Financial capability and debt advice

Money Advice Service

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1 Executive summary

Introduction

The Money Advice Service’s (MAS) central aim is to help people across the UK manage their money well, both day to day and through significant life events, and to handle periods of financial difficulty. An area that MAS would like to explore, and one in which there is anecdotal evidence of promising practice, is the integration of debt advice and financial capability interventions. This research aimed to identify what evidence there is in relation to integrated advice in the UK, and to what extent programmes of such advice have been evaluated to determine their effectiveness.

Methodology

The research involved:

- 5 in-depth interviews with experts on debt and financial capability provision;
- Desk research and cataloguing of any evidence found on the effectiveness of integrated advice;
- A Call for Evidence, disseminated via an online link to providers of debt advice and financial capability support;

What integrated advice is currently offered?

In terms of the models used, it was similarly common for programmes to offer financial capability support before debt advice, after debt advice, or at the same time as debt advice. All interventions that specified, involved face-to-face contact with an adviser, and a number also included a workshop element. It was most common for the debt and financial capability elements to be provided in the same location (rather than at separate sites). The financial capability element involved a wide range of topics across the different programmes, all generally included discussions around budgeting and making money go further, often including shopping habits and everyday savings. Benefits entitlements and tax payments were also frequently mentioned, as was advice relating to banking.

What evidence is there that integrated interventions are effective?

Through desk research and the Call for Evidence, evaluations of integrated programmes were either found or submitted. These evaluations were assessed for robustness and quality using a 1-5 scale, where 1 was the most robust (i.e. included a control group) and 5 was the least robust.

There was little robust evidence available on the specific impact of integrated debt advice and financial capability support (i.e. those falling into the high end of the scale). Evaluations were built to answer their own questions, rather than address the broader question for this research: “what is the impact of offering integrated advice compared to offering debt advice alone?” Most evidence fell into category 4, because any quant elements had relatively small base sizes, and service users had not been followed-up over a very long period of time, so only very short-term impacts of integrated advice were available. In addition, measures gathered by evaluations often focussed on user satisfaction with the service and how they felt about money but did not generally collect measures of debt recurrence or ongoing financial ability.
Delivering integrated debt advice and financial capability support

Considering the practicalities of delivery, expert stakeholders felt there was no ‘one size fits all’ approach when it came to the timing of integrated advice (i.e. whether financial capability support should be offered before during or after debt advice), rather, they felt the financial capability element should be ‘relevant and timely’ to the individual and based on what they could cope with at the time; while this points to a positive holistic approach from providers, it can present challenges as funders often need to be more prescriptive about the service being provided.

Looking at the barriers of providing integrated advice, providers cited resourcing as something that can present difficulties – often linked to an assumption that both the financial capability and debt element would be provided by the same organisation. Adding financial capability support to a debt solution would mean more time with each client and so fewer clients seen and less debt written off, which could harm funding targets. The other main barrier cited was the difficulty in maintaining engagement with clients throughout (and following) their debt advice – this was commonly exacerbated by the potentially chaotic lives of clients, mental health issues and geographic isolation.

Factors that helped to provide effective integrated advice included offering a holistic / tailored approach (e.g. providing a consistent advisor, and advisors that were aware of the multitude of factors that can contribute to debt and financial concerns), straightforward data sharing and good communication between organisations, and focusing on ease of access for clients – including a straightforward referral procedure and ensuring any venue is as easy as possible to find.

Conclusions

Integrated advice programmes were designed to improve provision in general or fulfil a local need. There was limited evidence of any wider influences such as funders wanting provision of a financial capability element.

There is currently little robust evidence available on the specific impact of integrated debt advice and financial capability support; this is not surprising as any evaluations were designed to collect measures relevant to each programme, and not to answer our broader question: “what is the impact of offering integrated advice compared to offering debt advice alone?”

Future research would ideally focus on specifically understanding whether integrated advice creates more positive outcomes than debt advice alone, and would involve large quantitative samples and longer follow-up periods.
2 Findings infographic

Financial Capability and Debt Advice

“Integrated” is a good description for combined fincap and debt advice, but not all providers would think it specifically means this – may think more holistically (“blended” can create confusion with ‘blended channels’)

Providers have been influenced to offer integrated services to fulfil a perceived local need. Little evidence to suggest any influence of funding conditions.

Types of integrated advice: 24 examples found

Most programmes provided face to face (& workshops)

Mix of fincap delivery before, during and after debt advice

Specific customers were targeted by some e.g. young families / mental health

Integrated advice commonly given at one site only

Barriers and enablers of integrated delivery

Barriers

Resourcing

Difficult to keep customer engagement

Enablers

Holistic approach

Communication & data sharing

Ease of access

Evidence and evidence gaps

Currently low levels of robust evidence of effectiveness of integrated advice

Evaluations have been collecting programme-relevant measures, not assessing effectiveness of integrated advice

Future research could...

Include larger base sizes

Include follow-up element

Include comparison group

Collect fincap metrics (alongside debt measures)

Funded by

the Money Advice Service

Financial Capability

IFF Research
3 Introduction

The Money Advice Service’s (MAS) central aim is to help people across the UK manage their money well, both day to day and through significant life events, and to handle periods of financial difficulty. As the UK statutory body for improving people’s knowledge of financial matters, MAS is in a unique position to advise on innovative practice in the financial advice arena. In 2015, MAS launched an evidence hub to help share learning on what works – and doesn’t – in improving people’s financial capability.

An area that MAS would like to explore, and one in which there is anecdotal evidence of promising practice, is the integration of debt advice and financial capability interventions. MAS has identified that there are higher breakage rates in the early stages of repayment solutions, and it is common for debt advice clients to become ‘repeat’ clients, falling into a debt cycle. It is hoped that increasing the financial skills and confidence of clients alongside the provision of debt advice will reduce the chances of service users breaking repayment terms or re-entering the debt cycle.

This research aimed to identify what evidence there is in relation to integrated advice in the UK, and to what extent programs of such advice have been evaluated to determine their effectiveness.

More specifically this research aimed to:

- Map out what types/models of integrated advice are being used;
- Understand the trends in the sector’s thinking about delivering integrated advice and what is influencing this;
- Understand what evidence is available about the impact of delivering integrated advice and how robust/compelling this is;
- Identify where there are gaps in available evidence either because promising approaches haven’t yet been trialled or because current practices have not been formally evaluated.

Definition of integrated advice

Through working with expert stakeholders, we arrived at a definition of ‘integrated’ debt advice and financial capability support for the purposes of this research as support that meets the following criteria:

- The debt advice element must be activity regulated by the Financial Conduct Authority (FCA). It may include debt counselling, debt adjustment, or putting in place debt management plans or individual voluntary arrangements (IVAs). We have not therefore included here more general advice about debt like debt prevention or general advice on reducing debts, for example deciding on which payments to prioritise.
- The financial capability element must be geared towards increasing a person’s financial confidence and ability in general. We are not including in this definition simple ‘income maximisation’ guidance without also focussing on increasing longer term financial ability and awareness. So while income maximisation can certainly be included as a topic of discussion (for example advice on applying for further benefits, or reducing shopping
bills), the session would also need to develop their capability or help to change their thinking more generally, to be within the scope of the study. The debt advice and financial capability elements might be provided by the same organisation, or they may be provided by different organisations. It is not necessary that these two kinds of intervention are provided on the same occasion or in the same location. However, if a referral between two organisations is necessary, this must be a deliberate and specific referral; it would not be sufficient for our purposes if a debt advisor simply gave a customer a leaflet for a financial capability provider, for instance.

The providers of integrated debt advice and financial capability support that feature in this report were not necessarily setting out to deliver an ‘integrated’ offering per se, as set out above. It was more common for organisations to have developed an offering that they felt was holistic, which happened to include provision for both debt advice and financial capability, sometimes alongside other advice such as employment or housing.
4 Methodology

In-depth interviews

Five in-depth interviews with experts on debt and financial capability provision
July 2018

Desk research – exploration and cataloging of evidence on debt and financial capability advice
July – October 2018

Call for Evidence disseminated via an online link to providers of debt and financial capability advice
August– October 2018

In-depth interviews

The Money Advice Service (MAS) recommended a number of expert stakeholders to be interviewed at the outset of the project. These were representatives of Advice UK, Money Advice Trust, Citizens Advice, Citizens Advice Wales, and OSCA1. These initial interviews aimed to understand current thinking in the debt advice and financial capability market, such as how best to refer to the type of integrated advice we are interested in, where to look for evidence of such advice, the prevalence of this type of advice, to what extent integrated interventions have been evaluated, how commonly they are delivered, and what are the challenges, and enablers, of delivering such advice. The findings from these interviews provided valuable context, and, crucially, informed the search terms we used for the desk research and where to look for evidence. They also informed the language that we used in the Call for Evidence.

Advice from these interviews included:

- “Integrated financial capability and debt advice” was suggested as the most appropriate term to use when talking about interventions that include both of these elements. Some had also heard “blended” advice mentioned in this context, however “blended channels” is also used in the industry to mean support provided over a variety of channels such as online and telephone advice, so this term could cause confusion.

- In addition, ‘blended’ or ‘integrated’ advice was felt to potentially imply that one person or organisation would provide both types of support, when of course this may not be the case. Therefore, stakeholders felt it should be stressed in the call for evidence that the

1 OSCA is a Social Impact Lab: https://osca.co/
advice could be delivered by different organisations (but that it would involve a joined-up approach).

- The suggestion was therefore to frame the call for evidence around the person and what the service is trying to achieve for the relevant individuals, rather than the services themselves. The suggestions made were along the lines of ‘support that attempts to both meet (a) immediate needs for advice when an individual finds themselves in debt that are unable to manage alone, (b) build longer term financial capability’.

- Further insight and context from these interviews can be found in Chapter 5: ‘Trends in thinking’.

