

# MONEY

## ADVICE TRUST

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BUSINESS  
DEBTLINE

NATIONAL  
DEBTLINE

WISER  
ADVISER



# Making a difference to people in debt

## Outcomes Report 2023

# Money Advice Trust

**Helping people across the UK to tackle their debts and manage their money with confidence.**

**MONEY**  
**ADVICE TRUST**

The Money Advice Trust is the charity that runs National Debtline and Business Debtline. National Debtline provides free, impartial and expert advice to help people talk about and deal with their debts. Business Debtline is the UK's only free, dedicated debt advice service for small business owners. Our services are available via our helplines where people can talk to one of our specially trained advisers, or online through webchat and our websites.

We also train the free debt advice sector through Wiseradviser and we use our knowledge and expertise, gathered over 30 years of working with people in debt, to improve the money and debt environment. We do this by providing training and consultancy to creditor organisations to improve support for customers in vulnerable circumstances, and by influencing policy and practice on matters that affect people in problem debt.

# Introduction

**Our work has never been as needed as it currently is amidst widespread cost of living pressures on households. To help with this, in 2023 we invested in our client journey and started to expand our services.**

2023 was a hugely challenging year for many people as the cost of living continued to hit households and small businesses hard. Despite inflation beginning to drop from its early 2023 peak, for millions of people the damage caused by high prices for food, energy and other essentials had already been done.

For our National Debtline and Business Debtline clients, the challenges are particularly acute. Income too low for basic needs remained the most common reason for financial difficulty amongst National Debtline clients last year. At Business Debtline the small business owners we helped faced the dual impact of high costs on both their personal and business finances. The combination of these factors meant that many of our clients were walking a financial tightrope, and our advisers supporting people with increasingly difficult debt situations.

In what was a year of transition for the charity, we helped more than 127,000 people and small businesses deal with their debts. We started the delivery of two major new debt advice contracts, focused on investing in technology and our client journey and ensuring people in debt reach our services. We launched our integrated casework service, which for the first time offers National Debtline clients access

to telephone casework provided by our partners Citizens Advice and Mental Health UK's Mental Health and Money Advice service. As the UK's Business Debt Centre of Excellence, we piloted a business debt casework model and launched our Business Debtline AdviserHub to support the wider debt advice sector on small business debt issues.

We continued to engage with our many partners to ensure people in financial difficulty can access the help they need, when they need it. Through our training and consultancy service, we worked with 70 firms to embed the latest best practice in supporting customers in vulnerable circumstances, whilst our Wiseradviser training helped 2,710 advisers across the debt advice sector to deliver the best possible outcomes for their clients.

As ever, we continue to be a strong voice for people in debt and in 2023 this included leading a coalition of charities calling on the Government to introduce a Help to Repay scheme in response to record energy arrears.

This Outcomes Report 2023 provides a snapshot of how we help people to tackle their debts and manage their money with confidence, and the wider impact of our work across all our services.

# Our year in numbers

In 2023 we helped 127,390 people to deal with their debt, through National Debtline and Business Debtline.

## Helping people to tackle their debts

**100,690**

by phone and our digital advice tool



**26,700**

by webchat

**2.38 million visits**

to our advice websites



## As a result of our advice

**80%**

of clients' debts reduce or stabilise

**88%**

of clients are more confident in managing their money

**72%**

report a positive impact on their emotional or mental health

## Improving the money and debt environment

We use our knowledge to help improve the money and debt environment. We do this by training the free money advice sector through Wiseradviser, working with creditors to improve support for vulnerable customers, and by influencing debt policy and practice.



**20,180**

training places provided to debt advisers in 800 organisations



**6,000**

staff trained in 70 creditor organisations



**3,521**

items of media coverage and 21 consultation and policy responses

# Our impact

Through the most challenging of times, National Debtline and Business Debtline help people take the steps they need to deal with their debt.

## 1. We help people to find their next steps

**9 in 10**

National Debtline and Business Debtline clients are clear on their next steps



## 2. People are empowered to take action

**8 in 10**

clients follow all or some of the steps we gave

**9 in 10**

National Debtline clients know which debts to prioritise and are now more likely to open their post

**9 in 10**

Business Debtline clients made contact with their creditors



## 3. Debts reduce and wellbeing improves

**8 in 10**

clients saw their debts reduce or stabilise

**7 in 10**

National Debtline clients saw a positive impact on their emotional and mental wellbeing

**9 in 10**

Business Debtline clients feel better at business budgeting



*"I was given very good advice from a calm very knowledgeable person who didn't judge and explained my options. I came off the call with relief that I knew how to manage my problem. I think the gentleman saved my life because I could only see one bad way out of the situation before the call."*

Quote taken from a National Debtline client

# Helping people in financial difficulty

Last year, at National Debtline we helped **72,060** people by phone and our digital advice tool, **18,130** by webchat and had **1.86m** visits to our advice website.

