



**Consultation on MaPS  
proposals for the delivery  
of its debt advice strategy**

# Foreword

---

I'm pleased to be publishing our proposals for the delivery of the Money and Pensions Service (MaPS) funded debt advice services. This follows on from our evidence gathering phase, where we established two advisory panels to bring the voices of debt advisers closer to help shape our plans. I am extremely grateful to the advisers for their unwavering commitment and support over the past year. Additionally, independent research was conducted, providing valuable insights into the debt advice landscape, barriers to seeking advice, and funding operating models. We also facilitated forums to foster sector-wide stakeholder engagement and discussions.

With the publication of this consultation we are inviting responses to our proposals, and these will shape the next stage when we will commence market engagement, with organisations interested in delivering services.

Despite the pressing need for debt advice, there remains a significant gap between those who could benefit from it and those actively seeking it. MaPS is also aware of the increasing challenges in delivering debt advice, including heightened complexity, more people with deficit budgets, and additional factors complicating the resolution of debt problems. However, increasing case complexity does not diminish the transformative impact of the support and services people in debt receive.

MaPS wants more people to get the help they need but we also need to make sure that the approach we take ensures that the most in need continue to be supported effectively.

I would welcome your responses to this consultation and thank you in advance for your time in doing so. MaPS will be running a series of engagement events over the consultation period where you can also share your views. We recognise the scale and breadth of the proposals set out in this consultation and acknowledge that MaPS won't be able to take everything forward, even when stakeholders believe a proposal has merit. However, the views, insights and evidence you share will inform our decisions and next steps, helping us to prioritise our activities at a time when debt advice is more important than ever.

**Caroline Siarkiewicz**  
CEO, MaPS

# Contents

Foreword	2
Part A: Introduction to the Consultation	4
MaPS and our remit	6
The approach we have taken during the evidence gathering phase	8
Debt advice horizon scan	9
Part B – MaPS as a commissioner of debt advice	12
Chapter 1: The debt advice services that MaPS funds now and what we could commission in the future	13
Chapter 2: MaPS’ role as a commissioner and funder	19
Part C – Strategic issues and opportunities	24
Chapter 3: Focusing on adviser wellbeing and supporting the debt advice workforce	25
Chapter 4: Helping to make debt advice easier to deliver and looking to the future	31
Chapter 5: Increasing public awareness and engagement with debt advice	34
Chapter 6: Building evidence and influencing others	39
Part D – Appendices and supporting information	42
Appendix A	43
Appendix B	45
Appendix C	47
Appendix D	48

# Part A: Introduction to the Consultation

This document is set out in four parts:

- Part A sets up the consultation and looks at MaPS' remit and provides a brief summary of key trend in the sector,
- Part B covers MaPS' role as a commissioner for debt advice services,
- Part C looks at strategic issues within the debt sector and considers the role MaPS could play in these areas, and
- Part D sets out some of the key sources of evidence and supporting information that much of this document is based upon.

## Purpose of consultation:

This consultation sets out the Money & Pension Service's (MaPS) approach to debt advice up to 2028. It explores how we interpret our remit in relation to debt advice and the role that we could take in working with the wider debt sector on some of the key issues and challenges identified.

We are seeking feedback and views on the proposals and potential areas of future focus set out within the document. We are also keen to understand alternative or complimentary proposals and ideas on the role that MaPS could take.

Consultation responses and feedback received through this process will help to prioritise and shape next steps – this may include taking some ideas forward and stepping back from some, refining proposals and undertaking further work with the sector to develop suggestions. The budget MaPS has available for its debt advice, government priorities and changes in the need for debt advice will also be factors in what it is possible to take forward and when. All future work will be subject to MaPS' governance processes.

## Why is MaPS consulting:

In 2021/22 MaPS undertook a major commissioning exercise for debt advice. Following this exercise MaPS committed to carrying out a public consultation in order to help shape our future strategic approach to debt advice and help us understand the best ways to commission national and locally based services over the longer-term.

We set out an intention to undertake a three-stage approach:

- a phase of evidence gathering, analysis and planning
- a consultation – where we formally invite people to respond on our proposals
- a process of engagement with the market leading into subsequent commercial activity

Though the initial focus following the consultation will be on the provision of community-based services, we don't believe it is possible to consider and consult on these services alone. This is because the decisions MaPS must make about how to invest the budget we receive for debt advice cannot be considered in isolation. And, similarly, the role MaPS plays as a commissioner cannot be considered without also looking at the other roles MaPS could take within the debt sector – to be an effective commissioner for now and for the future we need to understand the challenges facing debt advice providers and the clients\* they are supporting.

\*Clients describes people in debt who have engaged with a debt advice provider. We use this term as it is commonly used across the sector. Some providers may refer to customers or service users.

## Geographical scope of the consultation:

MaPS has a remit to provide debt advice in England – therefore the main focus of this consultation is on England. However, MaPS works closely with the Devolved Governments on their debt advice work, and some of the areas discussed within the document have the potential to have a UK wide influence.



## Who is the consultation for:

The consultation is for organisations and individuals involved in delivering debt advice, organisations that support debt advice, organisations that refer their clients and customers into debt advice, organisations that fund debt advice and other interested stakeholders.

## What is not in scope of the consultation:

This consultation is focused on the role that MaPS could play within the sector (prioritising activities according to the budget MaPS receives) to deliver on our statutory remit. The consultation does not set out or seek views on:

- The appropriateness of MaPS's statutory remit
- The MaPS standards and the quality assurance framework for our funded services
- What the overall level of debt advice capacity should be
- How much funding should be available for debt advice (through MaPS or other sources)
- What the sources of funding for debt advice should be

## How to respond to the consultation:

The closing date for responses to this consultation is **3rd April 2024**.

Responses should be submitted using [MaPS Debt Consultation 2024](#) response form. Where use of this form would otherwise prevent a response from being submitted, please complete your response in the body of an email or letter, responding to all mandatory questions and making clear which question you are answering for all parts of your response.

Responses can be returned by either:

- Email to [debtconsultation-responses@maps.org.uk](mailto:debtconsultation-responses@maps.org.uk). Please use the subject header **Debt consultation 2024 response** for email returns.
- Post to the following address: Debt Policy and Strategy Team, The Money and Pensions Service, Borough Hall, 138 Cauldwell Street, Bedford, MK42 9AP

We are also keen to hear from respondents where you have, or are aware of, insight which either corroborates or contradicts the proposals set out in this consultation. Please share any such evidence, with clear and specific reference to the relevant element(s) and to the question(s) to which it relates, with us using the mailbox:

[debtconsultation-evidence@maps.org.uk](mailto:debtconsultation-evidence@maps.org.uk)

**Please DO NOT share any files which may contain personally identifiable information (PII).**

As well as being able to respond with written feedback there will be events taking place during the consultation window to explore ideas in more depth and share feedback through these events.

## Confidentiality and data protection

Your responses to this consultation will be treated with confidentiality, except as required by law. While your personal information will not be shared with third parties without your consent, please be aware that some information provided may be subject to publication or release to other parties or to disclosure in accordance with access to information regimes such as the Freedom of Information Act 2000, the UK GDPR, and the Data Protection Act 2018. However, any personal data will be anonymised or redacted before publication to protect your privacy.

For further information, please refer to our [Privacy policy](#).

The report published will include aggregated findings from across the consultation responses and will not include information that can be attributed to individual organisations. It will include a list of organisations that responded but not the names of individuals.

# MaPS and our remit

## Who we are:

The Money & Pensions Service (MaPS) is an arm's length body of government, sponsored by the Department for Work and Pensions (DWP). MaPS is funded by levies on the financial services industry and pension schemes.

The role and remit of MaPS is set out in the [Financial Guidance and Claims Act 2018](#) (the Act). MaPS is committed to ensuring that people across the UK have guidance and access to the information they need to make effective financial decisions over their lifetime. MaPS delivers this across five core functions: pension guidance, debt advice, money guidance, consumer protection and the strategic function. MaPS provides services directly to consumers through the MoneyHelper brand, funds debt advice provision in England and coordinates a national strategy aimed at improving financial wellbeing for all, ([The UK Strategy for Financial Wellbeing](#)).

## The legislative framework governing MaPS' work in debt advice:

The work that MaPS undertakes in debt advice is guided by the objectives, functions and requirements set out in the Act. The areas we believe to be most pertinent in considering our future debt strategy are set out below.

The Act states the objectives of MaPS are—

- a. to improve the ability of members of the public to make informed financial decisions,
- b. to support the provision of information, guidance and advice in areas where it is lacking,
- c. to secure that information, guidance and advice is provided to members of the public in the clearest and most cost-effective way (including having regard to information provided by other organisations),
- d. to ensure that information, guidance and advice is available to those most in need of it (and to allocate its resources accordingly), bearing in mind in particular the needs of people in vulnerable circumstances, and

- e. to work closely with the devolved authorities as regards the provision of information, guidance and advice to members of the public in Scotland, Wales and Northern Ireland.

The debt function states that MaPS should “provide, to members of the public in England, free and impartial information and advice on debt”.

The strategic function is to “develop and co-ordinate a national strategy to improve

- f. the financial capability of members of the public,
- g. the ability of members of the public to manage debt, and
- h. the provision of financial education to children and young people.”

And, “in developing and co-ordinating the national strategy, MaPS must work with others, such as those in the financial services industry, the devolved authorities and the public and voluntary sectors.”

The legislation also states MaPS can undertake “anything that is conducive to the exercise of its functions”.

The legislation sets out expectations regarding ‘setting standards’ for service delivery (the [Money and Pension Service standards](#)), the need to monitor compliance with these standards, and the regular review/approval of these standards by the Financial Conduct Authority (FCA).

Alongside these objectives and principles, the Secretary of State may issue guidance and give directions to MaPS about the exercise of its functions. MaPS must have regard to guidance issued and comply with any directions given to it.

## Debt and ‘those most in need’ and ‘the needs of people in vulnerable circumstances’

The Act sets out the expectation that MaPS’ work should ensure advice is available to ‘those most in need’ and should bear in mind ‘the needs of people in vulnerable circumstances’. These phrases are not defined within the Act.

MaPS (and the services it provides directly or through third parties) must be delivered within the requirements of the Public Sector Equality Duty, which seeks to eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relationships between groups.

MaPS undertakes an annual ‘Debt Need Survey’ to understand who needs debt advice across the UK (further detail about the survey and its methodology are provided [later in this document](#)). The survey categorises people into one of six groups based on indicators of financial difficulties (regularly being behind on bills and credit commitments, arrears with priority and non-priority debts, adverse events such as court action or contact from bailiffs and use of high-cost credit). Those in groups 4–6 are classed as needing debt advice and are how we interpret ‘those most in need’ in relation to debt.

Our interpretation of the phrase ‘people in vulnerable circumstances’ is set out within the MaPS standards and is defined as a person “experiencing vulnerability because of one or more of the following factors:

- A person experiencing low resilience,
- A personal characteristic such as a serious mental health condition or cognitive impairment,
- The impact of a recent life event such as a recent bereavement,
- A low level of skills required for good financial capability.”

We are mindful that many studies have highlighted the strong links between being in debt and experiencing vulnerabilities, as well as links between debt and individuals with protected characteristics.

MaPS must also operate in line with the rules and guidance on public bodies including, but not limited to, [Managing Public Money](#) – which sets out the principles for dealing with financial resources within the public sector – and the [Public Contracts Regulations 2015](#), which sets out a series of principles and procedures that must be abided by above set financial thresholds. The Procurement Act (2023), expected to come into force in the UK in October 2024, is anticipated to transform the way government bodies procure, by creating simpler, more flexible and effective processes, and further opening up public procurement to new entrants, small businesses and social enterprises. MaPS will continue to be required to adhere to defined legislative rules and processes when outsourcing public services to third-parties.

These legislative frameworks influence the multiple roles that MaPS undertakes within the debt sector:

- a commissioner of services in England (the provision of debt advice is a regulated activity requiring appropriate authorisations, MaPS fulfils its function ‘to provide debt advice’ by funding third party suppliers to deliver these services and works with delivery partners to ensure that services adhere to the MaPS Standards)
- a provider of shared infrastructure such as the Single Financial Statement (the industry standard tool for assessing income and expenditure) and the Money Adviser Network (a single point of entry for referrals into debt advice)
- a coordinator and policy influencer – including the annual Debt Need Survey, bringing industry figures together through the Debt Advice Reference Group, and other influencing work such as that undertaken to help shape the policies governing online advertising of debt advice (one of the priorities emerging from the UK Strategy for Financial Wellbeing delivery plans).

**Details of the debt advice services and organisations we fund can be found in Part D – Appendices and supporting information.**

# The approach we have taken during the evidence gathering phase

The proposals set out in this consultation build upon the evidence gathering MaPS has recently undertaken. This phase included a comprehensive review of existing evidence sources and insights including:

- [MaPS' annual Debt Need Survey](#),
- Voice of the Customer – the regular independent service evaluation MaPS commissions to assess customer satisfaction and client outcomes,
- Delivery data provided from services funded by MaPS

The evidence review encompassed MaPS' recent work including '[Findings from call for evidence on debt advice clients with deficit budgets](#)', '[Access to debt advice during the Covid-19 pandemic](#)' and previously commissioned co-design work, horizon scanning, service evaluations and research.

Alongside an evidence review we commissioned three new pieces of independently conducted research:

- [Motivations and barriers to seeking debt advice](#)
- [Debt advice in the post-pandemic landscape](#)
- [Funding and operating models of the debt advice sector](#)

This research was generously supported by many sector stakeholders who gave their time, provided access to their clients and offered invaluable insight to help shape the findings.

With the initial support of the Institute of Money Advisers (IMA), MaPS has established two adviser panels to bring the voice of frontline advisers closer to the decision-making process and strategy development. One panel works online, responding to a regular pulse survey and providing insight through deeper dives into specific topics.

The second panel is a smaller group made up of advisers from across England. They include a mix of delivery models and channels, not for profit and commercial firms; some advisers work for services funded by MaPS while some do not, and they represent a range of tenures from recent trainees to some with over 10 years of experience. We've worked with the panel since March 2023 to better understand the challenges they face, their day-to-day experience of delivering services and their thoughts and input on the role that MaPS could take.

Our adviser pulse survey is designed to track trends and change over time in a range of areas. We focus on topics that help us understand advisers' experience including job-related wellbeing, job retention and satisfaction. Advisers are also in a unique position to tell us about what they are seeing in their roles, so we also ask them about capacity to meet demand and what major issues their clients are presenting with. Finally, we ask them about their perceptions of MaPS, to help us better understand how our actions affect advisers.

Though this consultation comes after the end of an evidence gathering phase, the process of continuing to build insight and iterate the way we work will continue through the consultation phase, the market engagement phase and into the ongoing management and continuous improvement of the ongoing commissioning cycle.

**More detail on the key sources of evidence we have used in this consultation can be found in Part D – Appendices and supporting information.**



# Debt advice horizon scan

## Key trends and challenges facing debt advice provision

There are some key trends and 'known unknowns' related to the debt sector that are influencing the proposals we are consulting on – these are set out below.

## Who needs debt advice

The 2022 Debt Need Survey identified that 9.3 million people can be classified as needing debt advice in the UK. The people who fall into this group are diverse, however you are more likely to need debt advice if you are aged under 35, have children, are on a low income, renting a home or from a minority ethnic community. We also see from the data that there is some intersectionality between these factors. Additionally, the population needing debt advice can change over time, as evidenced by the rising need for debt advice among homeowners with mortgages over the last three years.

**Further analysis of the 2022 Debt Need Survey can be found in Part D – Appendices and supporting information**

## Gap between need and demand for advice

While there are an estimated 9.3 million people in need of debt advice, we believe that approximately 2 million people access help with their debts each year. This includes those seeking help from regulated debt advice services and help with insolvency options, as well as those taking on Individual Voluntary Arrangements (IVAs) where they may not have had full advice on the range of debt advice solutions available to them.

This is clearly a significant gap between need for advice and seeking help. While some within the need population may find resolution without debt advice (for example through changing life circumstances), there are likely to be many whose debt problems get worse as time passes.

## Barriers to advice seeking

Public awareness of debt advice is low, and so people are not aware of what services exist and how they might help. They are also unsure of what seeking help might mean for them.

There is a stigma associated with debt and people can feel embarrassed about their money problems. It can feel overwhelming, and those with low financial literacy and confidence can particularly struggle to seek help. Where clients are facing multiple vulnerabilities, resolving debt is not always the priority.

When people do seek help it is often because they have been referred into debt advice because of creditor debt collection activity or by another partner organisation. There is not a comprehensive picture of why clients end up at the service they seek help from, and sometimes there may be a lack of awareness of alternative providers.

## Debt advice is getting harder to deliver

While this trend may not apply to everyone seeking help, the evidence is clear that for some clients delivering effective debt advice is becoming more challenging.

## Increasing numbers of deficit budgets

- A deficit budget refers to a situation where an individual's or household's income is less than essential outgoings. By 'essential outgoings' we are referring to essential costs of living and ongoing priority bill payments.
- Providers have reported significant growth in the prevalence of deficit budgets, with Citizens Advice reporting in July 2023 that over 50% of their clients are now in this situation<sup>1</sup>.
- In August 2023 MaPS published findings from our deficit budget call for evidence<sup>2</sup>. The responses received highlighted that both the prevalence and size of deficits has increased in line with cost of living pressures. These pressures have also reduced the options that advisers have for tackling deficit budgets. Advisers have adapted to

<sup>1</sup> Proportion of Citizens Advice debt advice clients with a deficit budget over time, taken from Living on Empty, Citizens Advice, July 2023

<sup>2</sup> Debt advice clients with deficit budgets, Money and Pensions Service, August 2023

the environment and are spending more time looking for opportunities, however, this is putting advisers under strain. Considering this, it is more important than ever that where action can be taken to support these clients, it is taken.