Desk research

Taking advice from the initial expert interviews, the search terms used for the initial desk research included:

- “Debt advice and financial capability support”
- “Blended debt advice and financial capability support”
- “Integrated debt advice and financial capability support”

Google Scholar, Google searches and the MAS Evidence Hub were used, during July 2018.

Evidence of programmes offering integrated advice (and any evaluations of such projects) were catalogued. This catalogue captured the evidence type (report, webpage, video etc), the source, a summary of content, whether it included evidence of integrated advice and whether it included any evaluation of integrated advice. For those including an evaluation element, the findings of the evaluation were captured, and the robustness of the evaluation was assessed. The catalogue also captured: any available information on the advice model; whether the program showed debt advice leading to financial capability support or vice versa; whether the location of the different advice elements was the same or different; and at what stage of a person’s debt journey the financial capability element was delivered (before crisis, at the point of unmanageable debt, or after debts had been resolved).

Call for Evidence

The Call for Evidence was disseminated in August 2018 by Money Advice Service via email, to around 1,000 provider contacts. The Call for Evidence remained open between Thursday 23 August and Sunday 14 October 2018. A reminder email was sent by MAS at the end of September to encourage final submissions.

The design of the Call for Evidence was influenced by the advice from the initial expert interviews on phrasing, particularly the wording of the initial landing page which described what the Call for Evidence was trying to achieve.
The Call for Evidence asked the following four key questions about integrated debt advice and financial capability support:

1. Can you provide any examples of interventions that seek to improve clients’ financial situation by providing a mix of debt advice and financial capability support?

2. What do you think makes or could make ‘integrated’ interventions effective? This could be based on your own experience, client feedback or any internal reviews or similar evidence you may have.

3. What are the risks or challenges in delivering this kind of ‘integrated’ support?

4. What other ‘integrated’ advice initiatives would you like to see taking place in the near future and why?

The Call for Evidence then asked providers of advice to submit any available evidence of any integrated programmes they were aware of, via an email address. As the initial expert interviews had suggested that evidence on this subject may be patchy, the following reassurance was offered: 

*Please note, these do not need to be of a publishable standard. We are happy to receive any supporting or relevant material as part of this mapping exercise.*

The text used for the introductory landing page, and the full online Call for Evidence questionnaire, can be found in Appendices A and B respectively.

**Terms used**

When referring to programmes of integrated advice, sometimes the terms ‘initiatives’, ‘interventions’ or ‘projects’ are used – these are used so that the report is more engaging to read and can be treated as synonymous. Like-wise, we have used the terms ‘clients’, ‘service users’ and ‘customers’ to mean those using integrated advice.
5 What integrated advice is currently offered?

Key findings:

- 24 programmes were identified that included integrated financial capability support and regulated debt advice, and an additional 7 which provided more "light-touch" debt guidance alongside financial capability support.

- In terms of the models used, it was similarly common for programmes to offer financial capability support before debt advice, after debt advice, or alongside debt advice. All interventions that specified their approach involved face-to-face contact with an adviser, and a number also included a workshop element. It was most common for the debt advice and financial capability elements to be provided in the same location (rather than at separate sites).

- The financial capability element involved a wide range of topics across the different programmes. All generally included discussions around budgeting and making money go further, often including shopping habits and everyday savings. Benefits entitlements and tax payments were also frequently mentioned, as was advice relating to banking. It was less common for the financial capability element to include guidance on making decisions about financial products (e.g. switching), and help with insurance and pensions.

- A few interventions targeted specific groups such as students, young parents, those with mental health conditions and those living in social housing.

This chapter addresses interventions from current or recent programmes that include both financial capability support and debt advice. The chapter is split into two sections:

1. Interventions which offer regulated debt advice: based on evidence documents gathered as part of the literature review and call for evidence.

2. Interventions where the debt advice element is not regulated (i.e. light touch or more general guidance on preventing or reducing debt). Again, the evidence documents for these were gathered as part of the literature review and call for evidence.

At an overall level, those who supplied evidence regarding their programmes often did not take the term ‘integrated advice’ to refer to financial capability and debt advice specifically. Some saw it more broadly, looking at the person’s financial situation holistically and then addressing the areas where a need was identified - be it benefits, housing, debts etc. While all programmes in this section of the report provided financial capability support to all users, they do not all necessarily provide debt advice - some only offered it as and when they felt it required.

Interventions including regulated debt advice

Types of financial capability support offered

The financial capability element of the integrated interventions varied in content, but all generally included discussions around budgeting and making money go further, often including shopping habits and everyday savings. Though the programmes do not specifically describe whether long term budgeting was discussed, some mentioned savings as an area of discussion. Benefits entitlements
and tax payments were also frequently mentioned (identifying which benefits service users are entitled to, getting benefit caps removed etc, entitlement to additional tax credits.)

Closely tied into making money go further was planning an approach for handling bills, particularly around which to prioritise and key payment dates, as was banking (setting up a bank account, changing payment methods etc.).

Mentioned less frequently were applications for charitable grants (such as hardship grants) or trust funds/foundations, making decisions about products and services (e.g. switching utilities or energy suppliers, tv or phone contracts), help with insurance, pensions, and exposure and access to financial products.

A few interventions targeted specific groups such as those in social housing. For these, the focus of the programmes tended to be building up financial confidence to reduce / mitigate rent arrears and the possibility of evictions.

**Advice models used**

Interventions were relatively evenly split between those where financial capability support led to debt advice, those where debt advice led to financial capability support and those where they addressed both needs at the same time (or did not specifically mention an order) so one did not lead onto the other.

All the interventions which specified their mode of delivery involved one-to-one, face-to-face interaction with an advisor who could tailor the service to clients’ needs, often known as an ‘officer’ or ‘personal navigator’. Nine programmes used workshops in addition to this. Workshops included topics such as: budgeting advice (including food shopping), money management, benefits, prioritising bills and debts, introduction to other services and products. Six programmes also mentioned contact with service users over the phone. The Improving Financial Confidence (IFC) projects preferred mode of first contact tended to be over the phone. Pennysmart offered a range of contact channels, used flexibly according to clients’ needs - as well as telephone, they offered Skype contact, email or home visits. CAP Debt Help also offer home visits with one-to-one sessions to follow.

When it comes to the location of the two different forms of support (financial capability and debt), it was most common for the programmes to provide both debt advice and financial capability support in the same location (10 programmes). One further programme was in the process of developing their own in-house debt advice service, so they could provide both types of advice on the same site. Alternatively, three programmes described provision the two different types of advice in two different sites. It was not clear whether the remaining interventions provided advice over more than one site; three of these programs involved collaborations between two different organisations so it might be assumed that these were more likely to be held in two different locations.

The programmes engaged service users in a variety of ways. Commonly, they received referrals from housing associations, local authorities and partnership organisations (e.g. Citizens Advice). A few programmes (including those run by Citizens Advice) involved service users contacting the organisation directly. Some of the programmes were more active in their recruitment of clients and did community outreach, for example visiting food banks, hospitals, community centres, supermarkets. The IFC report discussed that some of their projects received fewer referrals from housing partners than anticipated and so re-structured their services so they were integrated with other pre-existing programmes in the community. They saw this as a “piggyback” on an existing pool of service users.
For example, they targeted audiences such as parents who used Children’s Centres, users of health centres and students of adult education institutions.

**Timing of integrated advice**

A quarter of the programmes were designed to offer assistance throughout the debt journey (6 programmes) and did not focus on a particular stage (i.e. before the onset of crisis, during or after). Of those that targeted a particular point in the journey, the majority (10) offered help at crisis point. Six of these followed it through to the recovery stage (though one could only provide additional casework support in the recovery stage if there was appropriate funding was available). A smaller number of programmes (5) were designed to be preventative and awareness raising though, in practice, found that financial capability was most commonly sought out at crisis point.

Generally speaking, programmes that went into the community to identify suitable clients (visiting food banks, hospitals, community centres, running workshops etc.) were likely to engage with those at any point in their debt journey. Programmes which had clients who self-referred to support (e.g. contacting CAB) or came via referrals from other organisations (e.g. from Housing associations or local authorities) were more likely to engage at crisis point, though they still catered to clients throughout the debt journey. All cases where debt advice acted as acted as a gateway to financial capability, were aimed at those at the crisis point of their debt journey.

**Types of organisations involved**

The majority of programmes (15 of the 24) were run by charitable organisations:

- six by a branch of Citizens Advice;
- five charities which focus on tackling financial problems (including Money Buddies, Talking Money, Christians Against Poverty);
- four charities which focus on meeting the needs of residents in their local community (including. St Ann’s group, Toynbee hall, Bromley by Bow Centre);
- and one charity which focuses on reducing crime and its negative effects on communities.

The remaining programmes were run by the following:

- Two programmes by city councils;
- Two by social enterprises (Pennysmart and Kith & Kin Financial Solutions – both Community Interest Companies);
- Two by private companies (Aperture IVA is owned by Aperture Debt Solutions LLP and Fair Way Forward is a Private Limited Company);
- And one non-profit Housing Trust.

The IFC report mentioned that the lead partner for each project was either a voluntary community sector organisation or a social housing landlord.
The organisations considered in this report predominantly provided integrated advice as part of their standard, ‘business as usual’ service rather than trialling it as a pilot or a time-bound project. These organisations included one housing association, a few Citizens Advice Bureaus and several charities or social enterprises. Some of these also ran a related service for a fixed term which was grant-driven, in addition to its ‘business as usual’ model, both of which delivered different forms of integrated advice. One provider received specific funding from Comic Relief to design a 3-year early intervention programme aimed at targeting vulnerable or isolated people through partner organisations, and another received specific funding from a housing association for a financial capability worker to deliver integrated advice primarily for their tenants but to others where space permits.