## Main reason for debt

High costs continued to have a severe impact on our clients in 2023. Income being too low to cover essential costs remained the most common reason for debt. Alongside mental health issues, increase in outgoings (7%) was the fourth most common reason for debt.

<b>16%</b>	<b>10%</b>	<b>9%</b>	<b>7%</b>
Income too low to cover essentials	Job loss or an income shock	Received an unexpected bill	Mental health issues

**NATIONAL DEBTLINE**

## Most common debts in 2023

Proportion (%) of National Debtline callers in this type of debt.

### Priority debts

Council tax debt and energy arrears remain the most common priority debts amongst our clients. With energy prices still high and council tax increases likely in 2024, the pressure from these costs is set to continue.

Council tax	32%
Energy	29%
Benefit overpayments	23%
Rent arrears	17%

### Non-priority debts

More than half of our National Debtline clients have credit card debt. More than one in three (36%) clients surveyed said they have had to regularly use credit to pay for essential items (such as food, clothing, toiletries).

Credit card arrears	52%
Overdraft	34%
Water arrears	23%
Personal loan	21%

In 2023 cost of living pressures continued to take their toll on household finances. High energy prices combined with increased food and other essential costs stretched many budgets to breaking point. For our National Debtline clients, many of whom are on low incomes and who are disproportionately impacted by rising costs, these challenges were more acute.

## Cost of living continues to bite

The majority (63%) of callers said that the high cost of living had made their debt problems worse. Two in three (64%) said that it is a struggle every month to make ends meet. More than half (54%) said they have had to go without essential items, such as food, toiletries or clothing in the last six months because they could not afford them.



## Turning to credit to plug gaps

The proportion of callers with credit card arrears has risen from 45% in 2022 to more than half, 52% in 2023. More than a third (36%) of National Debtline clients said they regularly use credit to pay for essentials, further increasing debt levels.



## Integrated casework service

Working with our delivery partners, Citizens Advice and Mental Health UK's Mental Health and Money Advice service, we launched our telephone casework offering as part of our National Debtline client journey. The service provides additional help with a range of support, including applying for benefits and trust funds, help with court forms and ongoing guidance through the advice journey.



## Supporting clients' wider needs

We have built new partnerships to ensure our clients have access to the support they need on a range of non-debt related issues that can negatively impact their finances. These partnerships support our most vulnerable clients to access services, including warm referrals to specialist creditor vulnerability teams, help with addictions, including gambling, pro-bono legal advice and support with mental health problems.



## What our clients say

"I contacted National Debtline as a last resort as I had no idea how to handle my situation. The person I first spoke to about my problems was very reassuring and made me believe there was hope that I could come through this."

"All information received was new to me and I was given all info and options available step-by-step to deal with my debt. I'm now debt free and very grateful to your team for their support and knowledge!"

Quotes taken from callers and webchat users

# Helping small businesses

Last year, at Business Debtline we helped **28,630** people by phone **8,570** by webchat and had **524,450** visits to our advice website.

**BUSINESS DEBTLINE**

## Who we help

The majority of our clients are sole traders (58%) with a few or no employees. A third work in administrative and support services, which covers jobs such as office administrators, security guards and cleaners.

<b>33%</b> Administrative and support services	<b>22%</b> Accommodation and food service activities	<b>18%</b> Construction
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## Reasons for financial difficulty

One in five callers cited business failure as the most common reason for financial difficulty (up from one in ten in 2022) with the loss of trade from Covid-19 continuing to be felt by many clients.

<b>20%</b> Business failure (up from 9% last year)	<b>11%</b> Coronavirus (including loss of trade continuing to be felt)	<b>7%</b> Income too low for basic needs
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## Most common debts in 2023

Proportion (%) of Business Debtline callers in this type of debt.

### Priority debts

Income tax	26%
Council tax	22%
Energy	21%
Vehicle finance	17%

### Non-priority debts

Credit card arrears	64%
Overdraft	45%
Bounce Back Loan	43%
Personal loan	33%

The last few years have been particularly difficult for small businesses. Many of our Business Debtline clients are still feeling the financial effects of the pandemic on their businesses, and this period of sustained high prices has hit both personal and business finances hard. We launched a casework pilot to support clients with the most complex cases and continued to use our expertise to support the wider debt advice sector.