### Increasingly complex cases

- MaPS has seen a number of reports and received feedback from debt advice stakeholders that suggest debt advice case complexity has increased markedly since 2019. Similarly, MaPS' annual Debt Need Survey has shown:
  - There has been a progressive and significant year-on-year increase from 2019 to 2021 in the proportion of advice clients who have experienced negative events (rising from 54% to 64%). Negative events asked about are: Utilities disconnection, imposition of a pre-payment meter, court summons, bailiff contact, eviction, repossession, loss of essential goods, and being unable to buy essentials such as food.
  - The people presenting for advice in 2021 were significantly less confident in their ability to deal with financial paperwork and creditors compared to those presenting for advice pre-pandemic.
  - People receiving debt advice are now significantly more likely (55% to 65%) to have priority debts (debts that carry the most serious consequences if you don't pay them. For example, court fines, mortgage or rent, and Council Tax) that need to be addressed than in 2019.

**More detail on how MaPS defines case complexity can be found in Part D – Appendices and supporting information.**

### Funding pressures across the sector

Robust and comprehensive data on the funding levels supporting debt advice across the UK does not exist, however, it is clear that there are funding pressures across the sector. For debt advice providers working nationally funding is often reliant on voluntary contributions from corporations, including fair share contributions which are squeezed as fewer people take up debt management plans. Community-based providers may be reliant on local authority funding or charitable grants. Additional funding may have been available as part of cost of living response programmes but there is no indication that these sources will continue.

### Lack of data about supply and capacity

Data about the level of capacity within the debt sector is lacking. While it is easier to understand the size and scale of some of the organisations providing debt advice on a national basis, it is much harder to build an accurate and complete picture of community-based supply. MaPS' predecessor, the Money Advice Service (MAS), undertook a supply survey, however there were challenges in securing responses to this survey among organisations not funded by MAS. Additionally, the data could quickly become obsolete if advisers left their roles and vacancies arose. Discussions with key stakeholders in the sector have not revealed any available and reliable sources of information that could be used to inform understanding of supply effectively.

### Challenges securing investment in infrastructure

Debt advice delivery is often undertaken by charities, which can present challenges in finding the capital expenditure to invest in infrastructure and systems, especially in an environment of high demand for service. Where funding for technology and infrastructure has been made available, it has often been one-off or ad-hoc and hasn't been sustained at a level that allows ongoing maintenance and enhancements.

### Inefficiencies and pain points

The debt advice process requires accurate information about client circumstances to be gathered. This often requires the input and collaboration from multiple parties. Credit reference agency (CRA) data can help paint some of the picture, but some debts are not included within this. Often, sourcing the required information means advisers are spending significant amounts of time on hold to customer contact centres, trying to reach someone who can help with their enquiry. Advisers report challenges with document sharing and inconsistent approaches from one creditor to another. Many of the backroom processes involved in advice-giving could benefit from modernisation and simplification.

## Lack of strategic approach to channel mix/omnichannel

By channel we mean the medium through which debt advice is delivered, for example telephone or web chat. Evidence shows that the debt advice sector responded positively to the challenges of delivering services during the pandemic and periods of lockdown. Insight from *Revealing Reality*<sup>3</sup> suggests that many community-based services continue to deliver through the mixed channel approach – though this has been a reactive change rather than a considered redesign of services.

## Workforce challenges

During the evidence gathering phase we heard from those in advice-giving roles about the challenges that can impact job satisfaction and ultimately their wellbeing. We have also heard and recognise that debt advice providers face challenges in attracting and retaining talent.

- There is low awareness of debt advice (and advice more broadly) as a career option and many advice organisations describe 'being able to recruit trained professionals into the sector' as a key challenge.
- Retaining trained, experienced staff within the debt advice sector is critical to meet the demand for services. Research conducted on behalf of the IMA in 2020<sup>4</sup> found that 8% of respondents intended to leave the sector entirely within 12 months.
- Experience suggests that it takes between 4–6 months to train a new debt adviser to the level required to deliver debt advice independently. Therefore, annual funding commitments can present challenges to timely recruitment and subsequent training of new recruits.
- Half of advisers in the online adviser panel say their workload is not manageable and around 70% consistently say that they do not have enough time to do their job well. The same panel also pointed to the importance of management culture in how advice-giving staff experience work.

## Potential changes to the regulatory and solutions landscape

There is potential for there to be some changes to the landscape that debt advice operates within:

- The FCA is undertaking a review of the rules and guidance around debt advice (Consumer Credit Sourcebook, Chapter 8) to ensure they set the right framework for good quality debt advice.
- The Insolvency Service have consulted as part of the Personal Insolvency Framework review they are undertaking, which may lead to some changes in the solution landscape. HM Treasury (HMT) paused work on the proposed Statutory Debt Repayment Plan to enable this review to inform next steps.
- HMT have committed to review the Consumer Credit Act, which could have implications for how debt advice services are delivered in the future.

3 [Debt advice in the post pandemic landscape, Revealing Reality, August 2023](#)

4 [Workload conditions and wellbeing in the money advice sector, IMA, October 2020](#)

## Part B – MaPS as a commissioner of debt advice

This part of the consultation looks at MaPS' role as a commissioner of debt advice. The first chapter considers the services we currently fund, the rationale for the approach we have taken and invites views on services we could commission in the future. The second chapter explores the principles that will underpin our commissioning practices.

Consultation responses will help MaPS to decide on next steps – this may mean stepping back from some proposals, even those that have strong support from stakeholders. The budget MaPS has available for its debt advice and other resource considerations will determine what it is possible for us to take forward and when. MaPS will also carefully consider how we can have the greatest impact, balancing the funding of debt advice provision against other activities that could make a positive impact in the mid to long-term. All future work will be subject to MaPS governance processes.





# Chapter 1: The debt advice services that MaPS funds now and what we could commission in the future

This chapter is split into three sections:

- Section 1.1 will set out our views about the mainstream debt advice provision MaPS should commission, how well we think this meets the needs of people in debt, and then seek views on this area.
- Section 1.2 will set out other specialist services that MaPS commissions and seek views on these.
- Section 1.3 will consider the merits of commissioning services to fulfil needs that currently are not as well met by existing services. We will seek the views of stakeholders on these and on what else MaPS could commission in this space.

This chapter may be of particular interest to **debt advice providers, members of the debt sector workforce, providers of other types of advice, organisations that contribute to the debt advice levy, and other funders of advice services.**

You do not need to answer every question for your response to be considered by MaPS. You can also offer a summary of your views on the proposal and ideas covered in this chapter.

## 1.1 MaPS will continue to commission a range of services from nationally accessible to community and place-based services. MaPS believes this is the best approach to meet the needs of people in debt.

Given the diversity of the debt need population and the duties MaPS has under the Financial Guidance and Claims Act 2018 – to provide debt advice in England, while *bearing in mind in particular the needs of people in vulnerable circumstances* – MaPS believes the best way forward is to continue commissioning a range of service delivery models. This includes nationally accessible contact centres, digital-led advice, community-based services and services offering in-person support.

### What do we mean by community-based and nationally accessible debt advice provision?

**Community-based debt advice** services are place-based, delivered in settings such as high streets, other local centres, and via outreach. These services can be offered with an element of in-person support, although almost all community-based organisations use a range of delivery models to provide debt advice and engage people, including telephone, digital and webchat and video kiosks. Generally, community-based debt advice services either deliver other types of advice and support or sit within a network of other local agencies providing those services. This more comprehensive offer means many individuals receiving debt advice funded by MaPS through community-based services can also have other advice and support needs dealt with at the same time. Community-based services also tend to offer greater levels of debt advice casework, advocacy and specialist support, although many nationally accessible services have increased their delivery in recent years.

**Nationally accessible debt advice** suppliers provide support to individuals throughout England who are experiencing problem debt. Services are offered primarily through telephone and digital channels and have been designed to meet the needs of people in vulnerable circumstances. National debt advice services offer similar elements to community-based services, including the provision of casework, income maximisation activity, budgeting advice and access to services which support needs beyond debt advice.

### Why we think funding a range of services is the right way forward for MaPS to help people in debt

The evidence we have seen shows that the population of people who need debt advice is highly diverse<sup>5</sup>. While it is true that some groups tend to be over-represented compared to the UK population as a whole, those who need debt advice (and the wider at-risk population) are made up of people from different socio-economic backgrounds,



housing tenures, ethnicities and other protected characteristics. The need population is also not static, it may change over time due to macro-economic trends, changes in creditor practices and more acute forms of need emerging at a local level or within some communities. For example, people receiving debt advice are now significantly more likely (55% to 65%) to have priority debts that need to be addressed than in 2019.

Within the need population, the evidence shows that there are range of needs and preferences for how people want to access and receive debt advice<sup>6</sup>. This is partly driven by low levels of public awareness of debt advice – you are unlikely to know the best way to access a service you don't know exists.

It seems reasonable that the high levels of stigma and embarrassment associated with being in debt<sup>7</sup> would also be a factor, so a service you can access from the anonymity of your own home, or even a digital service where you may not have to speak to anyone at all, may seem appealing to some people. These services may also feel accessible and convenient, allowing people to access advice outside of working hours from their home or another safe space.

People will also decide on the debt advice service that is right for them based on the level of support they need to access and engage with a service, or because they have had negative experiences using a different channel<sup>8</sup>. Often this will mean they want a community-based debt advice service that offers some in-person support in a familiar or trusted space. The evidence we have seen makes the value of these relational services clear, from establishing trust and rapport to having someone on hand to help with paperwork. Community-based organisations amplify this value by using local knowledge to link or refer people to other local services (often to named individuals within those services).<sup>9</sup>

The evidence we have seen tells us that some people in vulnerable circumstances want or need alternatives to community-based and in-person advice, and that individuals with particular support needs do not have a uniform set of preferences about accessing and receiving a service in a specific way. Like the debt need population, people in vulnerable circumstances are not a homogenous group, they have different protected characteristics and have a range of needs and preferences about how they want to access services<sup>10</sup>. So, while we acknowledge the value of in-person support and advice, we also understand that the needs and preferences of people in vulnerable

circumstances are varied, requiring services that are accessible, and deliver a good experience and outcomes across a range of service delivery models.

## How well do MaPS-funded debt advice services meet the needs of people in debt?

### Accessibility

Clients using our funded debt advice services tend to be less affluent and more likely to be experiencing vulnerability at the time of using services compared to the debt need population as a whole. However, against most other factors, the population who need debt advice and those accessing MaPS services is broadly aligned. MaPS believes this is an indication that the mix of services we fund is broadly right: if there was a significant disconnect between the two profiles this might have indicated that our funded provision was not broadly aligned with the access needs and preferences of people who need debt advice.

So, while the evidence we have suggests the range of services we fund are meeting the access needs of people in debt, we know that debt advice services face similar access issues to other services<sup>11</sup>. There is more work to do to increase the visibility, accessibility and availability of debt advice in some communities and groups with protected characteristics. For example, MaPS' 2022 Debt Need Survey showed a rise in the proportion of people from ethnic minority backgrounds who need debt advice – up from 15% in 2020 to 30% in 2022. MaPS is committed to working with our funded services, the wider sector and other key stakeholders to understand these trends and to make any necessary adjustments to remove barriers to access and engagement.

### Experience

The evidence we have suggests that most people have a positive experience of receiving debt advice from a service funded by MaPS. Nine-in-ten clients surveyed who accessed MaPS-funded services agreed that the main channel they received advice through was the right one for them, while a similar proportion were satisfied with the service they received and would recommend it to someone in a similar situation. People consistently highlighted the knowledge, helpfulness and empathy they experienced when receiving advice from a service funded by MaPS<sup>12</sup>.

6 Debt advice voice of customer, Quadrangle, May 2023

7 The motivations and barriers to seeking debt advice, CogCo and Common Collective, September 2023

8 Help Along the Way, Money and Mental Health Policy Institute, July 2020

9 Debt advice clients with deficit budgets, Money and Pensions Service, August 2023

10 Help Along the Way, Money and Mental Health Policy Institute, July 2020

11 Variation in ethnicity referral and treatment pathways for IAPT users in South London, August 2021

12 Debt advice voice of customer, Quadrangle, May 2023

## Outcomes

MaPS-funded services also deliver positive outcomes for people in debt: a third say they have had their problem completely resolved, and three-quarters of all clients say the problem has been resolved at least to some extent. This is particularly positive in the context of the high prevalence of debt advice clients in a deficit budget which can make debt problems more difficult to resolve. Of those clients who reported not finding a resolution to their problem, around a fifth were happy with the service they received, while a further 12% were dissatisfied with the solution available to them rather than the service itself. Moving forward MaPS will continue to examine the factors that impact on problem resolution.

The additional ways MaPS-funded services create value are also evidenced: 66% of people reported feeling more confident managing their finances; 67% feel more confident dealing with people they owe money to; 43% are saving more money in general; 54% no longer have to use a credit card, overdraft or borrow to pay for food or bills.<sup>13</sup> A majority also report experiencing an improvement in wellbeing: 48% of people reported improvements to their mental health; 38% said their physical health had improved; 46% had improved relationships with family and friends.

While the evidence we have seen suggest that services funded by MaPS provide good outcomes on behalf of those who receive them, there is no room for complacency, as the profiles of people in debt continue to change financially, demographically and in terms of wider advice and support needs. As already referenced, those engaging with debt advice are now more likely to be facing a budget in deficit even before debt repayments have been taken into account<sup>14</sup>. At the same time, a new cohort of debt advice clients emerged post-2019. This more affluent, financially-capable cohort are more likely to engage with debt advice at an earlier stage and less likely to engage with in person advice<sup>15</sup>. Given this changing profile MaPS remains committed to working with our funded services and the wider sector to ensure that debt advice is accessible and available to all who want it, and consistently provides a positive experience and good outcomes to those who receive it.

## Looking forward

MaPS believes that both need and demand for debt advice is likely to remain high in the mid-term<sup>16</sup>, and in the same period the trends we have seen on increased debt advice case complexity and wider support needs are also likely to continue. Currently, there is a lack of comprehensive data on the debt sector's capacity to serve clients, but we estimate circa 2 million people receive debt advice annually, with MaPS funding approximately just over a quarter of this. This context means MaPS believes the right approach is to fund services that can meet high demand, provide more comprehensive forms of debt advice and wider support, and increase the overall capacity of the sector. This is a complex challenge and MaPS wants to understand stakeholder views on what the right mix of mainstream debt services could look like, and the scope they will require to meet presenting need.

**Question 1: Do you agree that MaPS continuing to commission a range of debt advice service models is the best way to make debt advice accessible and available for those who need it? (Please provide supporting evidence where appropriate)**

**Question 2: Do you have any additional evidence or insight that would help MaPS to decide on the level of capacity that is needed across the range of services it funds (nationally accessible to community and place-based)? (Please provide supporting evidence where appropriate)**

**Question 3: Should MaPS change the scope of the services that it funds (see Appendix A) given increased debt advice case complexity? If so, how? (Please provide supporting evidence where appropriate)**

**Question 4: Do you have any views on how this work should be prioritised or additional views you want to share? (Please provide supporting evidence where appropriate)**

<sup>13</sup> Debt advice voice of customer, Quadrangle, May 2023

<sup>14</sup> Debt advice clients with deficit budgets, Money and Pensions Service, August 2023

<sup>15</sup> Debt advice in the post pandemic landscape, Revealing Reality, August 2023

<sup>16</sup> Financial Stability Report, Bank of England Financial Policy Committee, December 2023

## 1.2 Alongside mainstream services MaPS will continue to commission:

- a) Business Debt Advice
- b) The Mental Health Crisis Breathing Space Service
- c) Debt Relief Order Hubs

MaPS believes our debt advice services should be designed and resourced to provide good access, experience, and outcomes for people who need debt advice. MaPS also commissions services with different specialisms such as Business Debt Advice, the Mental Health Crisis Breathing Space Service, and the Debt Relief Order Hubs.

### a. Business Debt Advice

**Business debt advice services funded by MaPS** provide support to sole traders and small businesses owners where their personal finances are impacted. As part of the requirements for business debt advice, a business debt centre of excellence has also been established to support the wider sector to work effectively with customers with less complex business debt problems.

The provider of the business debt advice ensures their staff have the highest level of expertise and experience on business related liabilities and assets, alongside the provision of ancillary services which are relevant to self-employed people experiencing debt problems.

### b. The Mental Health Crisis Breathing Space Service

MaPS is supporting the mental health access mechanism to Breathing Space by funding a service to support customers referred for a **Mental Health Crisis Breathing Space (MHCBS)**. This service began delivery in 2021 as a pilot funded by MaPS.

MaPS funds the activities required to decide a customer's eligibility for Mental Health Crisis Breathing Space, enter that customer into Breathing Space, carry out the activities required to maintain the Breathing Space moratorium and end it when required, and offer debt advice to customers.

In 2023/24 MaPS has been preparing for a procurement process to secure this outsourced service. Interested parties can register on MaPS' e-tendering system where this opportunity will be published in due course.

Please note: MaPS is seeking stakeholder views on the dedicated provision for this activity, not on this aspect of the Breathing Space policy.

### c. Debt Relief Order 'Hubs'

**The Debt Relief Order (DRO) administration hubs** accept client referrals from debt advice providers who have identified a DRO as a debt solution for a person who has received debt advice. These hubs are intended to offer efficiency to the sector and expedite the processing of the client's DRO. There is an onus on hubs to focus on and invest in infrastructure and processes, which harness the potential for improvements to customer journeys and operating efficiencies.