Five organisations, however, were providing integrated advice purely as a fixed term, grant funded project. These were often but not exclusively Citizens Advice organisations and projects usually lasted between three and five years. Three out of the five organisations were funded by Big Lottery funding for a purpose not directly related to providing integrated advice, for example to improve financial confidence among social housing tenants, while one was funded by an RBS Innovate grant.

A smaller group of three organisations were delivering integrated advice as a pilot which usually lasted less than a year. In the case of Aperture IVA, this was to specifically test the effectiveness of adding a financial capability element into their standard IVA procedures, while Talking Money had received funding from the Money Advice Trust to trial running their two previously separate debt advice and financial capability services as one combined service. Plymouth council however had partnered with Citizens Advice Plymouth as part of its broader strategy to improve financial capability as a way of reducing health inequalities.

Outline of interventions

Evidence was gathered about 24 integrated advice programmes which combined financial capability support with regulated debt advice. There were other interventions that might have been considered ‘integrated’, but the evidence suggested that the debt component was more ‘light touch’ or encompassed general guidance on preventing or reducing debt. These additional interventions are described later in the chapter.

The 24 integrated programmes have been summarised in the table below. The table classifies the following:

- **Project name**

- **Organisations**: The lead organisation that ran the programme and any key partnerships involved. Some projects may have a variety of more minor partners involved that have not been included in the table.

- **Intervention**: A brief summary of the what the programme entailed with a description of key financial capability topics addressed. This is to give a flavour of the topics offered and does not offer an exhaustive list in all cases.

- **Location**: The icons illustrate where the programme was based, with further detail given in text where possible.

- **Gateway**: The icons illustrate whether financial capability was a gateway to debt advice or vice versa. See the key below for further detail.
• **Delivery**: The icons illustrate the method of delivery: one-to-one discussions, group workshops or over the phone.

• **Stage of debt journey**: While interventions will help people at any stage of their debt journey, some are geared to target those at a particular stage: before crisis, crisis or recovery. ‘Any’ stage means that it was not specified.

• **Debt advice given to**: As mentioned at the start of the chapter, debt advice is not typically offered to those who access the programme. The icons specify whether everyone received debt advice, or just some (i.e. those where the need was identified).

• **Co-location**: This illustrates whether the financial capability and debt advice were offered on the same premises. This includes cases where the two elements are carried out by different organisations (i.e. there is a referral to debt advice or financial capability) on the same premises. In some cases, it was assumed that an integrated programme was co-location, because the evidence provided did not refer to multiple locations.

• **Evaluation**: This illustrates whether an evaluation has been carried out. If so, more detail can be found on this in chapter 4.
The set of interventions were based on evidence documents gathered as part of the literature review.

The set of interventions were gathered solely from the call for evidence, with no supporting documents submitted alongside them (i.e. they are purely anecdotal).

Fincap advice has lead on to debt advice

Fincap advice and debt advice needs addressed at the same time (no obvious distinction on the order)

Debt advice has lead onto fincap advice

Debt advice provided to all service users

Debt advice provided to only some service users

Offered

Not offered

Unknown (not stated in the evidence documents)
<table>
<thead>
<tr>
<th>Project name</th>
<th>Organisations</th>
<th>Intervention</th>
<th>Target group</th>
<th>Location</th>
<th>Gateway</th>
<th>Delivery</th>
<th>Stage of debt journey</th>
<th>Debt advice given to</th>
<th>Co-location</th>
<th>Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Money Advice F2F Provision</strong></td>
<td></td>
<td>A financial capability session by a MAS advisor, followed up by CAB debt advice for those who needed it. <strong>FinCap topics:</strong> Budgeting, Saving, Managing credit use, Mortgages, Insurance, Pensions, Saving for Retirement.</td>
<td>Universal access</td>
<td>Across Scotland</td>
<td>One to one</td>
<td>Any</td>
<td>Some</td>
<td>Survey &amp; interviews</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Advice In Mind (AIM)</strong></td>
<td></td>
<td>Holistic advice by both money and debt advisors in a variety of settings e.g. at homes, CAB offices, on psychiatric wards, food banks. Holistic package covers a range of topics (e.g. employment, digital inclusion, housing) <strong>FinCap topics:</strong> Bank accounts, Insurance, Managing credit use, Making decisions about products and services (switching energy suppliers), Benefits entitlements.</td>
<td>People with mental health problems, who are vulnerable to financial hardship</td>
<td>Lanarkshire area</td>
<td>One to one</td>
<td>Any</td>
<td>Some</td>
<td>Survey</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Future Money</strong></td>
<td></td>
<td>A pilot project which created a tool for debt advisers to identify up to 3 areas where service users need additional fincap support. The areas were ranked by priority and passed to the Future Money team to address. <strong>FinCap topics:</strong> Budgeting, Bank accounts, Managing credit use, Planning for paying down debt, Borrowing, Saving, Benefits entitlements, Managing bill payments.</td>
<td>Universal access</td>
<td>Bristol and South Gloucestershire</td>
<td>One to one</td>
<td>Crisis &amp; Recovery</td>
<td>All</td>
<td>Survey</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Aperture Pilot Study</strong></td>
<td></td>
<td>A pilot project where Aperture staff delivered budgeting advice with debt advice to 114 clients. The set-up process contained several client contact points. <strong>FinCap topics:</strong> Managing bill payments, Saving.</td>
<td>Clients entering into an Individual Voluntary Arrangement</td>
<td></td>
<td>One to one</td>
<td>Crisis &amp; Recovery</td>
<td>All</td>
<td>Comparison of pilot &amp; control</td>
<td></td>
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</tbody>
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### Financial capability and debt advice

<table>
<thead>
<tr>
<th>Project name</th>
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<th>Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money Buddies</td>
<td></td>
<td>Provision of advice on a variety of financial areas. They have a separate arm of regulated debt advisors which they refer clients to if needed, after meeting the client to gather all relevant information for the debt advisor. <strong>Finicap topics:</strong> Income maximisation, Budgeting, Managing credit use (discussions with creditors), Making decisions about products and services (switching utility suppliers), Income maximisation (charitable grants/trust fund applications).</td>
<td>Universal access</td>
<td>Leeds</td>
<td>One to one</td>
<td></td>
<td>Any</td>
<td>Some</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>Tenancy sustainment services</td>
<td>The Wrekin Housing Trust</td>
<td>Welfare benefit and tenancy sustainment services for Wrekin Housing Trust. Looking to reduce ongoing expenditure and then following that providing support for the client to contact creditors directly or referral to free debt advice services. <strong>Finicap topics:</strong> Managing bill payments, Budgeting, Income maximisation (charitable grants/trust fund applications), Bank accounts, Making decisions about products and services (switching utility suppliers), Making decisions about products and services (switching tv/phone contracts).</td>
<td>Universal access</td>
<td>Shropshire, Telford &amp; Wrekin</td>
<td>One to one</td>
<td></td>
<td>×</td>
<td>×</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>Plymouth City Council – pilot scheme</td>
<td>Partnerships:</td>
<td>A pilot project for clients seeking help with their debts. They get referred from CAB to a money management financial capability session course as the first stage to improve confidence (e.g. on writing budgets). After this, they see the money advice worker to address the debt. <strong>Finicap topics:</strong> Benefits entitlements, Tax payments, Exposure and access to financial products.</td>
<td>Plymouth</td>
<td></td>
<td>One to one</td>
<td></td>
<td>Any</td>
<td>All</td>
<td>×</td>
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<th>Intervention</th>
<th>Target group</th>
<th>Location</th>
<th>Gateway</th>
<th>Delivery</th>
<th>Stage of debt journey</th>
<th>Debt advice given to</th>
<th>Co-location</th>
<th>Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Money Sorted</strong></td>
<td>(Part of the Building Better Opportunities programme)</td>
<td>Lead by St Ann’s group, supported by 20 other partners.</td>
<td>The project offers a package of person centred support and a range of bespoke interventions, primarily around debt, tenancy issues, benefits, financial capability and employability. Each participant has a Personal Navigator and an intervention budget of £200 (e.g. for debt relief orders, fincap course costs and travel costs for meetings). Navigators can assist participants work with creditors/repayment plans or refer on to specialist bankruptcy/debt relief advice.</td>
<td>Derby, Derbyshire, Nottingham and Nottinghamshire</td>
<td>Unemployed or economically inactive people experiencing social exclusion and poverty</td>
<td>Workshop</td>
<td>One to one</td>
<td>Any</td>
<td>Some</td>
<td>X</td>
</tr>
<tr>
<td><strong>Debt Gateway / Money Active Model</strong></td>
<td>Partnerships: Citizens advice</td>
<td>All debt clients that went to Plymouth CAB were assessed by the Debt Gateway. They identify which clients could benefit from additional financial capability training and referred to a Money Active workshop or one to one (approximately 10% of clients).</td>
<td>Fincap topics: Bank accounts, Budgeting, Managing bill payments, Income maximisation (charitable grants/trust fund applications).</td>
<td>Universal access</td>
<td>Plymouth</td>
<td>Workshops</td>
<td>Crisis &amp; Recovery</td>
<td>All</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td><strong>Hackney Money Smart</strong></td>
<td>Partnerships: Citizens advice</td>
<td>Include Hackney Housing; social housing team within the LA, local housing associations.</td>
<td>A five year financial education project within East End CAB with the aim of building sustainable tenancies. Referrals are mainly through Housing Associations (but also LAs). Financial Inclusion Officers work with individuals on debt issues, money confidence across financial, personal management and budgeting. There are also group sessions for building and employability skills. These can act as a gateway to debt advice.</td>
<td>Universal access</td>
<td>Hackney</td>
<td>Workshops</td>
<td>Crisis</td>
<td>All</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

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**Note:** Confidential LA | Page 19 of 51
Financial capability and debt advice

