. We understand the UK's money and debt environment

Our insight from National Debtline and Business Debtline informs our influencing work. We undertake our own research to further understand what impacts the people we help.

In 2018 we published 'A decade in debt' which looks at how debt problems in the UK have changed since the financial crisis, and 'Taking care of business', which examined eight key challenges facing small business owners.



2. Our evidence and support informs policy and practice

We submitted 36 responses to consultations from a range of government departments, select committees and regulators. We engaged with Ministers, parliamentarians, officials and policy makers working in government, regulators and industry.



3. The money and debt landscape improves

Our work in 2018 led to real progress against all four of our influencing priorities.



We also raised public awareness of free debt advice, securing 1,845 items of media coverage in 2018 in outlets with an average monthly reach of 14.6 million people.

Outcomes of our influencing in 2018

Improvements to Breathing Space



We helped shape HM Treasury's plans for Breathing Space, which will offer 60 days of protection from interest, charges and creditor action while people seek debt advice. We made a successful case for the scheme to cover sole traders and include public sector creditors.

Progress on government debt collection



We brought about further reductions in local authority bailiff use at a local level as a result of our ongoing Stop The Knock campaign, which the Welsh Government also endorsed as part of its council tax reforms. We continued our work on the cross-government Fairness Group.

More support for bailiff reform



We helped secure a Ministry of Justice review of bailiff reform, after years of campaigning alongside our Taking Control partner charities. Our chief executive Joanna Elson gave evidence to the Justice Select Committee, which later supported calls for independent regulation.

A stronger focus on vulnerability



We successfully argued against the FCA's plans to change its vulnerability definition, with the regulator instead announcing plans for new guidance for firms. We also worked with Energy UK to support its Commission for Customers in Vulnerable Circumstances.

Other highlights of the year

Helping shape the future of debt advice

We engaged with Parliamentarians to help improve the Financial Guidance and Claims Act 2018, which established the Money and Pensions Service. Since its establishment, we have been working with the new body as it shapes its plans for future debt advice commissioning.

Welcoming the Minister to listen in to calls

We were pleased to welcome Economic Secretary to the Treasury, John Glen MP, to listen in to calls at National Debtline and Business Debtline.



The visit was part of our engagement work with the Treasury on debt advice policy and the new Breathing Space scheme.

Scotland, Wales and Northern Ireland

We worked directly with the devolved administrations in Scotland, Wales and Northern Ireland, as they developed their future plans now that debt advice has been devolved.



2018 Party Conference events

We hosted two successful Party Conference events, organised jointly with the Lending Standards Board, on how we can improve the support available for small business owners in financial difficulty.

Working in partnership

Partnership working and collaboration is at the core of what we do.

Our strong relationships across the advice sector, government, regulators and the private sector help us to work together to improve the UK's money and debt environment.

As part of our commitment to partnership working, we hold a Partnership Board twice a year. The Partnership Board brings together representatives from across the sectors we work in and meets twice a year, once in London and once in Northern Ireland, Scotland or Wales.



Our 2018 Partnership Board in Belfast

We are grateful to all of our partners for their continued support, without which it would not be possible to carry out our work.

Accountant in Bankruptcy	Department for Communities Northern Ireland	Ofcom
AdviceUK	Department for Work and Pensions	Ofgem
Advice NI	EDF Energy	Owat
American Express	Energy UK	PayPlan
American Express Foundation	ENGIE	Phoenix Commercial Collections
Barclays Bank	E.ON	Provident Financial
Barclaycard	Esmée Fairbairn Foundation	QuickQuid
Business Energy Solutions	Experian	Santander
Brighthouse	Finance & Leasing Association	Scottish Government
British Business Bank	Financial Conduct Authority	Scottish Power
Building Societies Association	Home Retail Group	SSE
Building Societies Trust Limited	HMRC	StepChange Debt Charity
Capital One	HM Treasury	The Royal Bank of Scotland Group
Cabinet Office	HSBC Bank plc	TSB
Citizens Advice	Institute of Money Advisers	UKAR
Citizens Advice Scotland	Lloyds Banking Group	UK Finance
Clydesdale and Yorkshire Bank	MBNA	Vanquis Bank
Comic Relief	Ministry of Justice	Welsh Government
Computershare	Money Advice Scotland	Wescot Credit Services
Consumer Finance Association	Money and Pensions Service	Wessex Water
Credit Services Association	Nationwide Building Society	Yorkshire Building Society
Department for Business, Energy and Industrial Strategy	Non-Standard Finance	
	Northumbrian Water	
	npower	

Trustees and ambassadors

President

Baroness Coussins

Ambassadors

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 CBE

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Gail Scott-Spicer (Deputy Chair)

Anna Bennett

Simon Crine

Adrian Keasey

Vineeta Manchanda

Lawrence Slade

Paul Smee

Rebecca Wilkie

Money Advice Trust

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www.moneyadvicetrust.org

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