The Money Advice Service began funding this type of service in 2016 as a response to rising demand for DROs and the heavy administration burden experienced by frontline staff to build and submit a DRO application to the Insolvency Service. By centralising the administration of DROs, the aim is to relieve this burden while creating the environment to reduce unnecessary effort and make it easier to:

- standardise aspects such as processes, information requirements and data flows,
- invest in the critical infrastructure required to enable efficiencies,
- identify the next challenge and build the evidence base to address it effectively, and
- work with other sector stakeholders on areas of shared policy concern

**Question 5: Do you agree that MaPS should continue to provide these services? (Please provide supporting evidence where appropriate)**

**Question 6: Do you have any additional evidence or insight that would help MaPS to decide on the level of capacity that is needed for these services? (Please provide supporting evidence where appropriate)**

**Question 7: Do you have any additional views you want to share on these services? (Please include any supporting evidence to illustrate your reply)**

### 1.3 MaPS could also commission some different types of debt services or different ways of delivering services in the future

For mainstream advice provision MaPS has generally commissioned end-to-end services, expecting the provider (and their supply chain) to deliver all aspects of service including acquisition, engagement, advice, solution recommendation and post-advice support.

This approach is a simple way to understand services but it masks the complexity of the service being provided. The reality of delivering services means that debt advice providers need to work with a range of third-party organisations, referring into and out of the service to provide the support clients need.

We know that the client journey through the advice process isn't linear, it needs to work dynamically with people in debt to deal with the most pressing issues and adapt as client circumstances change.

The profile and advice needs of people in debt will continue to change, and the policy and legislative framework that underpins debt advice may also change.

With this context in mind, there may in the future be a need for MaPS to commission additional debt advice services with specialisms.

The sections below provide some examples of the types of services with a specialism that MaPS could commission based on known trends in debt advice need, or where it has been suggested there could be gaps in provision. They are not set out as a comprehensive list, but rather as a prompt for discussion on the ideas and issues that are explored, and as an invitation for stakeholders to offer alternative points of view.

Consultation responses will help MaPS to decide on next steps – this may mean stepping back from some proposals, even those that have strong support from stakeholders. The budget MaPS has available for its debt advice and other resource considerations will determine what it is possible to take forward and when. MaPS will also carefully consider how we can have the greatest impact, balancing the funding of debt advice provision against other activities that could make a positive impact in the mid to long-term. All future work will be subject to MaPS' governance processes.

#### Services that address the increase of debt advice clients in a deficit budget

MaPS recently conducted a call-for-evidence on the needs of debt advice clients with deficit budgets. The call highlighted some of the issues debt advice providers experience when endeavouring to deliver positive long-term outcomes for those clients<sup>17</sup>. There is anecdotal evidence from smaller adviser panel that these issues can lead to longer case lists which require additional effort to maintain. Research prepared for the Institute of Money Advisers (IMA) on workload conditions and wellbeing showed that, at its most intense, this can impact on how frontline staff experience work<sup>18</sup>. The evidence shows clients with deep, long-standing deficits typically experience concurrent needs or issues alongside their problem debt, such as housing, welfare benefit, health and language barriers. Others struggle to access a debt solution and may require ongoing support from their advice provider to maintain creditor forbearance.

Given the complex advice needs of clients in a deficit budget, MaPS would like to understand stakeholder views on the risks and benefits of dedicated forms of provision for these clients. MaPS and other key stakeholders could carry out further analysis of the needs of deficit budget clients to identify the segment(s) that require the most intensive and specialist forms of advice and support. MaPS could then seek to co-design\* and commission a specialist service or services for this client group and enable the wider sector to refer based on agreed eligibility criteria.

\*Co-design aims to build ideas and services in collaboration with customers and service providers.

#### Services that improve the accessibility and availability of debt solutions

MaPS recognises that debt advice organisations can struggle to provide solutions to all those who would benefit from them due to resource constraints or because access to particular solutions may be subject to lengthy wait times if resource is constrained. In a similar way to making funding available to cover the costs of DRO administration, MaPS could seek to fund the debt advice provider administration costs of Debt Management Plans (DMPs), Bankruptcy and other solutions. The intention would be to increase the availability and accessibility of solutions and support debt advice providers with the costs associated with administering them.

17 Debt advice clients with deficit budgets, Money and Pensions Service, August 2023

18 Workload conditions and wellbeing in the money advice sector: A qualitative and quantitative research report, Collaborate Research on behalf on the Institute of Money Advisers, October 2020

## Services that better meet the needs of people in vulnerable circumstances and those most in need of debt advice

MaPS may also commission debt advice services where evidence and insight suggest that individuals and groups have accessibility and support needs that require deep understanding, specialist knowledge and whole organisational ways-of-working for them to achieve good outcomes; or they primarily want to engage with an organisation that provides dedicated services to them and their communities.

One example is clients experiencing mental health issues, who can face challenges getting the right support from debt advice<sup>19</sup> services. Mainstream services have typically not been designed to assess a client's ability to concentrate for long periods or deliver the bulk of complex advice via email; these are two of the service needs described by users of debt advice who suffer with poor mental health.

Another client group where evidence suggests there can be a need for dedicated provision are victim-survivors of economic abuse. Economic abuse is a legally recognised form of domestic abuse and is defined in the Domestic Abuse Act. An evaluation of a dedicated debt advice service for victim-survivors demonstrated the importance service users placed on the strong knowledge of domestic abuse and economic abuse that the organisation had, as well as providing up-to-date advice and support on debts and financial exclusion, and knowledge of the welfare benefit system.<sup>20</sup>

Services for people in debt due to a gambling addiction has been suggested as another area that could benefit from increased dedicated provision.

The 2022 Debt Need Survey has also highlighted the increase in people in debt from ethnic minority communities – rising from 15% in 2020 to 30% in 2022. MaPS wants stakeholder feedback on how we should interpret this trend, what we should learn from others working in this area<sup>21</sup>, and what services may be needed for effectively serving people from ethnic minority backgrounds.

## Funding place-based and community-based organisations to provide engagement and access to debt advice, particularly for those facing barriers to access and engagement

The evidence we have seen tells us that one of the ways community-based organisations create value is being a known and trusted place within their locales<sup>22 23</sup>.

19 [Help along the way, Money and Mental Health Policy Institute, July 2020](#)

20 [A summative evaluation of the Domestic and Economic Abuse Project \(DEAP\), University of Suffolk, August 2020](#)

21 [Understanding Models of Support for People Facing Multiple Disadvantage: A Literature Review, Fulfilling Lives, September 2020](#)

22 [Access to debt advice during Covid-19, MaPS, March 2021](#)

23 [Advice in Community Settings: Year 1 Evaluation Report, Mime Consulting, September 2023](#)

24 [What makes an effective multiple disadvantage navigator? Workforce development and multiple disadvantage, CFE Research and The University of Sheffield, with the Systems Change Action Network, January 2021](#)

In the future MaPS could seek to fund this engagement and access activity separately, leveraging the value of place-based services as community assets but with the potential for the advice-giving element happening elsewhere. This approach could create opportunities for new and different types of organisations to receive MaPS funding, lower barriers to accessing debt advice in some communities and places, and encourage new forms of partnership working.

## Provision of service 'navigators'

Our research and evidence show that many people in debt want and need in-person support throughout their advice journey, in order to take actions resulting from advice and to navigate referrals to other supporting organisations. As well as in-person advice provision, 'navigators' may be one way to deliver what people need and value from advice services. A navigator is "a service-neutral staff member who works with people affected by multiple disadvantages and supports them to secure and coordinate a range of support and services as needed."<sup>24</sup> This model is used widely within health and social care settings and MaPS has seen examples in advice services. We believe there could be merit in piloting this component to understand whether it can improve engagement and outcomes, particularly for clients in vulnerable circumstances.

**Question 8: Do you have views on whether MaPS should explore the need for these services? (Please provide supporting evidence where appropriate)**

**Question 9: Do you have any views on how this work should be prioritised or additional views you want to share? (Please provide supporting evidence where appropriate)**

**Question 10: Do you have any alternative suggestions the types of debt advice services with a specialism that MaPS should commission in the future? (Please provide supporting evidence where appropriate)**



## Chapter 2: MaPS' role as a commissioner and funder

This chapter is split into three sections, seeking stakeholder views on the role MaPS should play as a commissioner and funder of debt advice:

- Section 2.1 sets out the principles that will underpin our role as a commissioner, then seeks views on those and how we can embed a more collaborative approach.
- Section 2.2 explores some of the challenges we face when making changes to our funding and service provision and seeks views on how we could mitigate potential risks.
- Section 2.3 discusses some of the benefits we believe can be created by increasing our collaboration with other funders of advice and asks for stakeholder views on that approach.

This chapter may be of particular interest to **debt advice providers, providers of other types of advice, organisations that contribute to the debt advice levy, and other funders of advice services.**

You do not need to answer every question for your response to be considered by MaPS. You can also offer a summary of your views on the proposal and ideas covered in this chapter.

### 2.1 MaPS commits to best practice in our commercial approach and believes that collaborating with the debt advice sector and other key stakeholders when commissioning will lead to the creation of more effective services.

The Money and Pensions Service is an arm's length body of the Department for Work and Pensions (DWP). As such, it must observe Government policies and rules on commercial activity and procurement<sup>25</sup>. Operating within these rules assures all our stakeholders that services are sourced fairly and that funding will be used in a way that creates demonstrable value. The Secretary of State may also issue guidance and give directions to MaPS about the exercise of its functions. MaPS must have regard to for guidance issued and comply with any directions given to it.

Building upon the learning from previous commissioning rounds, MaPS is committed to public sector best practice in all our commercial activities. We will pursue the highest standards of professionalism, ethical conduct and impartiality. Moving forward we will continue to award our funding via competition between potential suppliers, unless there are compelling reasons why competition cannot be used. Competitive processes are governed by UK legislation and conducted in accordance with the Government procurement policy.

A best practice in our commercial approach commits MaPS to:

- Ensuring our procurement timelines are sufficient so that potential participants are not excluded due to organisational and resource constraints.
- Undertaking detailed market engagement activities to:
  - Develop requirements for the service(s) being procured.
  - Understand how the opportunities should best be structured in terms of overall value, geographic reach and other eligibility criteria.
  - Test the commercial basis of any subsequent funding agreements, payment mechanisms etc. This means that our future agreements could either be based on grants or contracts.
- MaPS will test elements of the above with potential suppliers and utilise relevant market intelligence to adjust our approach to more closely meet the current capabilities of the market<sup>26</sup>.

The collaborative ethos that flows from our commercial requirements will be a core element of our approach moving forward. MaPS commits to working collaboratively because we recognise that we don't have all the answers. Commissioning excellence will require working with others to understand what people in debt and their communities need. MaPS also wants to foster collaboration because we understand that a resilient and effective debt advice sector can only exist within a wider, healthy advice-giving ecosystem. Delivering that will require us to work with other organisations and funders – more detail on this approach is provided later in this chapter. Through collaboration we can support services funded by MaPS and the wider sector to amplify

<sup>25</sup> Public Procurement Policy, Crown Commercial Service, April 2023

<sup>26</sup> The Sourcing Playbook, Cabinet Office, June 2023

the value and benefits they create, enhancing the resilience of the sector and ensuring clients get the support they need.

Collaboration will also be key to informing MaPS on how inequities and intersectional disadvantage are drivers of problem debt and shape the accessibility, experience and outcomes people get from the services we fund. Developing a commissioning model that is based upon an improved understanding of these factors is key to creating better services. MaPS invites stakeholder views on how to build a model and ways of working that helps us to achieve this.

Alongside this consultation exercise, MaPS has already begun to establish mechanisms that support a more collaborative approach. This includes the adviser panel, giving a voice to the adviser population, and the Debt Advice Reference Group (DARG), enabling suppliers, government and creditor representatives to consider and agree action on sector-wide challenges and opportunities.

MaPS is also developing a partnership with Impact on Urban Health, part of the Guys & St Thomas' Foundation. The partnership aims to explore ways to better understand and increase the value added by community-based services through the services funded by Impact on Urban Health. In doing so, it can help build a blueprint for effective working between a large national funder and a local funder.

MaPS also wants to bring the views and lived-experience of people in debt closer to our decision making, in a way that is meaningful and not extractive\* or essentialising. This will be complex for us to get right, so we want to collaborate with other organisations and individuals with experience of this type of work, helping us to find a model that is effective for everyone participating in it.

As we move forward, we will always continue to challenge ourselves to ensure our decision making is informed by as wide a range of stakeholders as possible, while remaining proportionate and focusing resource on delivery.

**Intersection disadvantage** identifies how aspects of a person's identities combine to create disadvantage and discrimination.

In qualitative research, **lived experience** refers to the first-hand experiences of people, and the knowledge that they gain from it.

In an **extractive** model of research, communities are not involved in developing the scope of the research or in the validity of findings.

In the context of social research, **essentialising** is the tendency to explain a particular type of person or thing in terms of one or more stereotypical or supposedly intrinsic traits.

**Question 11: Do you agree on the commissioning approach and principles that MaPS has set out? What feels most important to you? In your opinion is there anything we have not considered? (Please provide supporting evidence where appropriate)**

**Question 12: Do you agree with MaPS' broader intent around collaboration, and do you have any ideas on how we should best deliver on this? (Please provide supporting evidence and examples that you consider to be best practice of this way of working where appropriate)**

**Question 13: Do you have any views on the approach MaPS should use to ensure our commissioning practice is shaped by an understanding of inequities and intersectional disadvantage and able to address these accordingly? (Please provide supporting evidence and examples that you consider to be best practice of this way of working where appropriate)**

**Question 14: Do you have any views on the approach MaPS should use to ensure our commissioning practice is shaped by the voice and lived experiences of people in debt? (Please provide supporting evidence and examples that you consider to be best practice of this way of working where appropriate)**

## 2.2 MaPS acknowledges the impacts that can result from changes in our funding or strategic approach. MaPS will aim to balance its own requirements with the interests of advice providers, the sector workforce and clients.

The funding for many community-based and national debt advice providers is subject to a number of challenges. Organisations report needing to continually find new sources of funding and there is a degree of pessimism about overall funding resilience in the longer-term<sup>27</sup>.

In this context, MaPS funding can play an important role: its scale and sustainability enable many organisations to offer debt advice provision at a level they would not be able to otherwise. MaPS funding can also make a contribution to the salaries of non-advice staff and other core costs within an organisation, supporting their overall financial sustainability.

Given the nature of MaPS funding, and the potential lack of resilience in other sources of debt advice funding, there are risks when MaPS proposes changes to funding in a particular part of the sector or locale. Doing so may result in a disproportionate reduction in debt advice provision and/or debt advice provision not being maintained by other funding sources. The result may be the total removal of debt advice provision or even challenges to some debt advice providers as a going concern. The impact changes in MaPS funding might have on the broader availability of debt advice and, indeed, advice services as a whole, is a challenge for MaPS, debt advice providers and the communities they serve.

Acknowledging this context, we believe that an approach to commissioning that simply seeks to procure the 'as is' or maintain the status-quo would be wrong. Commissioning can offer funders and service providers the opportunity to innovate and adapt services and supply to better meet ever-changing client profiles, and to needs-test new service delivery models.

We will continue to use commissioning to drive change, but MaPS will consider the pace and scale of that change, endeavoring to reflect the needs and capabilities of all stakeholders. We will try, as far as it is possible to do so, to avoid negative impacts on the availability of debt advice and wider advice giving.

**Question 15: Do you agree with MaPS' understanding of the impact that changes in our funding and strategic approach can have? What feels most important to you? In your opinion is there anything we have not considered? (Please provide supporting evidence where appropriate)**

## 2.3 MaPS believes that by collaborating with other funders of advice there are opportunities to create services that can meet a range of other advice and support needs. In the longer-term, MaPS may seek to co-fund or co-commission services in ways that enhance the financial sustainability and level of service on offer.

MaPS believes there are three broad ways that collaboration with other funders of advice could create benefits. Other funders of advice include: trusts and foundations; local government; financial service firms; utility companies; other government departments.

### a. Working with other funders to provide more comprehensive services and additional support

The advice and support needs of those accessing debt advice is increasing. People in debt typically have other advice needs including housing advice, welfare benefit advice and employment advice<sup>28</sup>. They may also have a range of other support needs relating to individual and household vulnerabilities such as disclosed and undisclosed mental health problems; disclosure of suicidal ideation and self-harm; addiction issues; domestic violence and financial abuse<sup>29</sup>.

For advice providers this increasingly means providing more comprehensive services, as delivering good debt advice outcomes often relies on addressing other advice needs such as welfare benefits. It can also mean offering services to address support needs or having well-resourced partnerships in place.

For funders and commissioners increasing complexity may necessitate a change of approach: if they define a narrow scope for their services or funding they may ultimately see declining impact and value. Either they must broaden the scope of services they will fund, or they must collaborate with other funders of advice to ensure the right

mix of services are available and accessible. By working together, they can amplify the impact and outcomes of the funding they have available<sup>30</sup>. One example of this approach are Health Justice Partnerships (collaborations between health services and organisations specialising in welfare rights). MaPS has engaged with the Ministry of Justice to learn more about this model.

As the proportion of clients accessing debt advice who need other types of advice and support increases, we think there is both a need and opportunities for MaPS to work with other funders of advice services<sup>31</sup>.

### b. Working with other funders to improve resilience of the debt advice sector and provide services that more closely meet local needs

As noted elsewhere in this consultation, many debt sector organisations describe their funding arrangements as a 'complex patchwork'<sup>32</sup>. Having several funding streams can enhance organisational resilience but can create complexity, particularly where there is a lack of alignment between the various funders' requirements. This can lead providers to segment staffing and other resources by funding stream, reducing flexibility and the provision of comprehensive services.

Disconnect between funder requirements can also create additional administrative burdens in areas like data collection and outcome reporting. Through greater collaboration with other advice funders and understanding funding requirements, MaPS believes there will be opportunities for greater alignment and a reduction in the administrative burdens associated with reporting.