<table>
<thead>
<tr>
<th>Project name</th>
<th>Organisations</th>
<th>Intervention</th>
<th>Target group</th>
<th>Location</th>
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</thead>
<tbody>
<tr>
<td>Improving Financial Confidence programme</td>
<td>37 projects that ran for a minimum of 3 years. They were designed as a preventative programme concentrating on financial confidence. The projects were encouraged to adopt a ‘test, learn and adapt’ ethos. Different ones dealt with indebted clients in different ways e.g. inhouse advice / referrals / signposting. Hull &amp; East Riding’s “Quids-In”, for example carried out an initial community gateway assessment with beneficiaries and made ‘no-fuss’ referrals to other services such as debt and welfare benefits advice.</td>
<td>Social housing tenants</td>
<td>Across England</td>
<td>One to one</td>
<td>Workshops</td>
<td>Telephone</td>
<td>Primary focus: Before crisis</td>
<td>But some clients in debt: Crisis</td>
<td>Various (dependent on project)</td>
<td>Survey and interviews</td>
</tr>
<tr>
<td>Pennysmart</td>
<td>Provides ‘Money Health Checks’ over the phone or face to face, creating a financial statement and deciding what course of action needs to be taken.</td>
<td>Those traditionally unwilling or unable to access mainstream advice (in particular, social housing tenants)</td>
<td>Primarily Wales, but some areas in England</td>
<td>One to one</td>
<td>Workshops</td>
<td>Telephone</td>
<td>Crisis &amp; (if funding)</td>
<td>Recovery</td>
<td>Some</td>
<td>✓</td>
</tr>
<tr>
<td>Fair Way Forward</td>
<td>An app for people facing financial hardship. The first step is having a budget building session in person or over the phone. Fair Way Forward will help find solutions with creditors. The app provides information on budgets, bills and can update creditors if circumstances change.</td>
<td>Universal access</td>
<td>Across England</td>
<td>One to one</td>
<td>Workshops</td>
<td>Telephone</td>
<td>Crisis &amp; Recovery</td>
<td>All</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>
### Project name

<table>
<thead>
<tr>
<th>Project name</th>
<th>Organisations</th>
<th>Intervention</th>
<th>Target group</th>
<th>Location</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Integrated Money Advice (Brancab)</strong></td>
<td><a href="#">citizens advice</a></td>
<td>The programme focuses on catching low level debt early in the debt journey and helping with financial capability more generally. As the project is run by CAB, they also provide their standard debt advice as part of their normal offering (not specific to this programme). <strong>Finicap topics:</strong> Budgeting, Managing bill payments, Making decisions about products and services, Planning for paying down debt.</td>
<td>Referrals from partner organisations</td>
<td>Bedworth Rugby and Nuneaton</td>
<td>One to one</td>
<td>Before crisis</td>
<td>All</td>
<td>✔️</td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td><strong>CAP Money Course</strong></td>
<td><a href="#">CAP Money</a></td>
<td>A three-week course that teaches budgeting skills, part of which offers the CAP Money Plus telephone support service for those in problem debt. CAP assist in planning, distribution of repayments or through bankruptcy. It helps service users to decide whether they would like to seek more formal debt advice if unable to manage commitments themselves. <strong>Finicap topics:</strong> Budgeting, Managing money.</td>
<td>Universal access</td>
<td></td>
<td>One to one</td>
<td></td>
<td></td>
<td></td>
<td>Unavailable</td>
<td></td>
</tr>
</tbody>
</table>

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## Financial capability and debt advice

<table>
<thead>
<tr>
<th>Organisations</th>
<th>Intervention</th>
<th>Target group</th>
<th>Location</th>
<th>Gateway</th>
<th>Delivery</th>
<th>Stage of debt journey</th>
<th>Debt advice given to</th>
<th>Co-location</th>
</tr>
</thead>
</table>
| **Citizens Advice**
Newport | Offers a debt advisory service which is holistic and integrated with wider advice services capable of providing in depth income maximisation help, support with issues such as employment or discrimination problems, housing issues etc.  
**Fincap topics:** Budgeting, income maximisation, Working towards financial goals, Financial engagement. | Newport, Torfaen and Monmouthshire and surrounding areas | Universal access | | | | | |
| **Anonymous** | At the Advice Shop, they provide a debt support service with embedded financial capability, however they do not have the to follow clients to ensure that they act on the advice that they receive.  
**Fincap topics:** Working towards financial goals, Improving confidence, Understand concepts, products and options relevant to problem debt, Income maximisation. | Edinburgh | Universal access | | | | | |
| **Anonymous** | It focuses on people in prison custody and people serving sentences in the community and provides an early intervention debt advice. This preventative initiative offers advice, assistance, negotiates and advocates to ensure money management issues do not become debt problems due to their involvement with the criminal justice system. It offers workshops and one-to-one sessions in prison; in the community it offers telephone and email support and sometimes home visits.  
**Fincap topics:** Working towards financial goals, Managing credit use (discussions with creditors). | Anonymous | | | | | | |

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Crisis

Some

Before crisis
<table>
<thead>
<tr>
<th>Organisations</th>
<th>Intervention</th>
<th>Target group</th>
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<th>Debt advice given to</th>
<th>Co-location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anonymous</td>
<td>In addition to debt advice, they have a financial capability worker who provides a service via telephone/email/letter to those have their debt issues resolved, but are not necessarily debt free. Fincap topics: Income maximisation (charitable grants/trust fund applications), Managing bill payments.</td>
<td>Primarily social housing</td>
<td>England and Wales</td>
<td>One to one</td>
<td>Telephone</td>
<td>Recovery</td>
<td>All</td>
<td>✓</td>
</tr>
<tr>
<td>Barnsley by Bow Centre</td>
<td>As part of 'Getting on with Money', at the point of crisis, clients can be referred to two local debt advice services: East End Energy Fit (an in-house utility debt support service) or the Island Advice Centre (a specialist debt advice agency). Typically it is after debt is addressed that they get referred to money management help. Fincap topics: Making decisions about products and services (switching energy suppliers), Budgeting, Managing bill payments, Income maximisation (charitable grants/trust fund applications), Managing credit use.</td>
<td>Universal access</td>
<td>London Borough of Tower Hamlets</td>
<td>One to one</td>
<td></td>
<td>Crisis &amp; Recovery</td>
<td>All</td>
<td>✓</td>
</tr>
<tr>
<td>CAP Debt Help</td>
<td>Each client receives three home visits from a trained Debt Coach who spends time understanding their individual circumstances, discussing how to live on a budget and providing resources to help with this. During the recovery stage, ongoing support is provided and budgets are adjusted as appropriate. Clients are encouraged to also attend CAP Money or CAP Life Skills for more formal financial education. Fincap topics: Budgeting, Saving, Managing bill payments, Bank accounts.</td>
<td>Universal access</td>
<td>UK</td>
<td>One to one</td>
<td></td>
<td>Crisis &amp; Recovery</td>
<td>All</td>
<td>✗</td>
</tr>
</tbody>
</table>
## Financial capability and debt advice

<table>
<thead>
<tr>
<th>Organisations</th>
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<th>Location</th>
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<th>Stage of debt journey</th>
<th>Debt advice given to</th>
<th>Co-location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kith &amp; Kin</td>
<td>They primarily provide financial capability workshops but also free one-to-one financial advice. They focus on prevention because they found that after people get into trouble with their finances, they have various organisations that can help them, but there were few in the country that were offering financial services education. <strong>Fincap topics:</strong> Budgeting, Money management, Mortgages, Insurance, Pensions, Managing credit use, Saving, Understand concepts, products and options relevant to problem debt.</td>
<td>Universal access</td>
<td>Northern Ireland</td>
<td>One to one</td>
<td>Before crisis</td>
<td>Some</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Anonymous</td>
<td>Their support model targets organisations in contact with vulnerable people. It comprises financial capability/money management and debt advice for all referees; this is informed by a financial health check which is offered to all clients at first contact. <strong>Fincap topics:</strong> Money management.</td>
<td>Vulnerable people, rural deprivation, mental health or poor health issues, disability and brain injury, other cognition issues, young families</td>
<td>Somerset</td>
<td>One to one</td>
<td>Before crisis</td>
<td>Some</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Anonymous</td>
<td>The delivery model is described as 'always integrated' at every appointment to empower the clients to help themselves. Their face to face advice can include debt advice at a point of crisis, together with financial capability support to improve their outcomes over the long-term. <strong>Fincap topics:</strong> Managing bill payments, Budgeting.</td>
<td>Universal access</td>
<td>Wales</td>
<td>One to one</td>
<td>Any</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>
Interventions including ‘light touch’ guidance on debt

There was evidence submitted of 7 additional programmes that included financial capability support as well as help / support around debt, but the latter was quite ‘light touch’ and covered more basic guidance on prioritising debt payments or preventing debt, as opposed to regulated debt advice. These additional programmes are therefore out of scope of our working definition of integrated advice, but they are given below for reference.

- **Digital Money Coaches (Citizen’s Advice):** Digital Money Coaches was run as part of the ‘Financial Skills for Life’ project in 5 local Citizens Advice offices to improve digital money management skills. They used a ‘toolkit’ which includes evidence that debt is addressed, though in an informal setting. It included an online 'debt test' (from the MAS website) and tips for managing/prioritising debt. **FinCap topics:** digital literacy, making decisions about products and services (switching energy suppliers), benefits entitlements online, budgeting, bank accounts.

- **The Money Mentors Programme (Toynbee Hall):** The programme offers financial education for Tower Hamlets residents that aims to increase financial resilience and inclusion, alleviating the impact of poverty in the borough. **FinCap topics:** budgeting and money management, regular saving, making decisions about products and services using the internet, bank accounts (online).

- **Tackling Money Worries (Maryhill & Possilpark CAB):** Most service users were referred by GPs or health visitors. Two money advice staff were located within 6 GP surgeries, so people did not drop out between referral and accessing the advice. The project primarily dealt with benefits and debt issues (providing level 2 advice). Financial capability was felt to be only a small element of the support. **FinCap topics:** budgeting, making decisions about products and services (switching energy suppliers), income maximisation (access to humanitarian aid).