## Cost of living affecting personal and business costs

Two in three (64%) Business Debtline clients said that every month is a struggle to make ends meet and that the high cost of living has made their debt problems worse (64%). Four in ten (38%) said they have had to go without essential items, such as food, toiletries or clothing in the last six months due to high costs.



## Our casework pilot

To further improve support for small businesses in need of debt advice, we launched a business debt casework pilot. The service allowed Business Debtline casework advisers to provide additional help for clients in most need of support. This has included negotiating with creditors to hold action as well as processing and supporting with formal debt solutions. Eight in ten clients involved in the pilot felt that without the service they would not have been able to deal with the debts themselves.



## Launching our AdviserHub

As the UK's Business Debt Centre of Excellence, supporting the wider debt advice sector to help small business owners is an important focus. In 2023 we launched our AdviserHub to help debt advisers support small business owners in financial difficulty and to help signpost them to Business Debtline. The resource is free to all advisers and since its launch 464 advisers have registered with the AdviserHub.



## What our clients say

*"I could not see how the situation was to be resolved until I contacted Business Debtline and immediately I felt better and less burdened. You made it clear as to what steps I could take to remedy the situation. An excellent service offered by caring, sensitive and very patient members of your team. Many, many thanks."*

*"It was a liberating experience, putting together a professional budget plan which I could then confidently put to my creditors and which was not questioned, enabling me to agree terms for the settlement of two debts and payment plans on two others. It's such a relief!"*

Quotes taken from callers and webchat users

# Training the debt advice sector

Wiseradviser provides free training and resources to the free-to-client advice sector in England and Wales and works in partnership with Advice NI in Northern Ireland.



In 2023 we provided 20,180 training places to 2,710 advisers in 800 free-to-client agencies in the UK.

**94%** of advisers rated our training good or excellent **100%** of supervisors would recommend our training

<b>We train advisers to improve their knowledge</b>
<b>98%</b> said our training improved their knowledge 
<b>Advisers apply their learning</b>
<b>99%</b> of advisers applied the training in their role 
<b>Outcomes for people in debt improve</b>
<b>9 in 10</b> advisers said that outcomes for their clients improved

Find out more about Wiseradviser at [www.wiseradviser.org](http://www.wiseradviser.org)

## What advisers say about our training

*“The course was a fantastic introduction to debt advising and gave me a good overview of what skills and knowledge I need to support individuals with debt issues. I particularly enjoyed the videos and advice from the experienced advisers and found their contributions invaluable.”*

*“Wiseradviser training ensured I had suitable knowledge to offer accurate advice to tenants which can build trust and help to gain a positive outcome.”*

*“Learning more knowledge always helps me to help clients, even if it is just reminder training or legal updates. The training has a big impact on our clients.”*

# Supporting vulnerable customers


In 2023, we delivered training to 6,000 staff in 70 creditor organisations to help organisations better identify, understand and support vulnerable customers.

Since 2011 we have helped 440 firms, and more than 40,480 staff to improve support and outcomes for their customers.



## Experts in vulnerability

Our team of vulnerability experts work across a range of sectors, including financial services, water, energy and retail to improve policy and practice. Our Vulnerability Lead Consultant is Chris Fitch, Research Fellow at the University of Bristol’s Personal Finance Research Centre. Over the last 13 years, Chris has run a programme of research on vulnerability, financial difficulty, and financial services and has written core vulnerability guidance and industry-standard tools.

<b>Developing staff understanding</b>
<b>97%</b> of face-to-face (virtual classroom) learners rated their tutor good or excellent
<b>96%</b> of users rated their knowledge as very good or excellent after our e-learning 

## Shaping understanding of vulnerability

In 2023 we launched a new podcast series designed to change the way we think and act on vulnerability. The series, hosted by Chris Fitch, covers issues ranging from stammering to chronic pain, empathy to loneliness, and fuel poverty to consumer psychology. The podcast is part of our wider, free vulnerability resources hub containing guides and reports.

[www.moneyadvicetrust.org/vulnerability-resources](http://www.moneyadvicetrust.org/vulnerability-resources)

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.

Find out more about our Training and Consultancy at [www.moneyadvicetrust.org/vulnerability](http://www.moneyadvicetrust.org/vulnerability)

# Influencing policy and our wider work

**We work with a range of partners to help bring about positive change on issues affecting people in problem debt. In 2023 we made progress on key policy areas and continued to shape understanding of problem debt with policy makers.**



## **Tackling rising energy debt**

Leading calls for support for people with unaffordable energy arrears, our proposals for a 'Help to Repay' scheme received the backing of 13 organisations, secured widespread media coverage and has led to positive discussions and interest from policy makers.