Increased collaboration may also create opportunities for different approaches to funding to be tested. The Government's Levelling Up agenda has accelerated the devolution of funding in England in many policy areas<sup>33</sup>. This presents opportunities to work with local government and other funders of community projects to develop service propositions which meet the broader needs of debt advice clients and lead to more effective, sustainable outcomes for those people.

28 [Joined Up: Supporting debt advice clients through strong referral partnerships, PFRC University of Bristol, November 2023](#)

29 [Vulnerability: the experience of debt advisers, PFRC University of Bristol, November 2018](#)

30 [Recommendations for improving the processes behind funder collaboration, London Funders, October 2021](#)

31 [Funding and Operating Models of the Debt Advice, 4OC, September 2023](#)

32 [Funding and Operating Models of the Debt Advice, 4OC, September 2023](#)

33 [Levelling Up the United Kingdom white paper, Department for Levelling Up, Housing and Communities, February 2022](#)

Working with other funders of advice in this way could take many forms including co-funding and partnership working<sup>34</sup>. MaPS is open to considering each option on its own merits.

### **c. Working with other funders to address areas of shared strategic interest.**

MaPS has noted with interest the expansion of initiatives such as funder networks, for example Propel in London, that offer the mechanism to pool funding and/or co-fund services. Our engagement with organisations participating in these sorts of initiatives suggests that one of the key benefits they experience from this way of working is the ability to identify and address the strategic and system-level issues relevant to their activities. For example, one aspect of Propel is focused on the advice sector's workforce as there is a recognition that without an effective strategy in this area, the impact of advice funding will be limited.

### **Impact on Urban Health's views on working with MaPS in an advice funder partnership**

As referenced in section 2.1, MaPS is developing a partnership with Impact on Urban Health. We invited them to offer their perspective on why working with other funders matters. They said:

"Our partnership with MaPS is exploring and promoting better ways for health and debt advice services to operate in harmony. It seeks to explore how to better understand and increase the value added by community-based services and to co-design effective staff wellbeing initiatives. The partnership also endeavours to build a blueprint for effective working between a large national funder and a local funder, and support and promote a research approach which centres the expertise of Black and ethnically-minoritised communities.

"We know that mental, physical, and financial health are deeply intertwined. Often that cycle of ill health and money worries is difficult to break, especially for people already living on low incomes and in communities affected by racism. We are delighted to be working with MaPS to develop a better understanding of what people need from debt advice and the value of community-based services, all with the aim of better health in mind." "We believe that what we learn about financial inclusion, better access and increased financial resilience here in Lambeth and Southwark in our partnership with MaPS can translate to improved services in MaPS' remit across England. We also want to demonstrate how funders working together can increase impact and reduce the burden on debt advice providers often created by conflicting funder requirements."

**Question 16: Do you agree with the opportunities MaPS has set out in working with other funders of advice? What feels most important to you? In your opinion is there anything we have not considered or downsides we have not thought of? (Please provide supporting evidence where appropriate)**

**Question 17: Do you have any views on how MaPS should embed our ways of working with other funders of advice? (Please provide supporting evidence and examples that you consider to be best practice of this way of working where appropriate)**



## Part C – Strategic issues and opportunities

This part of the consultation looks at issues and ways of working within the debt sector. Though not directly related to MaPS' core debt function to 'provide debt advice in England', we believe that considering these factors is central to being an effective commissioner.

What MaPS is able to do in these areas might be constrained by the limitations of our remit (some of the ideas discussed may require action from other organisations). The actions MaPS decides to take will also be determined by where we think we can make the greatest impact. Some of these activities may only be able to be progressed by reducing the resources available for the delivery of debt advice. Such choices must be carefully considered and underpinned by robust evidence. However, we are keen to hear the views of stakeholders on the ideas set out, how they could be prioritised, and any considerations about trade-offs between these activities and commissioning services. We are also interested in hearing alternative ideas and proposals about the issues discussed.



# Chapter 3: Focusing on adviser wellbeing and supporting the debt advice workforce

This chapter has one section and seeks stakeholder views on the role MaPS should play in supporting and developing the debt sector workforce through the organisations we fund, and in the wider sector. It examines some of the issues that are currently impacting the workforce, such as poor wellbeing and proposes potential ways forward. We seek stakeholder views on other ideas that could make the most difference, and on what MaPS should prioritise to effect meaningful change as quickly as possible.

This chapter may be of particular interest to **debt advice providers and their membership bodies, members of the debt sector workforce, providers or funders of other types of advice services, training providers, apprenticeship providers, and other HR professionals.**

You do not need to answer every question for your response to be considered by MaPS. You can also offer a summary of your views on the proposal and ideas covered in this chapter.

## 3.1 MaPS believes that there are opportunities to improve how the sector supports the debt advice workforce. Working collaboratively with the sector to address challenges with recruitment, training, retention and adviser wellbeing will help debt advice providers be more effective.

People are at the heart of effective debt advice provision, and delivering debt advice needs a highly skilled and empathetic workforce. Client feedback from our 'Voice of the Customer' survey makes it clear how important the relationship between debt adviser

and client is in helping people take action to resolve their debt problems. MaPS does not directly employ debt advisers but we recognise that, as a major funder, how we work with the services we fund can influence their approach to their employees. We have heard that those in advice-giving roles experience challenges which can impact job satisfaction and, ultimately, their wellbeing. We have also heard and recognise that debt advice providers face challenges in attracting and retaining talent.

### Understanding the issues

#### Attracting and retaining talent

There is low awareness of debt advice (and advice more broadly) as a career option. Recruitment and entry routes for new entrants to the labour market can also be inconsistent. Many advice organisations describe being able to recruit trained professionals into the sector as a key challenge<sup>35</sup>. We have heard about roles that have remained vacant for extended periods due to a lack of appropriately experienced applicants and examples of experienced advisers moving between organisations, as opposed to a significant volume of new talent entering the sector. If this trend continues, there could be issues with sector sustainability in the mid to long term.

Retaining trained, experienced staff within the debt advice sector is critical to meet the demand for services. Research conducted on behalf of the IMA in 2020<sup>36</sup> found that 8% of respondents intended to leave the sector entirely within 12 months. The online adviser panel convened by MaPS were asked a similar question as part of their regular pulse survey topics – responses have indicated between 4–7% of those surveyed were not intending to be in the same role in 12 months. Due to a lack of sector wide workforce data, we are aware that these results may not be representative of the whole debt advice sector.

A recent deep dive with the online adviser panel looked into the concept of 'high strain jobs'<sup>37</sup>. This composite measure combines questions about how hard employees feel

<sup>35</sup> [Building the younger generation of advisers, Advice Services Alliance, October 2020](#)

<sup>36</sup> [Workload conditions and wellbeing in the money advice sector, IMA, October 2020](#)

<sup>37</sup> [Methodology adapted from Skills and Employment Survey 2017, Cardiff University](#)

they work with a measure of task discretion i.e. how much control employees have over the work they do – the results showed similar proportion of advisers reporting being in a 'high strain' job as teachers and nurses.

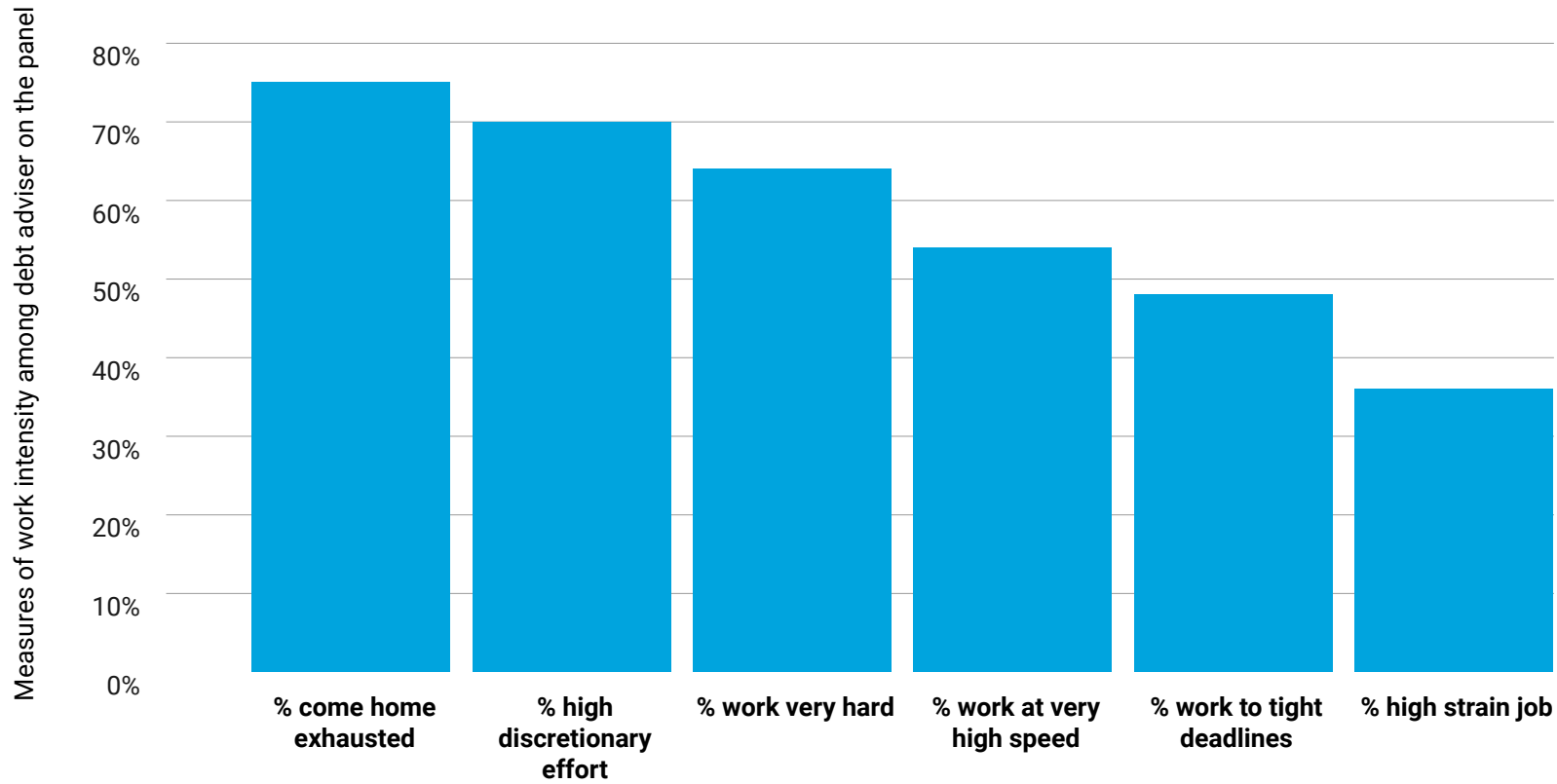


Figure 1: Measures of work intensity among online debt adviser panel, October 2023, n= 58

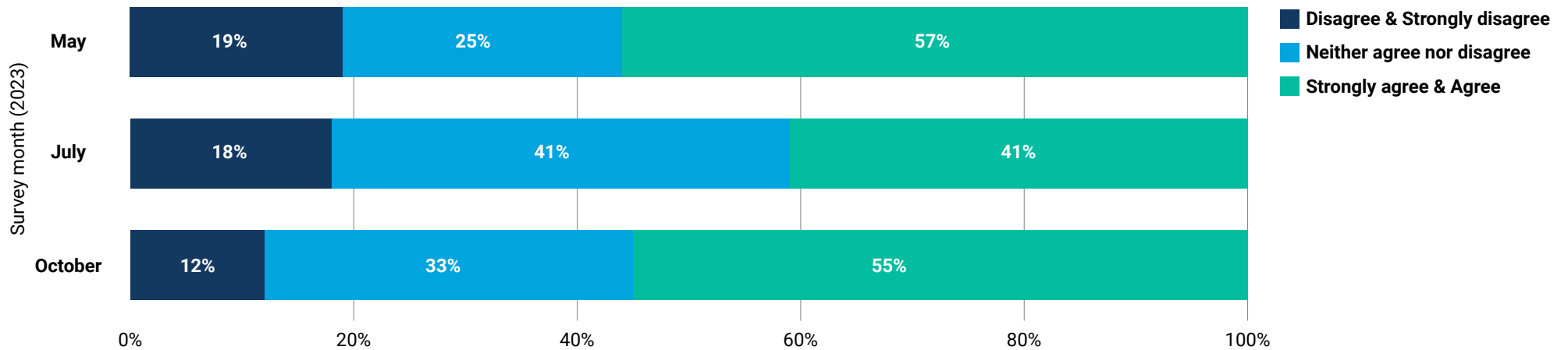


Figure 2: Online adviser panel responses to the question 'Overall, how satisfied are you with your job?' May 23 n=69; Jul 23 n=56; Oct 23 n=58

### Training

Training in the sector is made available through a number of in-house and debt sector training providers. The introduction of MaPS' **Debt Advice Quality Framework**, which includes accreditation for debt advice training courses, has helped to raise the quality and consistency of debt advice across the sector. While there are some recognised qualifications, these require on the job experience (rather than new entrants to become qualified and then seek employment). Previous reviews have recommended the development of a single recognised qualification for the sector, but appetite to take this forward has been low. Maintaining a talent pipeline of trainee advisers can be challenging for organisations who may only receive funding to employee one or two FTE debt advisers. Additionally, the requirement for more experienced staff to support trainees can create pressure for their own capacity and workloads.

Availability of training can cause bottlenecks in bringing new talent into the sector but a MaPS project to bring 500 new debt advisers into the sector during the covid pandemic showed that training of new debt advisers at scale is possible. Experience suggests that it takes between 4 – 6 months to train a new debt adviser to the level required to deliver debt advice independently. Therefore, annual funding commitments can present challenges to timely recruitment and subsequent training of new recruits.

Apprenticeships may offer a route to support the attraction and training of new talent into the sector. 29% of advice organisations surveyed by Advice Services Alliance (ASA) identified this as a possible way to incentivise a younger cohort into a career in debt advice.

## Workload and administration

The IMA's research points to a strong correlation between a manageable workload, job satisfaction and wellbeing. Half of advisers reported that their workload was not manageable and c. 60% reported not having enough time to do their job well<sup>38</sup>. The same research also pointed to the importance of management culture in how advice-giving staff experience work.

Providing debt advice requires accurate information from clients and creditors and many of the processes that sit around this can be admin heavy and inefficient. The smaller adviser panel shared some of the frustrations and 'pain points' they experience in their roles (these are explored in more detail in [chapter four](#)). The *Funding & Operating Models of Debt Advice*<sup>39</sup> research also identified links between complexity of client situations and increased levels of frustration and stress among debt advisers. London Legal Support Trust (LLST) reported similar adviser experiences in a recent review<sup>40</sup>.

## Targets and demand

*Even though targets have reduced, demand has increased so we are exceeding our targets but still not seeing enough clients to deal with the demand.*  
Comment from online adviser panelist (Oct 23)

The number of clients advisers are expected to see, reporting and quality requirements can be drivers of increased stress among debt advice staff<sup>41</sup>. It is too early to tell whether attempts to reduce the burden of volume expectations on debt advisers in MaPS-funded community-based services have an equivalent impact on reducing adviser stress (especially as demand for services remains high). The online adviser panel has offered some qualitative insight and we will continue to monitor and seek feedback on this.

We also asked for their views on capacity, demand and volume targets. Responses show that most of those responding do not feel that there is sufficient resource to meet the demand for debt advice where they work. Despite this challenge, the majority felt their service was still able to provide good outcomes for clients.