- **Programme at Fairbridge West:** The organisation targets socially excluded 13-25 year olds. The pilot integrated financial advice with other courses, including sessions by Money-go-Round credit union and Bristol Debt Advice Centre. **FinCap topics:** budgeting, saving, borrowing.

- **Services Against Financial Exclusion (Toynbee Hall):** The organisation works with young and disadvantaged people who have often experienced homelessness. The programme runs a financial capability course as well as lighter-touch debt guidance. Workshops are run based on a variety of financial capability topics depending on the client group. **FinCap topics:** bank accounts, budgeting, saving, managing bill payments.

- **Welfare Advice in Health Settings (Capital City Partnership):** Capital City Partnership targets those who are vulnerable or disadvantaged in terms of financial inclusion. This programme aimed at providing debt and money advice in GP surgeries. Service users are referred by their GPs. **FinCap topics:** bank accounts, access to financial products, money management and budgeting.

- **Managing Chang£ (Advice NI):** The project was aimed at those with mental health conditions between ages of 18 – 64 years. It offered an introductory session followed by a three-week programme of financial capability training. ‘Money Champions’ provided ongoing...
support to the service users throughout this time. The project discussed managing debt and
signposted to free and regulated debt advice services. **FinCap topics: budgeting, borrowing, planning for paying down debt, saving.**

Financial capability topics noted in the above list were similar to those seen among the programmes with regulated debt advice. As before, budgeting was discussed in every one of them and discussions such as bank accounts and saving were also frequently mentioned. There did seem to be more involvement with developing online skills among the interventions using lighter-touch debt guidance – be it running digital money management course, use of an app or specifically addressing online banking. That said, it may be that the evidence reviewed for interventions providing regulated advice was missing this specific information, so it is difficult to draw a trend for the evidence gathered.

Generally, it does seem that programmes involving this 'lighter touch' debt guidance had a greater focus on targeting those before onset crisis debt than those involving regulated advice. While most still catered for those already in debt in some way, as might be expected, this was less of a focus than the financial capability element.

While programmes with regulated debt advice tended to offer workshops in addition to a one-to-one meeting, three of the above programmes involving lighter-touch debt guidance appeared to rely solely on group sessions or courses. One programme had the potential to meet face-to-face before the course, however it was mainly for recruitment and reassurance, rather than to provide advice. Another programme’s main mode of delivery was via a financial app, after an initial discussion about building a budget.
6 What evidence is there that integrated advice interventions are effective?

Key findings:

- There is limited robust evidence that integrated advice is effective when compared to debt advice alone, however it is important to note that evaluations have not been designed to answer this question – they are often focussed on demonstrating the programme’s success to funders, or identifying how their project could be improved in the future;

- Evaluations very rarely included a control group and very few included a large quantitative sample, or any follow-up of service users over time periods of more than a few months;

- That said, there was one evaluation that involved a control group, which showed that clients who were given budgeting assistance were more likely to make their IVA payments on time compared to those who received the ‘Business As Usual’ service from their IVA provider. Another evaluation surveyed clients before and after an intervention, and found that 6 weeks after the intervention over half of clients said their debt problem had improved (however there was no follow-up beyond 6 weeks);

- Generally however, evaluations focussed on satisfaction levels and how clients feel about money after being involved in the programme, rather than measures of financial capability or debt recurrence. It was unusual for evaluations to follow-up clients after more than a few months.

This chapter explores to what extent integrated programmes have been evaluated, and what the evidence tells us about the impact of delivering integrated advice. Of the 24 integrated interventions noted in the previous chapter, we had access to written project evaluations for 10 of these.

It is these 10 evaluations that are assessed in this chapter¹ (set out in the table below).

¹ An 11th integrated initiative identified in the previous chapter as having an evaluation was the ‘Future Money’ project, but the evaluation for this was not available.
<table>
<thead>
<tr>
<th>Project Name</th>
<th>Organisations</th>
<th>Intervention</th>
<th>Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money Advice F2F Provision</td>
<td>Money Advice F2F Provision</td>
<td>A financial capability session by a MAS advisor, followed up by CAB debt advice for those who needed it.</td>
<td>Survey &amp; interviews</td>
</tr>
<tr>
<td></td>
<td>Fincap topics: Budgeting, Saving, Managing credit use, Mortgages, Insurance, Pensions, Saving for Retirement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advice In Mind (AIM)</td>
<td>Advice In Mind (AIM)</td>
<td>Holistic advice by both money and debt advisors in variety of settings e.g. at homes, CAB offices, on psychiatric wards, food banks. Holistic package covers a range of topics (e.g. employment, digital inclusion, housing)</td>
<td>Survey</td>
</tr>
<tr>
<td></td>
<td>Fincap topics: Bank accounts, Insurance, Managing credit use, Making decisions about products and services (switching energy suppliers), Benefits entitlements.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aperture Pilot Study</td>
<td>Aperture</td>
<td>A pilot project where Aperture staff delivered budgeting advice with debt advice to 114 clients. The set-up process contained several client contact points.</td>
<td>Comparison of pilot &amp; control</td>
</tr>
<tr>
<td></td>
<td>Fincap topics: Managing bill payments, Saving.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Money Buddies</td>
<td>Money Buddies</td>
<td>Provision of advice on a variety of financial areas. They have a separate arm of regulated debt advisors which they refer clients to if needed, after meeting the client to gather all relevant information for the debt advisor.</td>
<td>Survey</td>
</tr>
<tr>
<td></td>
<td>Fincap topics: Income maximisation, Budgeting, Managing credit use (discussions with creditors), Making decisions about products and services (switching utility suppliers), Income maximisation (charitable grants/trust fund applications).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Money Sorted</td>
<td>Money Sorted</td>
<td>(Part of the Building Better Opportunities programme)</td>
<td>Survey and interviews</td>
</tr>
<tr>
<td></td>
<td>Lead by St Ann’s group, supported by 20 other partners.</td>
<td>The project offers a package of person centred support and a range of bespoke interventions, primarily around debt, tenancy issues, benefits, financial capability and employability. Each participant has a Personal Navigator and an intervention budget of £200 (e.g. for debt relief orders, fincap course costs and travel costs for meetings). Navigators can assist participants with creditors' repayment plans or refer them to specialist bankruptcy/debt relief advice.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fincap topics: Bank accounts, Budgeting, Managing bill payments, Income maximisation (charitable grants/trust fund applications).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Gateway / Money Active Model</td>
<td>Debt Gateway / Money Active Model</td>
<td>All debt clients that went to Plymouth CAB were assessed by the Debt Gateway. They identify which clients could benefit from additional financial capability training and referred to a Money Active workshop or one to one (approximately 10% of clients).</td>
<td>Survey and interviews</td>
</tr>
<tr>
<td></td>
<td>Fincap topics: Budgeting, Borrowing, Saving, Seeking advice and guidance.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hackney Money Smart</td>
<td>Hackney Money Smart</td>
<td>A five year financial education project within East End CAB with the aim of building sustainable tenancies. Referrals are mainly through Housing Associations (but also LAs). Financial Inclusion Officers work with individuals on debt issues, money confidence across financial, personal management and budgeting. There are also group sessions for building and employability skills. These can act as a gateway to debt advice.</td>
<td>Interviews, surveys, focus group</td>
</tr>
<tr>
<td></td>
<td>Fincap topics: Budgeting, Benefits entitlements, Managing bill payments, Exposure and access to financial products.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improving Financial Confidence programme</td>
<td>Improving Financial Confidence programme</td>
<td>37 projects that ran for a minimum of 3 years. They were designed as a preventative programme concentrating on financial confidence. The projects were encouraged to adopt a ‘test, learn and adapt’ ethos. Different ones dealt with indebted clients in different ways e.g. inhouse advice / referrals / signposting. Hull &amp; East Riding’s “Guides In”, for example carried out an initial community gateway assessment with beneficiaries and made ‘no-fuss’ referrals to other services such as debt and welfare benefits advice.</td>
<td>Survey and interviews</td>
</tr>
<tr>
<td></td>
<td>Fincap topics: Benefits entitlements, Pensions, Income maximisation (charitable grants/trust fund applications).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Integrated Money Advice (Brancab)</td>
<td>Integrated Money Advice (Brancab)</td>
<td>The programme focuses on catching low level debt early in the debt journey and helping with financial capability more generally. As the project is run by CAB, they also provide their standard debt advice as part of their normal offering (not specific to this programme).</td>
<td>MI data and case studies</td>
</tr>
<tr>
<td></td>
<td>Fincap topics: Budgeting, Managing bill payments, Making decisions about products and services, Planning for paying down debt.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CAP Money Course</td>
<td>CAP Money Course</td>
<td>A three-week course that teaches budgeting skills, part of which offers the CAP Money Plus telephone support service for those in problem debt. CAP assist in planning, distribution of repayments or through bankruptcy. It helps service users to decide whether they would like to seek more formal debt advice if unable to manage commitments themselves.</td>
<td>Surveys and case studies</td>
</tr>
<tr>
<td></td>
<td>Fincap topics: Budgeting, Managing money.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Evidence scale

This chapter assesses both the quality of the evaluations that were carried out, and what they had found out about the effectiveness of integrating financial capability and debt advice.

It is important to note that when assessing the credibility of the evidence, we assessed the relevance or applicability of each evaluation to our research question (the impact of offering integrated advice), rather than the appropriateness of each study to answer its own research question as determined by its author.

The evidence that has been provided for these interventions was not generally setting out to evaluate whether financial capability support and debt advice worked in tandem better than they work separately (which is the question this report aims to answer). Rather, these projects were setting out to show that a particular brand of holistic help they had put together, had (or had not) helped the targeted number of people out of debt, and resulted in the target amount of savings, and had reached the targeted number of people.