## **Improving debt collection practices**

As Chair of the Vulnerability Sub-group for the Government Debt Management Fairness Group, we have helped embed best practice into the second version of the Debt Vulnerability Toolkit and improvements to how government departments identify and support people in vulnerable circumstances.

## **Shaping understanding of problem debt**

In 2023, we responded to 21 policy consultations advocating for the interests of people in debt, including responding to consultations from Ofgem, Ofwat, the FCA and government departments.

We highlighted the impact of unaffordable debt deductions from Universal Credit in an appearance in front of MPs on the Work and Pensions Select Committee and we hosted HM Treasury's Financial Inclusion Policy Forum from our contact centre in Birmingham.

## **Improving support for small business owners**

We launched a new project on small business finance skills, with dedicated research on the challenges small business owners face when navigating their business finances, and the opportunities to improve support. As part of the project, we will develop free business skills e-learning for small business owners.

Our research, reports and consultation responses are available online at [www.moneyadvicetrust.org/research-policy](http://www.moneyadvicetrust.org/research-policy)

# Our Trustees and Ambassadors

**We benefit from the knowledge and experience of our Trustees who help set our strategic direction and our President and Ambassadors who offer their time to help us achieve our vision.**

## **Our Trustees**

Christine Farnish CBE (Chair)	Mark Allison
Rebecca Wilkie (Vice-Chair)	Paul Smee
Adam Khan	Sarah Desai
Alexandra Meagher	Vineeta Manchanda
Laurence Burgess	Zitah McMillan
Lucy Malenczuk	

## **Our President and Ambassadors**

The role of our President is to bring important issues of relevance to government and other key sponsors, as well as to represent and raise the charity's profile. The role of our ambassadors is to champion our work amongst a range of key stakeholders.

Baroness Tyler of Enfield (President)	Sir Ian Cheshire
Adam Sharples CB	Otto Thoresen
Baroness Coussins	Sir Sherard Cowper-Coles KCMG LVO
Bim Afolami MP	Simon Walker CBE

# Working in partnership

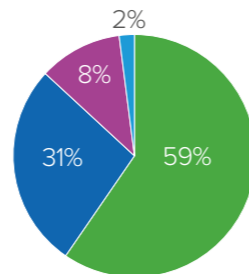
**We believe that by working in partnership we can help more people tackle their debt and manage their money with confidence.**

We work with a range of organisations that have a role to play in the debt and credit environment.

The partners we work with include government departments, banks and building societies, utility providers, a range of charities and debt advice providers.

## How our funding was used in 2023

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



If you are interested in partnering with us, please contact:

### Ian Robinson

Head of Business Development

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## Our partners and funders

We are enormously grateful to our partners and funders for their continued support, without which it would not be possible to carry out our work. Our partners and funders include:

- |                                |                                   |                            |
|--------------------------------|-----------------------------------|----------------------------|
| Accountant in Bankruptcy       | Credit Services Association       | NatWest                    |
| AdviceUK                       | Department for Communities        | Northumbrian Water         |
| Advice NI                      | Northern Ireland                  | Ofcom                      |
| Affinity Water                 | Department for Business and Trade | Ofgem                      |
| American Express Foundation    | Department for Work and Pensions  | Ofwat                      |
| Aviva                          | E.ON Next                         | Ovo Energy                 |
| Barclays UK                    | Energy UK                         | PayPlan                    |
| BCR Limited                    | Experian                          | Santander UK plc           |
| British Business Bank          | Finance and Leasing Association   | Sainsbury's Argos          |
| British Gas                    | Financial Conduct Authority       | Scottish Government        |
| Building Societies Association | HMRC                              | Shell Energy UK            |
| Business Energy Solutions Ltd  | HM Treasury                       | SSE                        |
| Capital One Bank (Europe) plc  | HSBC UK                           | StepChange Debt Charity    |
| Cabinet Office                 | Institute of Money Advisers       | TDX                        |
| Cabot Credit Management Ltd    | JP Morgan Chase                   | Tesco Bank                 |
| CDER Group                     | Lending Standards Board           | Tesco Mobile               |
| Citizens Advice                | Lloyds Banking Group              | UK Finance                 |
| Consumer Finance Association   | Ministry of Justice               | Vanquis Banking Group      |
|                                | Money Advice Scotland             | Welsh Government           |
|                                | Money and Pensions Service        | Wescot Credit Services Ltd |
|                                | Nationwide Building Society       | Wessex Water               |
|                                |                                   | Yorkshire Building Society |



## 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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