38 [Workload conditions and wellbeing in the money advice sector, IMA, October 2020](#)

39 [Funding and Operating Models of the Debt Advice, 4OC, September 2023](#)

40 [Centres of Excellence Annual Review 2022, London Legal Support Trust, March 2023](#)

41 [Workload conditions and wellbeing in the money advice sector, IMA, October 2020](#)



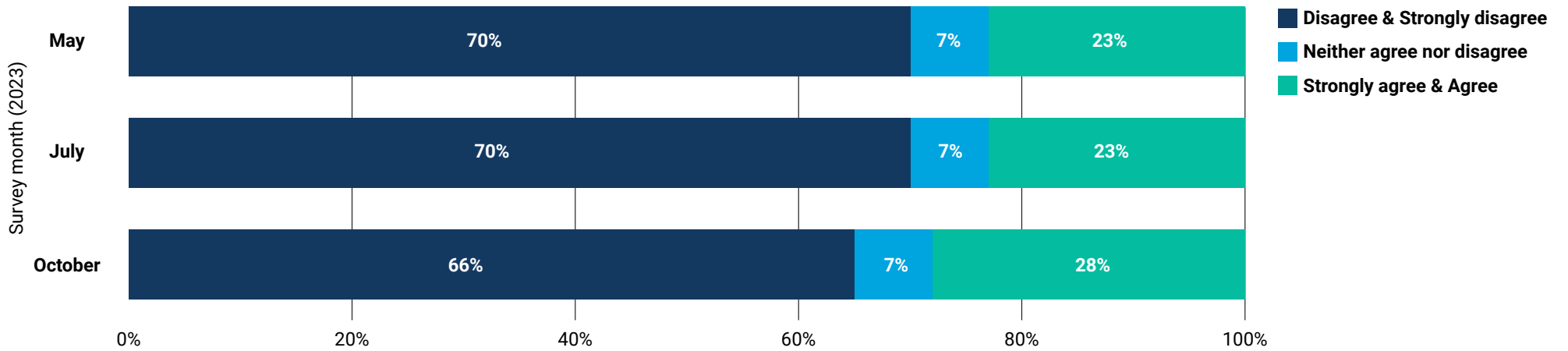


Figure 3: Online adviser panel responses to the question '[Thinking about the last four weeks] our service has had sufficient resource to meet demand' May 23 n=69; Jul 23 n=56; Oct 23 n=58

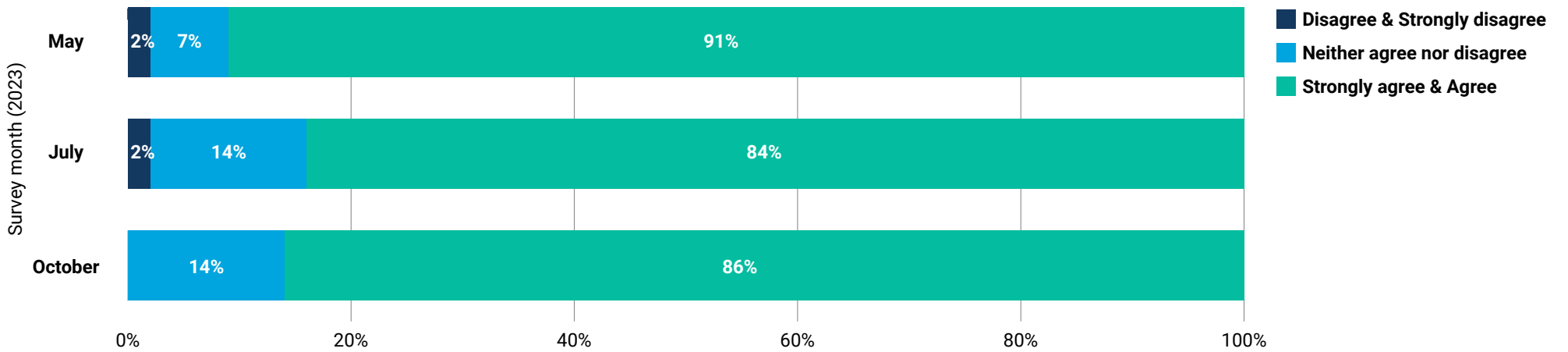


Figure 4: Online adviser panel responses to the question '[Thinking about the last four weeks] our Service has had sufficient resource to meet demand' May 23 n=69; Jul 23 n=56; Oct 23 n=58

### Pay, job security and career progression

Inflation and increases to the cost of living mean, across all sectors, some UK workers are feeling a squeeze on their income. Advice giving is a high strain job that requires mental and emotional resilience. This combination of pay factors and a work that takes an emotional toll could be driving attrition within the debt advice sector.

A lack of job security caused by short term funding is another factor identified as a cause of attrition. Similarly, the absence of well-defined career paths, and managerial positions which carry additional responsibility but little extra remuneration, are cited as push factors when experienced staff consider their own professional futures.

Some within the sector have called for MaPS to build minimum salary expectations into funding agreements, others have flagged concerns that doing this could lead to disparity for those working in other funding streams. MaPS is currently participating in a task and finish group coordinated by LLST, chaired by Advice UK & the Law Centres Network looking into pay and conditions in the advice sector.

#### 3.1.1 MaPS believes that we should continue current work to improve how the sector supports the debt advice workforce.

Acknowledging the limitations that MaPS has as a funder of some services in the sector, rather than as an employer, this would include:

- Engaging directly with debt advisers through the adviser panels to understand more and build evidence about their experiences of working in the sector.
- Working with the organisations we fund to put in place measures to support adviser wellbeing.
- Continuing to provide the Debt Advice Quality Framework by accrediting training courses supporting the consistency and quality of debt advice, and enhancing this approach based on stakeholder feedback.
- Participating in sector wide initiatives linked to workforce issues.

#### Question 18: Do you agree that MaPS should continue with these activities?

**Question 19: Do you have any views on how these activities should be prioritised or additional views you want to share on these activities?  
(Please include any supporting evidence to illustrate your reply)**

#### 3.1.2 MaPS could take a more active role in co-ordinating initiatives to improve how the sector supports the debt advice workforce

There may be further opportunities or initiatives MaPS could undertake or support to take a broader sector wide view on issues. This could include:

- Exploring with stakeholders how salary benchmarking for debt advice could work and the impact it might have on the current workforce, employers and funders.
- Exploring the development of a competency framework.
- Exploring how more consistent sector wide career pathways could be created.
- Co-ordinating cross sector work to look at best practice and initiatives for organisations that employ debt advisers, such as recruitment and adviser wellbeing.
- Leading the development of a sector wide workforce strategy for debt advice.

**Question 20: Do you have views on whether MaPS should progress these additional activities to improve how the sector supports the debt advice workforce? How should MaPS prioritise these activities against the other areas where we could have an impact i.e. funding debt advice delivery?  
(Please provide supporting evidence where appropriate)**

**Question 21: Do you have any alternative suggestions about activities MaPS could be undertaking to improve how the sector supports the debt advice workforce?**

# Chapter 4: Helping to make debt advice easier to deliver and looking to the future

This chapter has one section and considers the role that MaPS could play in investing in new infrastructure for the sector and reducing effort in the advice process. It looks at some of the challenges faced by debt advice providers and the advice-giving workforce and proposes some ideas about how the sector and people in debt benefit from new technology and other innovations. It seeks stakeholder views on potential ways forward and priorities.

This chapter may be of particular interest to **debt advice providers, members of the debt sector workforce, providers of other types of advice, financial service providers and other creditors, organisations working in technology and digital transformation, and other funders of advice services.**

You do not need to answer every question for your response to be considered by MaPS. You can also offer a summary of your views on the proposal and ideas covered in this chapter.

## 4.1 MaPS believes there are opportunities to make debt advice easier to deliver through shared infrastructure, continuous improvement and with the use of technology. Working with the sector to improve the adoption and use of new and emerging technologies could improve the availability of services.

### Understanding the issues

Providing debt advice can be complicated – it requires debt advisers to compile information from multiple sources, keep accurate up-to-date case records, communicate in a timely way with clients to keep them engaged and to keep creditors informed. Some processes can require significant administrative effort, this can

frustrate advisers and reduces the time that they are able to spend helping clients.

### Mixed technological capabilities across debt advice providers

Technological capabilities with the debt advice sector are mixed, some organisations have invested in seamless omnichannel digital systems while some are operating with older (and possibly outdated) technology. As the 'Debt Advice in the post pandemic landscape' research identified, providers are keen to adopt new technologies and different ways of working, but these changes are often reactive rather than a result of a considered strategic redesign of services.

Previously some have called for a large-scale digital transformation of the sector but there are a number of challenges in pursuing this as an option. Due to the variety of models and systems adopted by providers finding technology solutions that would be suitable for all providers would be very difficult. Costs would likely be high (requiring significant levels of resource to be diverted from frontline delivery). And there is a high possibility that tendency for 'optimism bias' in transformation programmes would overstate the benefits and downplay the risks<sup>42</sup>.

### Capital expenditure

As a sector that operates heavily on charitable models, finding the capital expenditure and taking capacity away from frontline delivery to focus on strategic digital transformation is difficult. Where funding has been made available for technological developments it can often be one-off or ad-hoc, which doesn't address the need to maintain and keep improving systems. Commissioning for debt advice services can present an opportunity for successful bidders to secure funding for technological investment (built into ongoing or mobilisation costs), but this potentially widens the gap between debt advice providers' technological capabilities.

### Use of technology to support backend processes

When people think about advances in technology and digital transformation they may think about the impact this could have in client facing processes (e.g. chatbots, automatic population of income/expenditure data). Increasing use of digital elements through debt advice delivery will suit some clients, but we know that can present challenges for others, such as those clients with lower digital literacy. Where we think the use of technology may present more opportunities (and where there may be more of a role for MaPS) is in the use of technology to support backend processes.

During the evidence gathering phase we heard from some advisers about the challenges of case recording, manual upload of paperwork and creating confirmation of advice letters for their clients<sup>43</sup>. Record keeping and post-advice communication with clients are both necessary elements of a high quality and regulatory compliant service – but there are clearly challenges with how some of these processes are operating, which is impacting adviser wellbeing and the capacity to support clients.

MaPS believes there could be scope to learn from the financial services sector where there has already been significant investment in technology and process, alongside the emergence of new technology solutions in this area – broadly termed RegTech.<sup>44</sup>

- Interactions over the phone have regularly been recorded for compliance monitoring. Speech analytics could enable advice sessions to be automatically transcribed into text improving case recording. This could even be used to record in person interactions significantly reducing the post interaction paperwork.
- Textual analytics could then be used to analyse case records enabling a more efficient and transparent quality regime delivered with less resource.

### Process inefficiencies and inconsistencies

- We've heard from advisers about the frustrations created by a heavy workload and burdensome administrative processes. Workshops with the smaller adviser panel explored the idea of 'pain points', processes or tasks in their working lives that were necessary but that created a poor client experience or took time that reduced their capacity to provide advice. Examples include discrepancies in creditor decision-making regarding acceptance of The Standard Financial Statement (SFS)
- Inconsistent creditor processes and policy related to the information they require to enable debt advisers to act as a third party on behalf of their clients

- Having to duplicate information about clients into more than one system (e.g., advice provider CRM and a system linked to debt solutions)
- Waiting on long telephone calls to gather information on a customer's County Court Judgment (CCJ)(s) (which may require both the adviser and the client to be present) because the information is not made more accessible
- Challenges contacting some creditors where no direct communications routes for debt advisers exist
- Difficulties getting information on a clients' up-to-date circumstances, particularly where clients were struggling to share documents or provide data
- Duplication of a client's income and expenditure statements for multiple creditors

These examples represent unnecessary effort by people seeking debt help and the advisers working with them. The impact of unnecessary effort and delays is also often felt further than just the interaction between adviser and client – affecting creditors, other referring agencies, government agencies, even the NHS.

### The Standard Financial Statement – a consistent approach to assessing a customer's ability to repay their debts

Introduced in 2017, the Standard Financial Statement (SFS) is the first affordability assessment adopted industry-wide by all major debt advice providers in England and Wales and many creditors. It works to a single set of household spending guidelines and helps to drive consistency and reduce disputes between debt advisers and creditors.

MaPS developed the SFS in partnership with advice providers, creditors and trade associations, and manages the ongoing development of the tool with the support of the SFS Governance Group. More than 90% of debt advice in the UK is now delivered using the SFS and many creditors have also embedded the methodology within their debt collection policy and processes. MaPS continues to work to encourage more sectors and creditors to adopt the SFS to underpin affordability assessments.

43 [Workload conditions and wellbeing in the money advice sector, IMA, October 2020](#)

44 [RegTech is the new FinTech: How agile regulatory technology is helping firms better understand and manage their risks, Deloitte, 2016](#)

#### **4.1.1 MaPS believes that we should continue to play a role in supporting the sector to make debt advice easier to deliver through shared infrastructure, continuous improvement and the use technology**

This would include:

- Continuing to provide and enhance the SFS
- Continuing to work with the adviser panels to identify areas of the debt advice process that could be improved, understand the root cause and advocating for improvements through our policy function (e.g., influencing creditors and government bodies to use the SFS, improve processes and the availability of information)
- Continuing to support continuous improvement activities within services funded by MaPS
- Continuing to make funding for infrastructure improvements available on an ad-hoc basis, subject to budget availability and other priorities

**Question 22: Do you agree that MaPS should continue with these activities?**

**Question 23: Do you have any views on how these activities should be prioritised or additional views you want to share on these activities? (Please include any supporting evidence to illustrate your reply)**

#### **4.1.2 MaPS could take a more active role in supporting debt advice providers to capitalise on the potential benefits of new and emerging technological developments**

This could include:

- Developing a technology horizon scanning function, bringing together debt advice providers, financial services organisations and the public sector to identify new and existing technology that could improve how debt advice is delivered
- Providing expertise to debt advice providers wanting to adopt, evaluate and pilot new approaches
- Providing more consistent and ongoing funding to sector to support the adoption and testing of new technologies (subject to budget availability and other priorities)
- Exploring opportunities to provide or enable more shared infrastructure or common processes between debt advice providers, creditors and clients (e.g., creating a common data framework', enabling more effective exchange of information by standardising elements such as data definitions and governance', to create more consistency for smoother referrals)
- Doing more to set out examples of best practice that could support more efficient services (e.g. working with providers and the regulator to improve confirmation of advice letters, encouraging them to be more salient and concise)

**Question 24: Do you have views on whether MaPS should progress these additional activities to help make debt advice easier to deliver in the future? How should MaPS prioritise these activities against the other areas where we could have an impact i.e. funding debt advice delivery? (Please provide supporting evidence where appropriate)**

**Question 25: Do you have any alternative suggestions about activities MaPS could be undertaking to drive continuous improvement and support the sector to adopt new and emerging technologies?**



# Chapter 5: Increasing public awareness and engagement with debt advice

This chapter has one section and seeks stakeholder views on the role MaPS should play in raising public awareness and engagement with debt advice. It starts with an exploration of some of the barriers that prevent people from getting debt advice when they need it and the role that referrals and signposting can play. The latter part of the chapter sets out the work MaPS delivers in this space, including the Money Adviser Network, and invites stakeholder views on our approach and what we should prioritise.

This chapter may be of particular interest to **debt advice providers, providers of other types of advice, financial service providers and other creditors, and other funders of advice services.**

You do not need to answer every question for your response to be considered by MaPS. You can also offer a summary of your views on the proposal and ideas covered in this chapter.

## 5.1 MaPS believes that there are opportunities to improve public awareness and engagement with advice, and that coordinated work with the sector could reduce barriers to advice seeking and help clients more easily find the help that is right for them

### Understanding the issues

Public awareness of debt advice is low – people are not aware of what services exist, how they might be able to help and are unsure what seeking help might mean for them. When people are encouraged to seek help through referrals or signposting their experience can be inconsistent and can lead to disengagement from advice. There are also challenges for clients in choosing the service that is most suitable for them, an issue that can be compounded by advertising practices and social media.

### Barriers to seeking advice

The 'Motivations and barriers to seeking debt advice' work undertook research with participants recruited because they met the criteria of the **'Need for Debt Advice'** measure. Half of those surveyed had not sought debt advice, and nearly 6 in 10 (59%) of this non-seeking group said they did not consider themselves to have problem debt.

When people do acknowledge they are facing financial difficulties they are not sure who to turn to or what help is available.

*"I don't know what support is out there as I've always had support from family and friends. I'm not sure what else is out there other than loan companies and the electricity company." (Male, 29, London)<sup>45</sup>*

There is also a low level of understanding of what debt advice is and what it can do, and people are concerned that seeking help may have consequences for them. For example, one in five respondents to StepChange's Mixed Messages research, said that concerns over the impact on their credit score had held them back from getting advice<sup>46</sup>.

45 [The motivations and barriers to seeking debt advice, CogCo and Common Collective, September 2023](#)

46 [Mixed messages, StepChange Debt Charity, September 2022](#)

The evidence also indicates that many clients delay seeking help:

*'Around one in ten (11%) sought advice within a week of experiencing difficulties, with a similar proportion doing so within a month (14%). Just under a fifth waited one to two months to seek help, with a similar proportion waiting three to six months (15%). One in five experienced issues for seven months or more before getting help (19%).'*<sup>47</sup>

*'Over half (55%) of StepChange clients wait more than a year to get debt advice'*<sup>48</sup>

We have not identified any empirical evidence that waiting longer to seek help means that cases are more complex or more difficult to resolve, but instinctively as debt problems increase the number of viable debt solution options may decrease. We do have evidence that debt problems have wider societal and personal costs through their impact on health, wellbeing and productivity at work. The benefits derived from debt advice are estimated at between £74 and £145 million per annum in health and quality of life, and £63 to £137 million per annum in through productivity and reduced workplace stress.<sup>49</sup>

Research into the motivations and barriers to seeking debt advice identified a need to help clients understand more about the advice journey and make it clear to them that solutions would not be imposed on them. The 'Journey Map' performed well in the experimental phase of the research with participants in this group more likely to indicate they would seek help at an earlier stage than those in the control group. Could the adoption of simple tools like this applied consistently across the referral and advice provider landscape help more people engage with advice?

## Routes into advice

There are many different client journeys into debt advice – sometimes clients will seek help themselves (perhaps prompted by creditor debt collections activity) and sometimes clients may be signposted or referred into services, either by creditors, or other service providers such as social prescribers\* in healthcare settings or Jobcentre staff.

\*Social prescribing is an approach that connects people to activities, groups, and services in their community to meet the practical, social and emotional needs that affect their health and wellbeing.

Effective referrals don't just happen, they need to be supported by an effective debt advice referral strategy. In a community-based service this may involve co-location with other services and utilising local connections and relationships. For national debt advice providers, it may mean working with referral partners (predominantly creditors) that seek to raise awareness of the benefits of debt advice with customer facing members of staff and provide guidance on how to position referrals for appropriate customers. It may also involve work to improve the process of referrals, reducing friction and improving the data shared between partners to help the creditor to make better decisions on how to support the customer.

MaPS' Creditor Toolkit<sup>50</sup> provides examples of how organisations have developed their debt advice referral strategies, moving from simple signposting (which is less likely to lead to engagement with debt advice) to more proactive approaches such as warm transfers and call back processes. While there are many examples of organisations working to develop effective referrals into debt advice, there are also many examples that indicate the experience for clients can be inconsistent.