Therefore, in a number of cases the evidence submitted would have been perfectly suitable for the organisation in question, but it was not sufficient to ‘prove’ for our purposes whether the combination of financial capability guidance, and debt advice, works.

A simplification of the Sackett, Straus and Richardson (2000) hierarchy of evidence was used to assess the robustness of the evidence provided. This is a scale suitable for assessing evidence relating to the impact of interventions, or the benefit or harm of certain treatments. This scale also allows for the inclusion of qualitative or case study elements. A simplified scale was used because the additional detail that might be required for assessing more medical interventions etc., was not required here.

The scale assigns a grade numbered one to five based on the design elements of the evaluation, with 1 being the most robust and 5 being the least robust methodology, as detailed in table 6.1.

The most robust forms of evaluation (given grades 1, 2 or 3) involve a control group, however only one piece of evidence gathered during this study met this criterion. For the purpose of this research we split grade 4 into three subsets to differentiate between the high number of programmes we found that fell within that group.
Table 6.1: Description of Evidence Scale

<table>
<thead>
<tr>
<th>Robustness Grade</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Randomised Control Trials (RCTs)</strong> are experimental studies in which the experimenter intervenes ‘in advance’, for example, by identifying individuals who will receive a new service (e.g. a financial intervention) or try a new drug and ensuring there is a control group of people who do not receive the service/drug. Crucially, people are assigned randomly to these groups.</td>
</tr>
<tr>
<td>2</td>
<td><strong>Cohort studies</strong> are observational studies that involve large groups of people over a period of time, during which several measurements are taken. Unlike RCTs, the researchers observe what happens without intervening. These studies involve identifying a group of people that have been exposed to a particular intervention and observing and measuring the group over time.</td>
</tr>
<tr>
<td>3</td>
<td><strong>Case control studies</strong> are another type of observational study, but they do not necessarily involve large numbers of people or collect data over time. Researchers retrospectively categorise individuals into groups, for example those who have and have not taken part in an intervention, and measure how they are doing now. This might include interviewing individuals after an intervention (an exit interview), or a collection of Management Information (MI) data from those who did, and did not, undertake the intervention, and the results are compared.</td>
</tr>
<tr>
<td>4</td>
<td><strong>Case series (before and after)</strong> measure subjects before and after they have taken part in an intervention but do not measure or compare results with those who did not take part. The study aims to describe what has happened rather than set and test a hypothesis testing to look for evidence of cause and effect. The internal validity of a case series design is generally low due to the lack of a comparator group exposed to the same array of intervening variables.</td>
</tr>
<tr>
<td></td>
<td><strong>Case series (after only)</strong> - As described above however the survey or MI data is collected only after they have taken part in the intervention. There is no comparison of different groups and therefore the methodology is less robust than before and after case series.</td>
</tr>
<tr>
<td></td>
<td><strong>Case studies</strong> are a detailed qualitative description of individual subjects gathered commonly from interviews and focus groups. They are less statistically robust due to a lack of statistical sampling and testing however they can have a useful role in evidence gathering and can provide evidence of new ideas and offer a holistic view of all factors affecting a participant.</td>
</tr>
<tr>
<td>5</td>
<td><strong>Expert opinion</strong> – a belief or judgment about something given by a specialist in the subject.</td>
</tr>
</tbody>
</table>
Overview of the evidence gathered

Of the 16 documents we received that showed evidence of integrated debt advice and financial capability support, eleven suggested that an evaluation had been carried out, of which ten gave sufficient methodological detail for us to grade them according to the evidence scale. As shown in Figure 6.1, the majority were graded 4AC, because they used case series data from before and after the intervention, combined with qualitative case study data.

Figure 6.1 Quality of evidence for integrated debt advice

![Quality of evidence for integrated debt advice](image)

In addition, we examined 10 documents that showed evidence of financial capability support being integrated with general, lighter-touch debt guidance and found that five suggested that the intervention had been evaluated. All five fell in grade 4 and were similarly split between those using case studies, case series data and both. Two of these were more robust, using qualitative data and quantitative data. This group of interventions are compared with the evidence on regulated debt advice and financial capability in figure 6.2.

Figure 6.2 Quality of evidence, financial capability with regulated and lighter-touch debt advice

![Quality of evidence, financial capability with regulated and lighter-touch debt advice](image)

We discuss below the various evaluations of integrated programmes submitted, from the most to least robust.
Case control evaluations

To recap, case control studies are a type of observational study; researchers retrospectively categorise individuals into different groups, for example those who have and have not experienced an intervention like integrated advice, and then compare data on the two groups.

Evaluation of Aperture IVA and Money Advice Service pilot study (3)

This was the most robust research methodology we identified that evaluated integrated financial capability and debt advice, and the only one that compared findings with a control group.

IVA provider, Aperture IVA, partnered with the Money Advice Service to evaluate a pilot project in 2015, in which its advisors introduced an enhanced budget summary into their standard service with the aim of improving the clients’ ability to understand their budget, juggle outgoings and keep up with their IVA repayments. 114 clients were allocated to a pilot group and 670 clients to the ‘Business As Usual’ control group of clients who went through the normal IVA process. Demographic data and performance data (such as missed payments and customer contact enquiries to Aperture IVA) over 12 months were collected for both groups. Monthly and cumulative data was analysed and tested for statistical significance.

The findings showed that clients that had received the budget summary were 11% more likely to make their IVA payments on time, and that over the 12-month study period, pilot clients paid 90% of all payments on time, compared to 81% among the Business As Usual clients. Where they did miss payments, their reasons were less likely to relate to the clients budgeting problems and more because of unrelated issues such as errors in processing direct debits, while Business As Usual clients were more likely to miss payments for avoidable reasons due to budget mismanagement. Pilot clients were also 43% less likely to contact Aperture IVA with queries related to their budget, suggesting improved understanding of their finances and payments, however the overall number of calls or emails was the same for both groups.

The findings are however limited in what it can tell us about the effectiveness of integrated advice in the following ways:

- The intervention and findings are only relevant to clients going through the IVA process and, specifically customers of Aperture IVA. Therefore, it is not possible to say that enhanced budgeting would be applicable for other providers of IVAs, or for providers of other types of debt advice;

- The financial capability element only includes budgeting;

- The impact of the pilot is measured by the success of keeping up IVA payments over a short period of time after the IVA is put in place, and the number of times the client needed to contact Aperture IVA. It does not evaluate whether the enhanced budgeting advice they received enabled them to better manage their money going forward or prevent the reoccurrence of debts in the long term.

Mixed method with longitudinal surveys

The following studies do not use a control group but collect and compare quantitative data from before and after the integrated advice initiative was carried out, as well as incorporating a case study element (interviews or focus groups) and sometimes MI data.
Evaluation of Money Advice F2F Provision, Citizens Advice Scotland (CAS) (4AC)

This project aimed to improve financial decision-making and financial management by providing MAS money advice and following up with CAS debt advice for those who needed it. Advice included budgeting, savings, insurance, debt and pensions, usually before debt advice was delivered. The evaluation, carried out by Ipsos Mori, included a survey of 101 clients in the first wave, of which 50 were randomly selected to take part in the second wave. 15 min-depth interviews were carried out with Wave 2 respondents.

Findings included high levels of satisfaction with the service and positive psycho-social impacts, however impacts on individuals’ financial situations were mixed.

- The majority of Wave 2 respondents were positive about their ability to cope with debt or arrears. Three quarters said they worried less about debt and 62% said they were confident they could sort out problems with debt on their own.

- Over a half (53%) of Wave 1 respondents said their financial situation had improved and 37% said it remained unchanged. Around three quarters (76%) of Wave 1 respondents said they were keeping up with their bills and credit payments at the time of interview, of whom 37% said they were keeping up but with difficulty. 21% said they were falling behind with at least some payments.

- Over half (56%) of Wave 2 respondents said that the debt problem they referred to in Wave 1 had improved in the interim, and nearly half (48%) felt it had improved significantly. A higher proportion (84%) of Wave 2 respondents said that they were managing to keep up with their bills and credit payments compared to Wave 1 (76%), of whom nearly a half (48%) said they were keeping up but it was a struggle. 16% said they were falling behind, and 15% of Wave 2 respondents said they had experienced new difficulties paying bills since Wave 1 and 42% had built up new credit or debit card debt.

As the Wave 2 survey was carried out just 6 weeks after the initial intervention it is also impossible to say what the long-term impacts were, for example on the likelihood that debt will recur.

Evaluation of East End Citizen’s Advice Bureau: Hackney Money Smart (4AC)

This study looked at three interventions by East End Citizen’s Advice Bureau, of which one included integrated debt advice and financial capability support: the Hackney Money Smart Project. The scheme ran over five years beginning in 2013 and was evaluated in October 2015 using survey responses completed in that year. The project employed Financial Inclusion Officers who were also experienced specialist debt advisors to work with 1,000 social housing tenants each year with debt, money management, budgeting and employability skills through one-to-one and group sessions.

The evaluation included surveys carried out after the clients’ first one-to-one session, and again 3 months after the project ended. Data was also captured of financial gains through an electronic case recording system and focus groups were run with service users to explore their journeys.

Evidence from the 2015 client survey was stronger around softer outcomes than outcomes relating to financial capability.

Initial feedback from clients was extremely positive:

- 100% stated they had the advice and information required, and that they will be able to make informed decisions about their finances
• 98% felt better following their first appointment

Longer-term outcomes, captured three months after the intervention showed that positive impacts had been experienced by some:

• 64% felt they would be able to make informed decisions about their finances
• 52% felt better able to manage debts
• 44% felt better able to manage a budget
• 56% reported improved wellbeing.

Management Information data analysis estimated that the programme had gained an estimated £450,000 of income for 2,312 people through additional benefit entitlement and debts written off, but it’s not clear how this was calculated.