Research has indicated that clients value having a choice in how and when they engage with a debt advice provider,<sup>51</sup> but many referral strategies lack nuance. Evidence also shows that some referrals overstate what debt advice will be able to achieve, which can lead to a loss of trust:

*"Sometimes the clients are promised that they will get rid of the debt, but it is not always possible. After the initial appointment when they explain it is not possible, they feel short changed. It's hard to get them back in if the trust is broken. Happens around 30% of the time." (Debt Adviser)*<sup>52</sup>

47 [Borrowers in Financial Difficulty, Yonder Consulting for Financial Conduct Authority, June 2022](#)

48 [Joined Up, Personal Finance Research Centre, Uni of Bristol & StepChange, November 2023](#)

49 [The Economic Impact of Debt Advice, MAS, January 2018](#)

50 [Working collaboratively with debt advice agencies: A strategic toolkit for creditors, The Money and Pensions Service, January 2021](#)

51 [PACE user research for MaPS, Money and Pensions Service and Watermelon, February 2023](#)

52 [The motivations and barriers to seeking debt advice, CogCo and Common Collective, September 2023](#)

FCA regulated creditors are required, where appropriate, to refer their customers in default or arrears to a not-for-profit debt advice body, though as noted in their 'Borrowers in Financial Difficulty' research the quality of the customer experience can vary and there is more to do to improve the quality of the conversation sitting around referrals. The FCA's Consumer Duty also creates an expectation that the firms it regulates assess, test, understand and are able to evidence the outcomes their customers are receiving - including firms that make referrals to debt advice.

There is also evidence that when clients agree temporary arrangements with their creditors it can lead to a belief that the problem is sorted and result in a subsequent loss of momentum in advice seeking, if not backed up by further support such as a proactive referral into debt advice.<sup>53</sup>

In non-financial service sectors, work is underway through trade bodies and regulators to share good practice and improve referrals into debt advice. However, there is clearly more to be done to improve the consistency and effectiveness of referrals into debt advice.

Within community-based provision there are examples of localised partnership work and data sharing to ensure effective referrals into advice and multi-agency support, and communication through the advice journey. This approach can be highly effective at supporting clients, but as with all services of this nature there is a lack of consistency and availability of services from one area to the next.

## The Money Adviser Network

MaPS established the Money Adviser Network (MAN) to test ways of countering some of the challenges of referring into debt advice. MAN offers:

- A referral portal into free regulated, quality-assured telephone and digital debt advice provided by multiple advice agencies (a single point of entry) for a broad range of referral partners
- Effective and efficient routing to debt advisers based on client preference or need through a centralised technology platform
- The option for clients to receive a call back from a debt adviser immediately, book a scheduled callback or be referred to digital debt advice tools (provided by debt partners on the network)
- Technology platform offering the opportunity to further develop and improve debt advice deliveryManagement information on prospective client engagement with debt advice and points of disengagement following the referral
- Bespoke customer level reports to referral partners, tracking which customers have engaged with debt advice

MAN has around 600 unique referral partners from the financial services sector, central and local government, utilities providers and housing associations. In addition, every DWP Jobcentre Plus in England now has the ability to make referrals where debt is a barrier to seeking employment. MaPS has also worked with social prescribers to create referral pathways in healthcare settings. MAN receives a significant volume of referrals, but we see peaks and troughs in referral, with approximately 30% of partners actively making referrals at any point in time. This reflects the ongoing work required to embed and sustain referral strategies into advice effectively.

## Finding the right help

As explored earlier, different clients want and need different types of help from debt advice providers. Evidence suggests that people seeking debt advice tend not to actively choose a debt advice provider based on their needs, instead they often use the first provider they find or have been referred to<sup>54</sup>. Tools that do exist, such as the **MoneyHelper Debt Advice Locator Tool** – which MaPS is currently reviewing – provide information on delivery channels, but this is not necessarily the most effective way to understand the different types of services available. There is not currently a commonly understood framework to help clients or those referring into advice differentiate between the range of services provided and the level to which that support is available (for example the level of support to maximise income can vary from provider to provider).

Evidence also indicates that many clients are seeking help from multiple providers.

*One in five survey respondents reported trying more than one organisation to compare different solutions or advice (22%).*<sup>55</sup>

The reasons for this can be multifaceted ranging from attitudes towards repayment to poor customer experience. Though there may be more to explore about this ‘advice shopping’ behaviour, in a delivery environment where demand can outstrip supply, it clearly raises some questions about the impact this may have on sector wide capacity.

Navigating the debt advice landscape is further complicated by some poor practices in relation to debt packagers and online advertising. The ‘Barriers and motivations to seeking debt advice’ research showed that client’s motivation to seek debt advice could be impacted by previous bad experiences they or their family and friends had. The need to readvise clients who have taken up inappropriate solutions also has an impact on sector capacity.

The FCA has recently introduced a ban on referral fees for debt packagers, which it is hoped will reduce the number of people taking up inappropriate solutions. The sector has collaborated to share evidence which has led to **rulings on** and changes to **online advertising policies**. However, there is clearly an ongoing need to coordinate and collaborate to protect people in debt, particularly from advertising on social media.

## 5.1.1 MaPS believes we should continue current work to increase public awareness and engagement with debt advice

We are proposing to continue to put resource into:

- Providing the Money Adviser Network (MAN) as a referral route into debt advice for organisations looking for a single point of entry to debt advice
- Continuing to enhance the MAN, including improving the targeting of referrals and exploring the level of reporting/management information shared between parties
- Continuing to build evidence about the effectiveness of the MAN
- Providing and enhancing the Debt Advice Locator Tool on MoneyHelper
- Continuing to work with creditors and their industry bodies to influence broader supportive debt collection practices through our policy function
- Continuing to work collaboratively with the sector on issues related to awareness and engagement such as online advertising

**Question 26: Do you agree that MaPS should continue to provide these activities?**

**Question 27: Do you have any views on how these activities should be prioritised (including the prioritisation of which sectors are referral partners into debt advice) or additional views you want to share on these activities? (Please include any supporting evidence to illustrate your reply)**

<sup>54</sup> [Better debt advice, Money Advice Service and Revealing Reality, December 2017](#)

<sup>55</sup> [Debt advice in the post pandemic landscape, Revealing Reality, August 2023](#)

### 5.1.2 MaPS could undertake additional activities to increase public awareness and engagement with debt advice

The issues set out above are complex and are not something one organisation can resolve on its own, nor are the activities proposed above sufficient to drive significant change. Additional areas that could be considered:

#### A) Coordinate work with creditor sectors and debt advice providers to develop consistent language and approaches to referrals into debt advice

Build on the evidence that highlights challenges with referrals into advice by further developing the 'Journey Map' and other ways to improve understanding of services to help engage clients earlier and help people get to the right service for them first time.

#### B) Targeted awareness raising campaigns

There have been recent examples of work to increase awareness such as the Scottish Government's Financial Support marketing campaign, which ran from November 2021 to March 2022. It showed some evidence that a debt advice specific campaign can directly lead to people taking action<sup>56</sup>.

However, a large-scale marketing campaign would be costly and raising awareness of debt advice without increasing capacity could be problematic.

A more targeted approach, aiming to reach those furthest from advice could be tested. This could include piloting approaches to address the challenges of awareness and access in communities without community-based advice provision.

#### C) Work with the sector to develop a common framework to describe the extent of the service that is provided

The variety of different models within the debt advice sector is a strength, but it does mean it can be difficult for prospective clients to understand the full extent of the service that debt advice providers offer. While the core basics of debt advice remain consistent, the level and support, particularly in relation to complementary activities such as income maximisation can vary. Currently there is no common way to understand and compare what is available before accessing a service.

Work could be explored with the sector to develop a common framework to communicate what debt advice providers offer in a more consistent way. This could be built into creditor debt advice referral processes and other mechanisms such as the Money Adviser Network or Debt Advice Locator Tool.

**Question 28: Do you have views on whether MaPS should progress these additional activities to increase awareness and engagement with debt advice? How should MaPS prioritise these activities against the other areas where we could have an impact i.e. funding debt advice delivery? (Please provide supporting evidence where appropriate)**

**Question 29: Do you have any alternative suggestions about activities MaPS should be undertaking to increase awareness and engagement with debt advice?**



# Chapter 6: Building evidence and influencing others

This chapter has one section. It seeks stakeholder views on how MaPS should continue to build our strategy and policy function. It explores the role MaPS could play in bringing together the right stakeholder groups to discuss issues impacting the sector and people in debt, and to identify initiatives that could improve how debt advice works. It also considers how we can develop our ways of working across the UK. Finally, we examine how MaPS can continue to champion and evidence the positive impacts of debt advice.

This chapter may be of particular interest to **debt advice providers across the UK, providers of other types of advice across the UK, financial service providers and other creditors, organisations with a track record in impact and evaluation work, and other funders of advice services.**

You do not need to answer every question for your response to be considered by MaPS. You can also offer a summary of your views on the proposal and ideas covered in this chapter.

## 6.1 MaPS believes we hold a unique place within the sector to build evidence and influence change through policy work and convening.

To be an effective commissioner, MaPS needs to work collaboratively to address some of the systemic issues facing the debt sector. Earlier chapters have explored the roles that technology, continuous improvement and work with creditors and referral partners could play in helping to drive change. This chapter explores how MaPS could add value to the sector through policy and influencing work.

### Understanding the issues

#### Unique position within the sector

Debt advice providers have a long and successful history of campaigning for the needs of their clients and advocating for policy changes that drive improvements for people in debt. There have been many instances where collaboration has worked to amplify messages. This is a valued role within the sector and work that MaPS is keen to continue to support through coordination and convening as appropriate.

MaPS is in a unique position within the debt sector in working with debt advice providers, creditors and government to identify initiatives that could improve how debt advice works. The Debt Advice Reference Group (DARG) coordinated by MaPS regularly brings these groups together to horizon scan, look at trends and emerging issues in the sector. In developing the UK Strategy for Financial Wellbeing, MaPS worked with a cross-sector challenge group and has continued to work collaboratively in taking forward key elements of the delivery plan looking at deficit budgets and online advertising.

MaPS currently works closely with the Department for Work and Pensions (DWP), HM Treasury and other government departments and arm's-length bodies to identify areas of mutual interest and opportunities for joint working and efficiencies. MaPS is also an active member of the Government Debt Management Function's (GDMF) Fairness Group, set up to drive cross-departmental improvements in areas where government is a creditor. Some government departments including HMRC and parts of DWP refer to the [Money Adviser Network](#).

## Government Debt Management Function Fairness Group

MaPS currently chairs the Affordability and Forbearance subgroup which is working to deliver the following priorities:

- Identify potential options for a Digital Economy Act data sharing pilot relating to affordability, with the option of piloting the preferred proposal if agreed.
- Produce a report summarising the current cross-sector approach to affordability assessments, including acceptance, use and caveats of assessments proposed by the advice sector and customers, and sharing good practice. The report will include recommendations for improving the consistency of customer's ability to pay debt owed to government

And a priority jointly owned by both the Affordability and Forbearance subgroup and the Vulnerability subgroup:

- Develop best practice guidance for customers presenting with a deficit budget, including potential treatment, signposting and support options.

MaPS works closely with the Insolvency Service on areas of shared policy and operational interest. For example, MaPS contributed to the development of the recent Personal Insolvency Framework Review, with a particular focus on the needs of those who are excluded from insolvency options due to being in a deficit budget and/or unable to pay the application fees for statutory debt solutions.

Building on the insight and operational data from the DRO Hubs, MaPS is also exploring the opportunities for improved ways of working between debt advice providers and the Insolvency Service. This included exploring improvements in how data is submitted to the DRO portal and the flow of information back to advice providers when fees are paid.

### Working across the nations

As set out in the [introduction](#), MaPS' debt function is to provide debt advice in England. The devolved administrations receive funding from an FCA-collected debt levy to support debt advice provision in their respective nations.

The legislation also states that MaPS has a responsibility to 'work closely with the devolved authorities as regards the provision of information, guidance and advice to members of the public in Scotland, Wales and Northern Ireland'. Furthermore, MaPS has an interest in ensuring the availability of high-quality debt advice services so that effective referrals can be made from our UK-wide MoneyHelper money and pension guidance services into debt advice.

Currently MaPS collaborates with colleagues in the devolved administrations through forums like DARG, through the provision of insight such as the Debt Advice Need Survey, the delivery plans supporting the UK Strategy for Financial Wellbeing and other more ad-hoc opportunities.

The landscape for debt advice does vary, particularly in Scotland where the Accountants in Bankruptcy administer a set of debt solutions available only in Scotland and the Common Financial Statement is used rather than the SFS (although there is an intention for Scotland to adopt the SFS in 2024/25). The commissioning strategies of the different nations reflect each nation's priorities.

### Use of evidence, insight and data

MaPS generates and uses evidence, insight and data from service delivery to help inform how we work. More details of the surveys we undertake and data we collect can be found in the supporting information section of this document ([Appendix B in Part D](#)). This information is used to support the management of the services we fund and to shape the services we commission. We also undertake one off pieces of research and calls for evidence. Much of this work is published or the data made available for research purposes.

There are some areas of insight where sector wide data is lacking – this includes consolidated whole sector data on who is accessing debt advice, a full picture of capacity and supply, and sector wide data on the workforce.

We have heard during the evidence gathering phase that some individuals and organisations believe the level of service delivery data requested by MaPS is costly and time consuming to produce. We have been working with the providers of our national services, business debt and DRO Hubs to introduce APIs to enable smoother data transfer, and we have committed to keeping data requirements under review to ensure they are proportionate. There may also be opportunities to work with other funders of advice on more consistent approaches to data collection.

### Measuring the impact and value of services

Debt advice can be life changing, bringing significant benefits to those that receive help, their creditors and wider society. But, due to increasing numbers of clients with deficit budgets, it is becoming more challenging for services to fully resolve people's debt issues. Fewer clients entering into debt solutions does not mean services are not adding value and creating a positive impact.

MaPS statutory remit states we need to consider the cost effectiveness of our services. Thinking of the value of debt services purely in terms of debt solutions would create a tension with our responsibility to support those most in need and people in vulnerable circumstances. We need to understand the value (and cost effectiveness) of the services we fund in a wider context. To support this, following a pilot to test the methodology<sup>57</sup>, MaPS is planning to undertake a multi-year longitudinal study to better understand the outcomes clients who have (and have not) had debt advice experience.

We believe it is in the collective interests of the whole debt advice sector to measure and articulate the impact of debt advice services. Impact measurement supports funding bids, influencing work and service improvement. However, we know that impact measurement can be time-consuming and costly for debt advice providers. We believe MaPS could support the sector by leading a co-ordinated approach to outcome measurement and developing tools that enable all providers to monitor, measure and communicate the value their services are providing. This could reduce the burden of impact measurement on service providers. It could also provide an opportunity to aggregate our impact measurement and demonstrate the societal value of the whole debt advice sector.

MaPS recognises that measuring impact can be resource intensive and needs to be balanced against maintaining the delivery of services.

### 6.1.1 MaPS believes we should continue work to build evidence and drive change through policy and influencing

This would include continuing to put resource into:

- Providing a policy function that undertakes collaborative work, such as facilitating the DARG, undertaking calls for evidence and research to build evidence and insight
- Continuing to work closely with other government departments, regulators and arm's length bodies to drive improvement in the debt advice landscape for clients and advisers
- Continuing to work collaboratively with the devolved administrations

**Question 30: Do you agree that MaPS should continue to provide these activities?**

**Question 31: Do you have any views on how these activities should be prioritised or additional views you want to share on these activities? (Please include any supporting evidence to illustrate your reply)**

### 6.1.2 MaPS could initiate collaborative work with the sector to drive more consistency in approach and improve sector wide understanding of the value of debt advice

#### Leading a sector-wide approach to impact measurement

MaPS could bring stakeholders together to agree a common approach to measuring the impact of debt advice services. And, it can develop tools to enable advice providers to measure their impact in a way that reduces duplication and the burden of impact measurement.

#### Further collaboration across the sector and nations

There are other areas that could potentially benefit from collaboration between the debt sector in England and in other UK nations. These could include, for example, the creation of a shared UK-wide debt advice infrastructure such as a referral route into debt advice, public awareness campaigns or the creation of communities of practice on issues such as workforce development.

**Question 32: Do you have views on whether MaPS should progress these additional activities to better understand the value of advice and/or to drive more UK wide collaboration? How should MaPS prioritise these activities against the other areas where we could have an impact i.e. funding debt advice delivery? (Please provide supporting evidence where appropriate)**

**Question 33: Do you have any alternative suggestions about activities MaPS should be undertaking to through our policy and influencing work?**



## Part D – Appendices and supporting information

---



# Appendix A

## MaPS' Debt Work

### Provision of debt advice in England:

The debt function of MaPS' statutory remit requires us to provide debt advice in England. The debt function of MaPS' statutory remit requires us to provide debt advice in England. Debt counselling is a regulated activity requiring appropriate authorisation from FCA (some organisations are exempted from the permissions required for debt counselling). To fulfil the requirement for MaPS to provide debt advice we fund organisations who have the appropriate FCA authorisations in place.

### Debt provision standards and quality assurance:

As FCA authorised firms, the debt advice providers MaPS fund work within the regulatory and supervisory framework – including being subject to the [Consumer Duty](#) (introduced in July 2023).

Organisations funded by MaPS must also demonstrate and monitor their ongoing compliance with the MaPS standards. MaPS requires the organisations we fund to meet organisational quality standards accredited against the [MaPS Debt Quality Framework](#) and to ensure that individual debt advisers working in services funded by MaPS are trained and qualified against MaPS-accredited training.

### MaPS-funded debt advice:

The majority of MaPS' funding for debt advice goes into providing services across England; some of this funding is for services available nationally, which anyone in England can access, and some goes into community-based services who provide services to people local to them. MaPS funds community-based services in all regions of England although it is not always possible to achieve consistent funding coverage within regions. This means some communities may be closer to services funded by MaPS than others.

MaPS funding covers all stages of the client journey from client acquisition (through marketing, brand awareness or partnership working such as co-location or referrals), through advice and into solutions. MaPS contracts fund only up to the point a solution or strategy is agreed with the client, where a fee generating solution is the outcome, not for the solution itself. The activities that we expect to be carried out as debt advice include:

- Acting on any debt emergencies identified.
- Checking and challenging liability for debts where appropriate.
- Preparing a budget and standard financial statement (SFS).
- Identifying appropriate debt remedies and advising on the implications of these,
- Including the impact on credit reference files, banking, housing and employment.
- Clarifying the implications of non-payment of debt including an overview of relevant court processes.
- Agreeing and providing the customer with a clear, digestible action plan which should outline any actions to be taken and the party responsible.
- Where needed –
  - Carrying out casework
  - Advocating on behalf of the customer
  - Supporting the customer with any follow-up actions they are struggling with



- Assessing the customer’s eligibility for Breathing Space and taking appropriate actions.
- Advising on the full range of debt solutions and facilitating access for any which cannot
- be provided in house.
- Making effective referrals to internal or external sources for any wider issues or needs (e.g., money guidance, benefits, housing, abuse, addiction, mental health).

(Source: Statement of Requirements: Commissioning Debt Advice in England – Lot 1 National Services, 2021)

Please note that community-based services operate to a similar specification of debt advice.

Some funding goes into debt advice services with a specialism, this includes business debt services, the service supporting Mental Health Crisis Breathing Space and the administration hubs providing Debt Relief Orders.

Additionally, some funding goes into ancillary services supporting the delivery of debt advice including training provision, translation services and second tier support for advisers.

**The delivery MaPS currently funds:**

In 2023/24, MaPS funds approximately £80m service delivery per annum through multiple contracts and grant agreements. The table below sets out these agreements in more detail (showing the total value of the agreement).

Service	Provider	Total value		Commencement date/ current end date
National	Citizens Advice	£37.0m	£111m	01.02.23 to 31.01.26
	Money Advice Trust	£37.0m		
	Money Wellness	£37.0m		
Community-based	Citizens Advice	£44.1m	£65.1m	01.02.23 to 31.03.25
	Debt Free Advice	£9.4m		
	East Midlands Money Advice (EMMA)	£6.9m		
	Greater Merseyside Money Advice Partnership (GMMAP)	£4.7m		
Mental Health Crisis Breathing Space	Rethink	£1.1m	£1.1m	01.04.23 to 31.01.24
Business debt	Money Advice Trust	£9m	£9m	01.02.23 to 31.01.26
Debt Relief Order (DRO) Hubs	Money Wellness	£9m	£17.1m	01.02.23 to 31.01.26
	Citizens Advice	£8.1m		

The contracts for national provision, business debt provision and Debt Relief Order administration commenced on 1 February 2023 following an open market process.

MaPS had initiated a similar open market process for community-based services, however due to concerns that the approach adopted and subsequent bids received would not adequately meet the needs of people in vulnerable circumstances at the scale we had hoped to achieve, and concerns that this would not provide value for money, this exercise was paused. MaPS put in place grant agreements with the existing supplier base; these commenced on 1 February 2023 (these agreements currently run until 31 March 2025).

# Appendix B

## Key sources of evidence:

### MaPS Debt Need Survey

MaPS undertakes an annual survey to understand more about how many people need debt advice in the UK. It is a large national survey (over 22,000 respondents) with boosters and sophisticated weighting to create a nationally representative picture.

The survey asks people about their financial situation, how they feel about their household finances (and money management in general), arrears on credit commitments and bills, use of high cost credit, adverse events and impacts in their personal and financial lives (this can include life events and court action/contact from bailiffs). It also looks at their attitudes towards debt advice and interactions they may have had with debt advice providers. It furthermore covers key demographic data and other areas that can help us better understand any vulnerabilities they may be experiencing.

### How we measure the need for debt advice

In 2021 MaPS introduced a new measure for debt advice need. This measure moved away from previous methods including questions about how much of a burden it is to keep up with bills as this subjective measure was not always a reliable indicator of need. The new measure has been based on statistical analysis of the key questions in the survey (informed by a review of literature and previous studies).

The survey breaks the UK population into six groups, and we assess their need for debt advice as follows:

Group	Need for debt advice	Debt need factors
Groups 4– 6	Need debt advice	Strong indications that debt advice required – behind on at least one priority bill, facing early or late-stage creditor action and using credit to pay for essentials.
Groups 2 and 3	Would benefit from money guidance; some require preventative support before their situation worsens	Mostly managing to service credit and bills, some occasional missed payments or showing early signs of problem debt
Group 1	No signs of needing debt advice or money guidance	Minimal financial difficulties, no current or recent arrears

The headline figure from the Debt Need Survey 2022 is that there are 9.3 million people in the UK needing debt advice – this is the number of people in groups 4–6. This is made up of people who:

- are in arrears on two or more priority debts, or
- are in arrears on one priority debt and have at least one negative impact (disconnection or prepayment meter imposed, or not being able to afford food or essentials) or are using high-cost credit (payday lending, logbook loan, unauthorised overdraft), or
- have no priority arrears but are experiencing one major event (court summons, bailiff contact, eviction or repossession)

### Methodology limitations and actions taken to address these concerns

The Debt Need Survey is conducted using a blend of online panels – these panels consist of people who have opted into them and take part in market research in return for small incentives. We recognise that there are some limitations with this approach, particularly in relation those with lower digital skills and the digitally excluded.

When the survey is conducted the research agency and MaPS set quotas using demographic data, it's their job to meet those quotas as closely as possible. They ensure that the respondents include people with varying levels of internet usage each week and make sure that those responding to the survey use a range of different devices (phones, laptops, desktops) to complete it.

The responses from online panellists represent a wide range of age groups, income levels and life stages. We boost the numbers of interviews in Northern Ireland and with ethnic minority groups using a separate online panel to ensure that they are properly represented.

However, we accept that the 6% of UK households without internet access<sup>58</sup> will not be represented in our survey. The cost and time implications of changing methodology to include them are significant.

In a separate study in 2021, we repeated some of the questions from the Debt Need Survey using a different methodology which households without internet access could participate in. A technique known as random probability sampling was used. This study showed that those who use the internet very infrequently (2–3 times a month of less, or never) had a slightly higher tendency to need debt advice, but that this was not substantive. While we recognise the limitations of the current panel methodology, our testing did not reveal that a different methodological approach would lead to any substantive variations in the results of the survey.

Additional quality checking is completed every year as part of the survey methodology to ensure that the data is clean, doesn't include spurious or illogical responses, and is robust and accurate. We update our quality checks every year to keep up with changes in technology.

As part of a wider review of our consumer surveys from 2024 onwards, we may make changes to the methodology of the Debt Need Survey to further improve the data quality. We are looking to gain a more holistic understanding of financial wellbeing and the need for debt advice of UK consumers to help us plan for future advice and guidance needs.

The data is available through the Consumer Data Research Centre. You can [apply to access the data for research purposes](#) and a full technical report into the survey methodology is published annually (the [2022 report](#) is available). Fieldwork and analysis for the 2023 survey has concluded and a summary of the data and technical report will be published in due course.

### **Data received from MaPS-funded service delivery**

MaPS receives data from the debt advice services we fund, which broadly falls into two categories 1) contact details for clients who have consented to be contacted for research and evaluation purposes and 2) anonymised data to support analysis and understanding of who is using services and provide insight into the service they have received.

The first set of data is the base for the Voice of the Customer Survey (see below). There are some limitations with this data as clients have the option not to provide consent and therefore it is not a full representation of everyone who has sought and received help from services funded by MaPS.

The second set of data is used to support internal analysis undertaken by MaPS. Again, there are some limitations with this data. Improved data collection was one of the benefits sought through MaPS' recent move onto contracts rather than grants, there is greater consistency in this data between suppliers and the contracts include measures of the data quality and integrity. The implementation of consistent data has been a significant focus during the first year of the new contract delivery; some of the data required was collected from contract commencement while other aspects have been introduced as part of the implementation. This means that (at the point of this consultation going live) we have a few months of contract data to analyse. We will continue to analyse this data moving forward.

The remainder of the service data is from delivery of the current grants for community-based providers, or from services delivered before 1 February 2023. The completeness of this data varies significantly. Where we have referred to the data in the consultation it should be noted that it may not be fully representative those that have received MaPS-funded advice.

### **Voice of the Customer**

The Voice of the Customer Survey is an independent survey conducted on behalf of MaPS and includes two parts. First, a customer satisfaction element completed shortly after a customer has received advice, obtaining feedback on quality of the interaction and the customers' experience with the provider. Secondly an outcomes survey conducted between five and six months after advice which measures the extent to which customers have achieved positive outcomes in relation to their debts and wider aspects of life. The two surveys are linked so that drivers of outcomes can be better understood.

The data set is limited to those customers who have consented to participate and then again by the response rate achieved when the surveys take place. The survey takes place with customers who have been advised through MaPS mainstream debt advice services, as well as the business debt and Debt Relief Order administration hubs. It does not cover the Mental Health Crisis Breathing Space service which was being piloted and had a separate evaluation process. The Voice of the Consumer Survey sampling methodology ensures that all providers funded by MaPS are covered, and weighting is applied by age, gender and lot (or type of grant/contract) so results are more representative of their customer base.

# Appendix C

---

## Defining complexity

MaPS definition of complexity comprises four interconnected components:

**Client complexity** – this can be understood at both an individual and household level and includes factors such as: disclosed and undisclosed mental health problems; disclosure of suicidal ideation and self-harm; addiction issues; domestic violence and financial abuse; and other vulnerabilities such as learning disabilities and illness. Individuals and households with these factors will likely require service adjustments to access and engage with debt advice and may trigger multi-agency safeguarding procedures.

**Debt advice case complexity** – this includes factors relating to the debt advice need such as: deficit budgets; the total monetary level of all debts; the proportion of priority and non-priority debt; variable incomes; benefit deductions; and joint liabilities. Individuals with these complexity factors are likely to require multiple interactions with a debt advice service, including casework and advocacy.

**Additional advice case complexity** – this includes those advice needs that require addressing prior to or in parallel with the individual's debt advice needs in order to meaningfully progress their case. These factors include housing advice; welfare benefit advice; and employment advice. Individuals with these complexity factors may require more interactions with an advice provider (or multiple agencies) and for one outcome to be achieved before a subsequent action can be taken, increasing time taken to serve.

**Acute complexity** – this can be understood as those factors that require the immediate/urgent support of the debt advice provider and may be critical to address before the individual is able to engage with the debt advice process. These factors include needs related to destitution, urgent enforcement action and court action.

# Appendix D

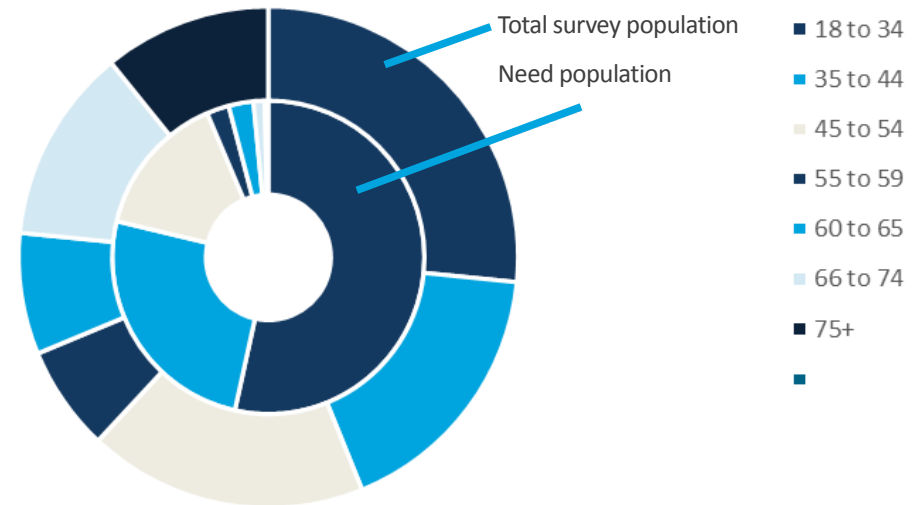
## Selected data from MaPS Debt Need Survey 2022

We set out below some of the analysis of data from MaPS Debt Need Survey 2022 which has supported the evidence base for the proposals in this consultation.

This does not represent exhaustive analysis to the MaPS Debt Need Survey 2022. Data from the survey is available through the Consumer Data Research Centre. You can [apply to access the data for research purposes](#) and a full technical report into the survey methodology is published annually (the [2022 report](#) is available [here](#)). Fieldwork and analysis for the 2023 survey has concluded and a summary of the data and technical report will be published in due course.

Question: Which of the following age bands are you in?

	Total survey population	Need population
Unweighted base	22152	3682
Weighted Base	22152	3879
Effective base	16315	2605
18 to 24	11%	23%
25 to 34	16%	30%
35 to 44	17%	25%
45 to 54	18%	15%
55 to 59	7%	2%
60 to 74	20%	4%
75+	11%	0%
Prefer not to say	0	0



Question: Are you ... [gender]

	Total survey population	Need population
Unweighted base	22152	3682
Weighted Base	22152	3879
Effective base	16315	2605
Male	48%	55%
Female	52%	44%
Other (please specify)	0%	0%
Prefer not to say	0	0%

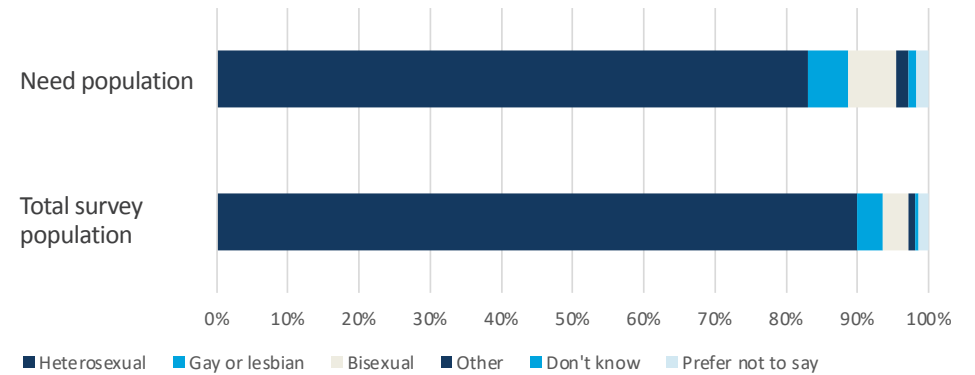


**Question: Which of the following best describes your ethnic group?**

	Total survey population	Need population
Unweighted base <sup>59</sup>	21745	3578
Weighted Base	21738	3763
Effective base	15996	2518
White - English / Welsh / Scottish / Northern Irish / British	86%	69%
White - Irish	0%	1%
White - Gypsy or Irish Traveller	0%	0%
White - Any other White background	1%	1%
Mixed - White and Black Caribbean	1%	3%
Mixed - White and Black African	1%	2%
Mixed - White and Asian	1%	2%
Mixed - Any other Mixed / multiple ethnic background	1%	1%
Asian - Indian	2%	4%
Asian - Pakistani	2%	4%
Asian - Bangladeshi	1%	2%
Asian - Chinese	1%	1%
Asian - Any other Asian background	1%	1%
Black - African	2%	5%
Black - Caribbean	1%	2%
Black - Any other Black / African / Caribbean background	0%	1%
Arab	0%	1%
Any other ethnic group	0%	1%
Prefer not to say	0%	0%

**Question: Which of the following options best describes how you think of yourself?**

	Total survey population	Need population
Unweighted base <sup>60</sup>	21696	3561
Weighted Base	21705	3750
Effective base	15966	2507
Heterosexual	90%	83%
Gay or lesbian	4%	6%
Bisexual	4%	7%
Other	1%	2%
Don't know	1%	1%
Prefer not to say	1%	2%

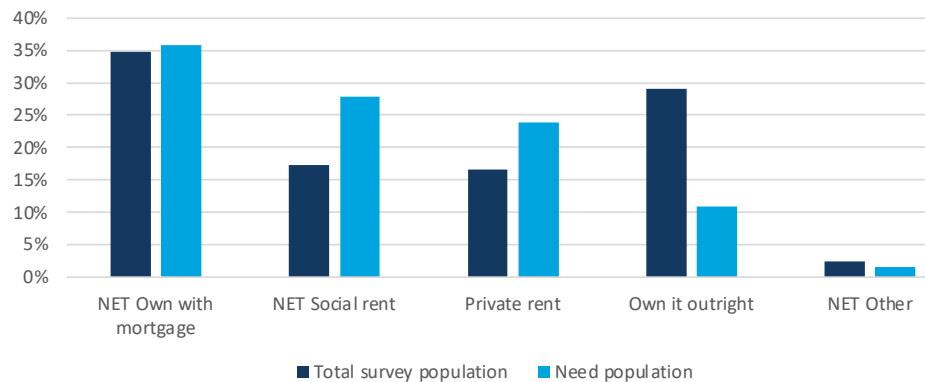


59 Base size may differ from other questions because survey allows people to refuse to answer sensitive questions

60 Base size may differ from other questions because survey allows people to refuse to answer sensitive questions

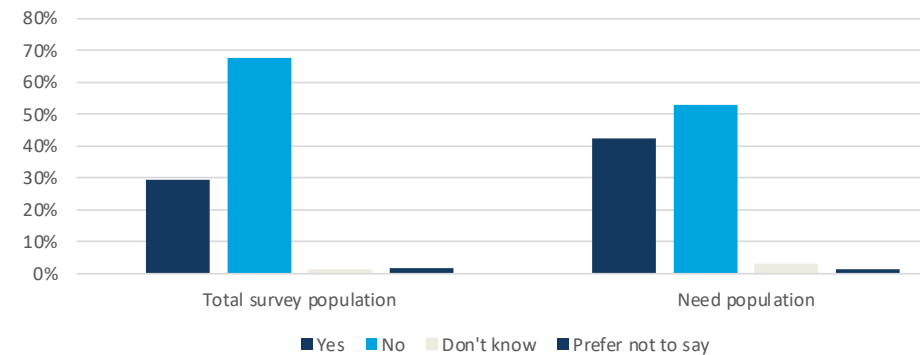
**Question: Thinking about your home, do you...?**

	Total survey population	Need population
Unweighted base	22152	3682
Weighted Base	22152	3879
Effective base	16315	2605
Own it outright	29%	11%
Own it with a mortgage	34%	34%
Rent it from a private landlord	17%	24%
Rent it from a local authority	8%	14%
Rent it from a housing association	9%	14%
Part own / part rent the property (shared ownership)	1%	2%
Live with your parents	2%	1%
Live with your grandparents/other family members	0%	0%
Have some other arrangement (please specify)	0%	0%
Don't know	0%	0%
Prefer not to say	0%	0%



**Question: Do you have any long-standing physical or mental impairment, illness or disability?**

	Total survey population	Need population
Unweighted base <sup>61</sup>	21696	3561
Weighted Base	21705	3750
Effective base	15966	2507
Yes	29%	42%
No	68%	53%
Don't know	2%	3%
Prefer not to say	2%	2%



61 Base size may differ from other questions because survey allows people to refuse to answer sensitive questions

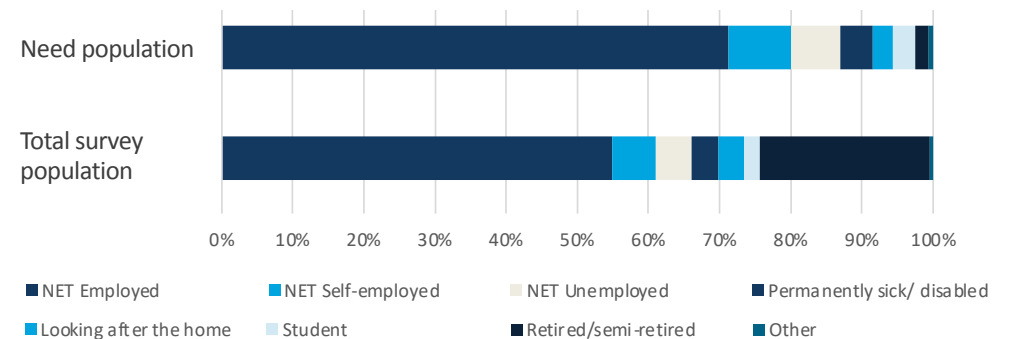
### Respondents classified by Index of Multiple Deprivation

Page four of [The English Indices of Deprivation 2019 Frequently Asked Questions](#) explains the Index of Multiple Deprivation.