**Evaluation of Improving Financial Confidence Programme, Big Lottery Fund (4AC)**

The Improving Financial Confidence (IFC) grant programme funded by the Big Lottery Fund also carried out a reasonably robust, mixed method evaluation using a before and after survey of 10,129 tenants over 5 years and 5 evaluation workshops.

This grant programme was aimed at improving the financial capability of social housing tenants across England, by funding 37 individual projects run by various providers. Some but not all the projects included integrated financial capability and debt advice (the Hackney Money Smart project described above was one such project). It is therefore not possible to disentangle the evaluation’s overall findings from the parts of the programme that delivered integrated advice, however some references are made to particular projects where this was relevant. For example, some IFC projects helped beneficiaries apply for a Debt Relief Order (DRO), to manage payment demands and establish realistic repayment plans and as a result, clients reported reduced stress levels.

Additionally, some of the projects that delivered integrated advice did so in partnership with social housing providers and the evaluation highlights particular difficulties in this area:

• Housing providers sometimes feared that IFC providers would recover rent more slowly under a debt repayment plan, although IFC providers argued that such plans would be more realistic and sustainable for the individual.

• Housing providers who had their own in-house service were often reluctant to refer to IFC projects to protect their own posts.
CAP Money Course (4AC)

Christians Against Poverty provide both financial capability courses and debt advice which they evaluated in their annual report for 2017 using surveys and case studies. They run a debt advice service as their core support offer through one-to-one home visits and written advice. In addition, they run two group courses on financial capability topics: a three-week Money Course giving budgeting and money management advice, and a longer, eight-week Life Skills course, among other services such as employment skills and support for addiction problems. A before and after survey was completed by 1,080 debt advice clients, and 347 clients who used any of their other services during 2017. Their report also included case studies and MI data for 5,413 debt service clients.

The survey results from those that received debt advice were very positive: 94% said the help was either ‘life-transforming’ or ‘a great help’ and 99% said that they would recommend the service, while the survey of users of their Money Course found that the number of clients who said they could afford to save increased from 6% to 43%.

As with the Big Lottery Fund Programme mentioned above, it is sometimes unclear who the outcomes reported in the evaluation relate to and whether they can be attributed specifically to those who received both debt advice and financial capability support. For example, increases were recorded for outcomes relating to relationships, hope, mental health, self-worth and resilience for those who took part in both the debt service and another course, but this could have been either the employment course, addiction support or Life Skills course, and the latter is the only one which included money management techniques.

Case studies and staff feedback

This section explores the less robust evidence submitted. The evidence here often lacked sufficient sample size for quantitative research, and relied heavily on either case record data, case study evidence from customers and anecdotal evidence from staff, or internal programme targets or processes rather than impacts for the customers.

Mixed Method with exit only/MI data

Evaluation of Debt Gateway/Money Active model, Plymouth CAB & Toynbee Hall (4BC) - The Debt Gateway at Plymouth CAB identifies clients that could benefit from additional financial capability training and refers them to a Money Active workshop or one-to-one session, with the aim of increasing their financial knowledge, skills and confidence and decrease repeat appointments with the service.

This intervention used case record data collected on 69 clients and questionnaires collected from 33 clients who attended Money Active sessions, and 18 phone interviews with clients who had attended workshops. It uses an evaluation framework to pool evidence from different aspects of the initiative, as well as gathering feedback from staff.

Clients reported increased confidence from taking part in the workshops. Staff reported that if a client takes part in a Money Active session, subsequent debt advice case work takes a third of the time it does for those who have not taken part because they’d already completed tasks such as a budget and financial statement in the workshop. There was also anecdotal evidence that embedding financial capability in debt advice reduces repeat clients.
The study included limited data on individuals’ financial situation and the lack of a comparator group or baseline (entry survey) means it is difficult to attribute change to the intervention. The limited amount of quantitative data also means that findings are largely anecdotal.

**Integrated Money Advice (BRANCAB) (4BC)** - This project run by the Bedworth Rugby and Nuneaton CAB aimed to prevent problem debt by providing one-to-one financial capability support to individuals at an early stage. The project ran for 18 months from 2015 and its grant report includes MI data collected on 1,847 individuals who went through the programme and detailed case studies. 5,023 Financial Wellbeing Assessment surveys were also carried out however it is unclear how these relate to those who have taken part in the programme and what the outcomes were for this particular group.

The MI data focuses on the project’s outputs, such as the number of training sessions delivered to frontline staff and the number of clients who participated. They report that a total of £831,000 of debts were written off, and approximately £530,000 worth of savings were made, while case studies suggest that the advisors’ expertise across a range of different subjects worked particularly well. The evaluation however did not include quantitative data showing the impact the service had on individuals’ financial situation after taking part in the survey.

**Limited or unknown sample size**

**Evaluation of Money Sorted, D2N2 (4C)** - The Money Sorted project offered a package of person-centred support designed to improve individuals’ skills, confidence and financial resilience. Personal Navigators worked on a one-to-one basis with customers to provide expertise around financial inclusion and financial capability issues. The evaluation included analysed case records from 467 individuals who accessed advice, case studies and a survey of 23 individuals. While the survey gathered positive feedback from clients, the sample is extremely small, and the focus of the evaluation is on the outputs and performance targets of the programme itself, rather than the impact for clients.

**Evaluation of Leeds Money Buddies (4A)** - This study was intended to examine how users of Leeds Money Buddies service differ from the general UK population, however it also conducted analysis on customers before and after they had been through the service. It surveyed three groups measuring demographics and financial characteristics: the general population; clients at the beginning of the intervention and those who had completed the intervention. However, results were very mixed in terms of improving financial skills and the sample size of the clients at the beginning (30) and end (13) were too small to draw reliable conclusions or test for statistical significance.

**Evaluation of Advice in Mind Project, Citizens Advice Scotland (4B)** – This initiative focuses on combining health services with financial capability support, in which clients receive debt advice if they need it, along with other services such as employment and digital inclusion advice to give clients access to a holistic range of services according to their needs. Only 5% of clients initially contacted the service seeking support with debt. The report suggested that a short survey is conducted with participants and NHS staff, but sample size and methodological details are not given. The findings suggest high satisfaction with the service, with 67% reporting that they were financially better off and 85% reporting improved wellbeing, however findings are not broken down by those who received the debt advice element of the service.
7 Delivering integrated debt advice and financial capability support

Key findings:

- When it came to the timing of integrated advice (i.e. whether financial capability support should be offered before during or after debt advice), stakeholders felt there was no 'one size fits all' approach; rather, the they felt the financial capability element should be ‘relevant and timely’ to the individual and based on what they could cope with at the time;

- That said, there were pros and cons associated with each timing option. For example, providing financial capability support alongside debt advice was felt to be useful because the client was feeling engaged with financial advice and motivated to make changes. However, in many cases providers felt clients at this stage were often very stressed by their debts and not in a position to learn more generally about managing their finances.

- Looking at the barriers of providing integrated advice, providers cited resourcing as something that can present difficulties – often linked to an assumption that both the financial capability and debt element would be provided by the same organisation. Adding financial capability support to a debt solution would mean more time with each client and so fewer clients seen and less debt written off, which could harm funding targets. The other main barrier cited was the difficulty in maintaining engagement with clients throughout (and following) their debt advice – this was commonly exacerbated by the potentially chaotic lives of clients, mental health issues and geographic isolation.

- Factors that helped to provide effective integrated advice included offering a holistic / tailored approach (e.g. providing a consistent advisor, and advisors that were aware of the multitude of factors that can contribute to debt and financial concerns), straightforward data sharing and good communication between organisations, and focusing on ease of access for clients – including a straightforward referral procedure and making the venue as easy as possible to find.

This chapter includes findings from the expert stakeholder interviews conducted at the outset of the project, and the online responses to the Call for Evidence questions, from providers of advice in the debt and financial capability sphere. This section summarises opinions around the timing of integrated advice as well a summary of the key barriers and enablers of delivering this kind of advice.

What is influencing the delivery of integrated advice?

On the whole, providers were driven to offer integrated advice by the desire to offer improved or holistic services to clients, or to address a local need (for example, helping those specifically with mental health conditions or young families). This means that providers often delivered a number of services alongside the debt advice and financial capability elements, such as addressing general welfare issues, mental health, housing and employment. And similarly, not all clients entering the programme would necessarily receive both the financial capability and debt advice elements. Depending on their needs, for example, their advisor may only address employment and financial
capability. In fact, it seems that several programmes appeared to be ‘integrated’ by accident, rather than providers wanting to specifically offer “debt advice combined with financial capability support”.

There was limited evidence of any other factors influencing providers to focus on, or develop, integrated advice programmes, for example it did not seem to be the case that funders were suggesting or requesting a specific financial capability element alongside debt services.

Timing of integrated advice

One question posed to our stakeholder experts at the outset of the project was at what point in a person’s ‘debt journey’ integrated advice would be most effective:

- Before the onset of a debt ‘crisis’ (for example after a life event, or at the realisation that finances could be better managed) – in this case is likely that the financial capability element would be offered before the debt advice;
- At ‘crisis’ point, such that the financial capability support would be offered alongside or immediately after the debt advice;
- During the ‘recovery phase’, e.g. once a client has set up their debt solution.

There was near consensus from stakeholders that there was no ‘one size fits all’ approach, and the best time to receive integrated advice would depend entirely on the individual and their circumstances and capability at the point at which they sought advice. A general principle of this advice provision seemed to be it should be “relevant and timely” to the specific person. That said, stakeholders did discuss the advantages and disadvantages of providing this type of advice at the various points within someone’s debt journey.