	Total	Need Population
Unweighted base	22152	3682
Weighted Base	22152	3879
Effective base	16315	2605
1 - Most Deprived	20%	30%
2	19%	22%
3	20%	17%
4	20%	15%
5 - Least Deprived	20%	10%
No match	2%	6%

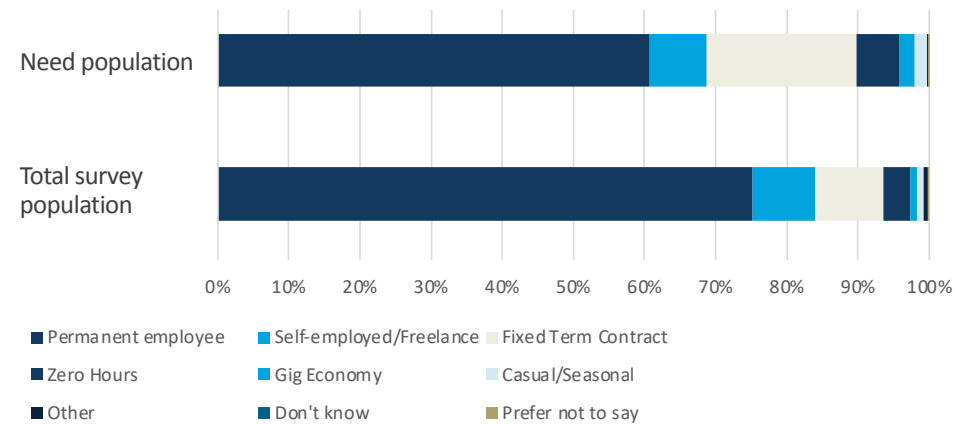
### Question: Which one of the following best describes your current working status?

	Total survey population	Need population
Unweighted base	22152	3682
Weighted Base	22152	3879
Effective base	16315	2605
Working for an employer(s) full-time (for 30 or more hours per week)	42%	55%
Working for an employer(s) part-time (for less than 30 hours per week)	13%	16%
Self-employed full-time (for 30 or more hours per week)	3%	5%
Self-employed part-time (for less than 30 hours per week)	3%	4%
Unemployed and looking for work	2%	4%
Unemployed and not looking for work	2%	2%
Retired	23%	1%
Semi-retired (drawing a pension or other income sources but still working)	1%	1%
Student	2%	3%
Permanently sick/ disabled	4%	5%
Looking after the home	4%	3%
Casual/seasonal worker not working at the moment	1%	1%
Other (please write in)	1%	1%
Don't know	0%	0%
Prefer not to say	0%	0%



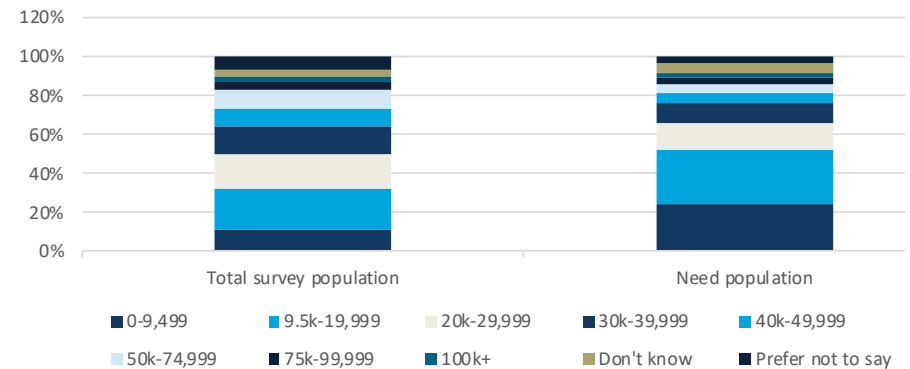
**Question: Type of Employment**

	Total survey population	Need population
Unweighted base <sup>62</sup>	13389	2896
Weighted Base	13639	3119
Effective base	9819	2033
Permanent employee	75%	61%
Self-employed/Freelance	9%	8%
Fixed Term Contract	10%	21%
Zero Hours	4%	6%
Gig Economy	1%	2%
Casual/Seasonal	1%	2%
Other	0%	0%
Don't know	0%	0%
Prefer not to say	0%	0%



**Question: Which band from the grid below does your gross income from all sources fall into?**

	Total survey population	Need population
Unweighted base <sup>63</sup>	21696	3561
Weighted Base	21705	3750
Effective base	15966	2507
0-9,499	11%	24%
9.5k-19,999	21%	28%
20k-29,999	18%	13%
30k-39,999	14%	11%
40k-49,999	9%	5%
50k-74,999	10%	5%
75k-99,999	4%	4%
100k+	3%	2%
Don't know	4%	5%
Prefer not to say	7%	4%
Mean	£32,691	£24,716

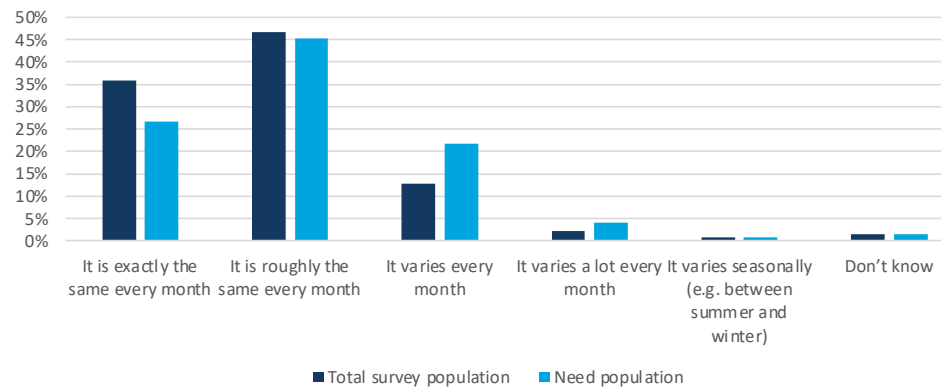


62 Base size may differ from other questions because survey allows people to refuse to answer sensitive questions

63 Base size may differ from other questions because survey allows people to refuse to answer sensitive questions

**Question: Is your income roughly the same every month, or does it vary?**

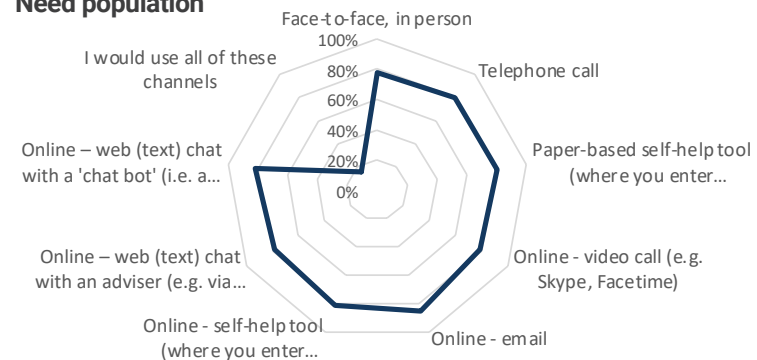
	Total survey population	Need population
Unweighted base <sup>64</sup>	21696	3561
Weighted Base	21705	3750
Effective base	15966	2507
It is exactly the same every month	36%	27%
It is roughly the same every month	47%	45%
It varies every month	13%	22%
It varies a lot every month	2%	4%
It varies seasonally (e.g. between summer and winter)	1%	1%
Don't know	2%	1%



**Question: Which channels would use for debt advice?**

	Total survey population	Need population
Unweighted base	19136	3562
Weighted Base	19257	3769
Effective base	14054	2521
Face-to-face, in person	83%	78%
Telephone call	81%	80%
Paper-based self-help tool (where you enter information on your finances and instructions help you identify options for	84%	81%
Online - video call (e.g. Skype, Facetime)	73%	78%
Online - email	85%	85%
Online - self-help tool (where you enter information on your finances and receive personalised options in response)	84%	81%
Online – web (text) chat with an adviser (e.g. via instant messenger)	79%	78%
Online – web (text) chat with a 'chat bot' (i.e. a conversation with an automated computer program)	75%	82%
I would use all of these channels	36%	16%

**Need population**



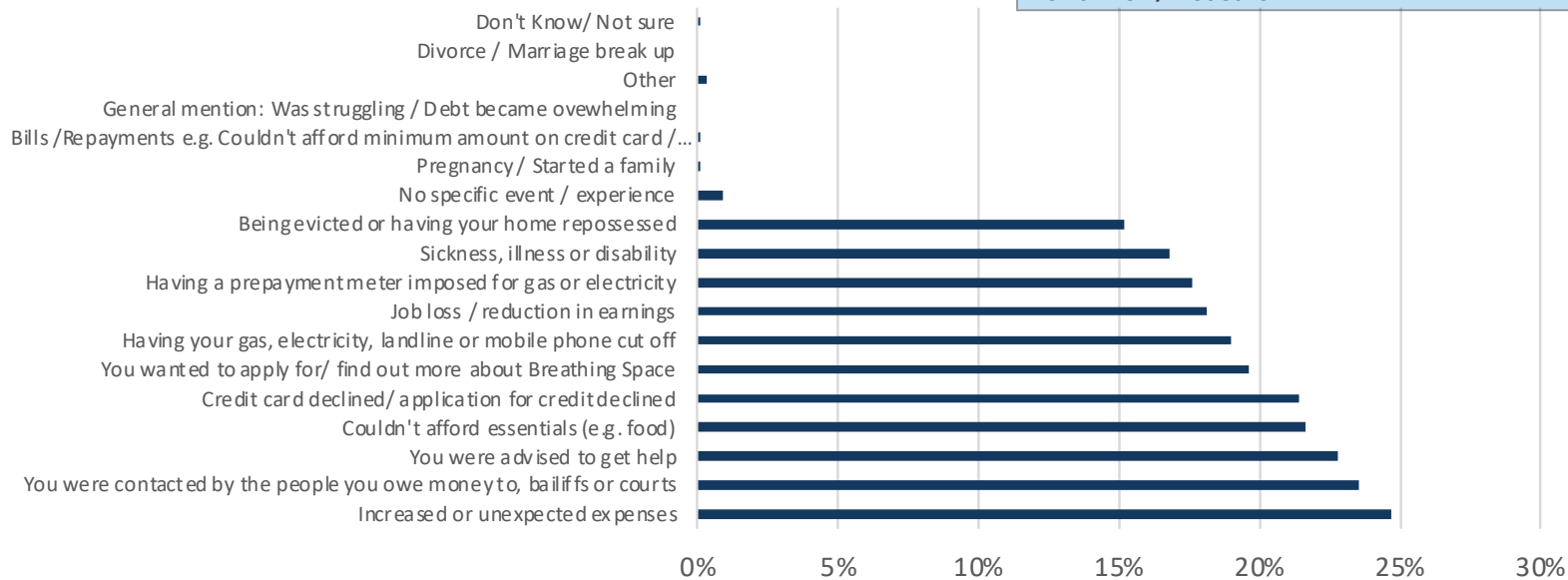
64 Base size may differ from other questions because survey allows people to refuse to answer sensitive questions



**Question: Please think back to when you decided to start looking for the debt advice that you are currently receiving/received. Was there something specific at that time that prompted you take that step?**

	Need population
Unweighted base <sup>65</sup>	1835
Weighted Base	1953
Effective base	1286
Job loss / reduction in earnings	18%
Sickness, illness or disability	17%
Increased or unexpected expenses	25%
You were contacted by the people you owe money to, bailiffs or courts	24%
Having your gas, electricity, landline or mobile phone cut off	19%
Having a prepayment meter imposed for gas or electricity	18%
Being evicted or having your home repossessed	15%

Credit card declined/ application for credit declined	21%
Couldn't afford essentials (e.g. food)	22%
You were advised to get help	23%
You wanted to apply for/ find out more about Breathing Space	20%
Bereavement	0%
Divorce / Marriage break up	0%
Pregnancy / Started a family	0%
Bills /Repayments e.g. Couldn't afford minimum amount on credit card / Council tax bill arrived etc.	0%
Covid related / Furloughed etc.	0%
General mention: Was struggling / Debt became overwhelming	0%
Benefits reduced / Lost benefit	0%
Universal Credit	0%
Other	0%
No specific event / experience	1%
Don't Know/ Not sure	0%

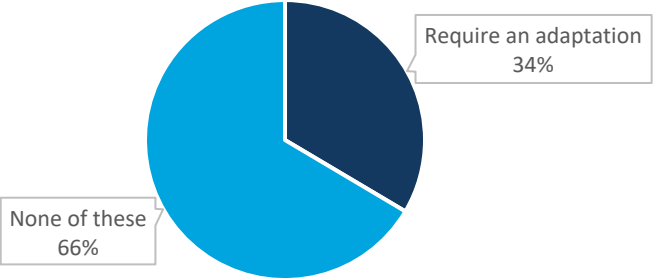


65 Based on people in the need population who indicated they had received debt advice

**Question: Below are adaptations that some people with disabilities may need from a provider of debt advice. What adaptation(s) would a provider of debt advice need to make for you?**

	Total survey population	Need population with health conditions	Need population
Unweighted base	4733	1341	3562
Weighted Base	4801	1395	3769
Effective base	3463	931	2521
Being able to take a guide dog	1%	1%	0%
Being able to communicate with the adviser/ provider by textphone/ Next Text Generation Service	4%	9%	3%
Having access to a sign language interpreter/ video relay interpreter	2%	5%	2%
Having access to a hearing loop system	1%	1%	0%
Being able to receive advice at a suitable time of day	13%	12%	4%
Having a longer advice session/ larger number of sessions	6%	9%	3%
Being able to have a break within a session if needed	9%	10%	4%
Being able to change appointment at short notice	11%	11%	4%
Be able to change the way I receive advice (e.g. from face-to-face to telephone) if needed	26%	31%	11%
Being able to receive advice in a private room/ from an adviser who is in a private room	14%	14%	5%
Having access to a private room if experiencing symptoms or other problems due to my condition	5%	7%	2%
NET Physical environment	14%	9%	3%
Receiving advice in an accessible premises (e.g. step free)	5%	3%	1%

Access to a parking space close to the entrance	7%	3%	1%
Easy access to toilet facilities	7%	4%	2%
Easy access to disabled toilet facilities	4%	2%	1%
Receiving physical written information in a specific format (e.g. braille, with coloured overlays to aid reading)	5%	11%	4%
Online information being adapted to support blind, partially sighted or other users who need help to use visual informat	9%	20%	7%
Written information or instructions being in a simple, easy-to-read format (e.g. with key points highlighted, pictures o	18%	23%	8%
Being able to receive written information or instructions in advance of advice	21%	23%	9%
Being able to undertake follow-up tasks or actions in small chunks or stages	21%	26%	10%
Getting extra reminders of appointment times and items I need to bring/ have	11%	14%	5%
Getting extra reminders of actions I need to take	21%	27%	10%
Being supported by an adviser who understands my condition and how it can affect my behaviour	13%	17%	6%
Being able to involve a friend/ family member/ other trusted person in my advice	28%	34%	12%
Sensory adaptations	0	-	0%
Appointment/ channel flexibility	-	-	0%
Managing/ dealing with symptoms	-	-	0%
Physical environment	0%	-	0%
Information	0	0%	0%
Taking action	0%	-	0%
Support	0%	-	0%
Other unspecified	-	-	0%
None of these	30%	9%	66%



■ Require an adaptation ■ None of these