Financial capability support delivered at or around the point of debt crisis

Some experts and providers felt that individuals would benefit from the introduction of financial capability elements at the point at which they received debt advice, or immediately afterwards. This point was considered a good opportunity to introduce financial capability guidance because the client would be focussed on their finances and motivated to create an easier life for themselves and their family. Another advantage to this timing could be that a client might find it easier to ‘stick’ to a repayment plan if their financial capability was increased alongside it, as this would increase their ability to plan financially, minimise their outgoings and maximise their income.

There was a general concern amongst others however, that a client with unmanageable debt is likely to be experiencing a considerable amount of stress; some cited clients that were close to having their home repossessed or facing court action or visits from bailiffs. It was felt that someone in this situation would not be able to ‘take in’ guidance on more general financial capability and may not be in the right frame of mind to consider, for instance, budgeting or switching energy suppliers to be of high importance given their circumstances.

Financial capability support delivered after debt solution put in place

Given the above considerations, some providers felt that individuals would benefit from the financial capability element of integrated advice after the initial debt had been resolved. It was felt some would feel motivated by the memory of this stressful period to prevent a ‘relapse’, and so would be keen to
learn more about how they could manage better, now that their immediate concerns had been taken care of.

However, there were downsides to this approach too, as others said it was common for individuals to disengage with finance-related services once their debt has been brought under control; one Citizens Advice contact said that around 80% of their debt customers disengage with services after the debt solution has been put in place. In these circumstances, saving the financial capability element until the recovery phase would mean it would reach relatively few people.

**Financial capability support delivered before the onset of a debt crisis**

While it was hoped that guidance or advice on financial capability could prevent a debt ‘crisis’, the integrated advice that is the focus of this research requires a regulated debt element, therefore those receiving this advice would by default require some help with problem debts.

This led some to suggest that truly integrated debt would rarely be delivered before debt became unmanageable as it is often this feeling of crisis that prompts contact with services. Several stakeholders felt people can be poor judges of their own knowledge and ability when it comes to finances, with most either overestimating their capability, or failing to think about it directly, until things feel unmanageable.

However, the answers to the online Call for Evidence did point to evidence of more general financial capability support being provided prior to debt advice. In some cases, clients could be referred to a programme that delivers integrated advice by, for instance, a housing association or social worker. This may not be because of unmanageable debt at that point, but due to more general financial difficulties, or a life event such as a job loss or a worsening of mental health for example. A few programmes also described some people responding to programme marketing e.g. leaflets left in community spaces, encouraging people to get in touch if they wanted help with their finances. These programmes would commonly assess the person and offer advice relevant to their circumstances; it is possible that some financial capability support might be provided before a debt solution would be put in place.

**Barriers to and enablers of integrated advice**

These reflections on the barriers and enablers of delivering integrated advice largely came from the online responses to the Call for Evidence questions. In some cases, certain enablers of delivering integrated advice could be seen as the reverse of the barriers, and vice versa.

**Barriers to delivering integrated advice**

**Resourcing and funding criteria**

The most commonly cited challenge in delivering integrated advice related to resources and funding. This often accompanied an assumption that the debt advice and financial capability support would be offered by the same organisation.

Many providers reported that their debt services were already oversubscribed and offering integrated advice would require advisors to spend more time with each client. This would ultimately mean that fewer clients would be helped which would also result in a lower overall amount of debt being written off. Several organisations described how portions of their funding could depend on hitting targets related to numbers of clients seen and amount of debt written off, and they would not want to jeopardise this funding by delivering additional advice – not part of their core offer – that might do
these figures harm. For some organisations to offer financial capability alongside debt advice, it might be necessary for funders to adjust their criteria to take into account this additional offering, or for a greater amount of funding to be provided to enable more advisors to be employed.

Some providers reported that it could be difficult to recruit advisors with the skills and knowledge required to provide both financial capability and debt advice, as the disciplines were quite different.

Several providers mentioned the challenge of managing various and changeable funding streams, each with specific criteria.

**High ‘drop out’ rates or inconsistent engagement**

The above barrier relating to funding was most applicable in the event that integrated advice was being delivered by the same organisation (and perhaps also the same person). However, where the different elements of integrated advice were being delivered by two different organisations, providers noted there could be a high drop-out rate when clients move between the relevant programmes, particularly if there is a need to physically go to a different building or make initial, ‘cold’ contact with another advisor. Where possible it was considered important to bring the financial capability or debt advice services to a client that is already engaging with the other type of advice (called a “pull not push” model), so they would ideally be delivered in the same place (even if not by the same person).

Linked to the above, several providers reported that when delivering financial capability support as well as debt advice, it can be a challenge to keep clients engaged in learning about more general financial matters once their debt is under control. It was noted that people seeking debt or financial advice can have difficult and chaotic lives, and it was not uncommon for people to disengage with services.

Some suggested that an advisor maintaining a trusting relationship with a client, for instance taking the time to make friendly contact following an initial meeting, or once a solution is in place, can help to maintain engagement.

**Hard-to-reach groups**

Providers noted many of those in debt or financial difficulty fell into vulnerable and ‘hard-to-reach’ groups, such as those that are geographically isolated, those that are socially marginalised such as refugees, or those who have mental health problems. These can be some of the people most in need of integrated help, but the ability to reach them in the first instance, and maintain a level of engagement throughout a process of proving integrated advice, can be very challenging.

**Coordination difficulties between different organisations**

Where providers described integrated advice delivered by two different organisations – one providing financial capability guidance, and one regulated debt advice for example - it was common to report difficulties coordinating interventions between organisations, particularly sharing data, or keeping all relevant parties up to date with any changes in circumstances. One provider suggested a centralised initiative to make data sharing simpler.

**Enablers of effective integrated advice**

Across the variety of responses, there were some common themes reported in terms of what supports the delivery of integrated debt advice and financial capability support.
Holistic Approach

A common theme across providers was that when it came to integrated advice a client should be dealt with as holistically as possible, so that advice is tailored to their needs and offered in a way, and at a time, suitable for them.

One aspect of a holistic approach could be receiving one-to-one support consistently from the same advisor, enabling the advisor to build a full picture of the individual and tailor support to their circumstances and capabilities. This consistent relationship can also help to build trust over time, which will hopefully increase the likelihood of a person staying engaged with the service (as aforementioned, maintaining engagement can be a challenge).

Ideally, advisors would also be aware of the myriad of factors that can affect, or be affected by, financial problems, particularly mental health issues – this was flagged as something very important when working with people in financial difficulty, but something that can be overlooked if a holistic approach is not employed. Indeed, several providers responding to the Call for Evidence survey reported that awareness of general psychological factors around financial difficulty can aid a successful integrated intervention. This was not only in terms of the mental health support that a client may require, but also working on changing longstanding attitudes to money rather than focusing merely on practical budgeting skills.

Another way of delivering holistic support could be an organisation offering a large range of services ‘under one roof’. One provider who responded to the Call for Evidence questions described offering both debt advice and financial capability support, but also access to food vouchers, welfare assistants, translators, employment support, legal and housing advice.

Effective communication and data sharing between organisations

We have already mentioned some of the challenges that come with referring clients between organisations. However, there are some specific aspects of working together well that can facilitate effective integrated advice, particularly communicating effectively and sharing data between organisations.

Effective communication between organisations helps to ensure that important information relating to the client, for example changes in personal circumstances, or income and outgoings, that the client might tell one organisation, are communicated (with the client’s permission) to other relevant organisations. This ensures that each organisation has the necessary context to provide the most suitable advice, but also helps to maintain the trust and engagement of the client; it can be frustrating to have to relay the same piece of information multiple times.

“For example, a change in the client’s income or expenditure may not be communicated effectively, affecting the appropriateness of a debt solution. This is reliant on the client updating all relevant parties at the time of any change."

Another provider added:

“Introducing the debt service to our programme clients has reduced our reduced revolving door clients. By ‘revolving door’ clients, we mean a client that keeps coming back over and over again for debt advice. This meant that clients were looked after during their debt advice journey and allowed the debt advisors to concentrate on the complicated legal enquiries. The collaboration between the
debt advisors and Money Buddies meant that all the help the client needed from applying for grants for debt solutions (i.e. DRO or Bankruptcy) was under one service."

Some providers advocated a single point of contact coordinating financial capability and debt advice services, even if there is not necessarily a single point of contact delivering them.

**Short waiting times and ease of access**

A number of the providers reported that the amount of time between initial contact and an appointment with an advisor is a crucial factor in making a successful intervention. Furthermore, some providers mentioned that reducing barriers to accessing the service is important; when waiting times are too long or the booking or referral process is too confusing, the client may be discouraged. A venue that was relatively convenient to get to was also cited as important to remove all possible barriers to approaching services, and continuing engagement over a period of time.

**Alternative channels**

If it is not possible for one organisation to provide both financial capability support and debt advice, something that might help the provision of integrated advice is using alternative channels to offer the financial capability element of integrated advice; an individual could be assisted as standard by a debt advisor, but then potentially directed to a webinar or online course, self-completion booklet or towards other financial capability events appropriate for their needs. While this may not be suitable for all clients, particularly given the aforementioned difficulties around maintaining engagement, providers felt this approach could assist those who are more motivated or have less complex or intensive needs.
8 Conclusions

What types or models of integrated advice are being used?

24 programmes were identified that included integrated financial capability guidance with regulated debt advice, and an additional 7 which only provided more “light-touch” debt guidance alongside a financial capability intervention.

It was similarly common for these programmes to offer financial capability guidance before debt advice, alongside debt advice, or after debt advice (often this latter option was a continuation of financial capability support that started at the same time as debt advice). All interventions that specified their approach described providing face-to-face advisor support, and many also included a workshop element. It was most common for the debt and financial capability elements to be provided in the same location (rather than at separate sites).

The financial capability element of different programmes involved a wide range of topics, all generally included discussions around budgeting and making money go further, often including shopping habits and everyday savings. Benefits entitlements and tax payments were also frequently mentioned, as was advice relating to banking. Some interventions targeted specific groups such students, young parents, those with mental health conditions and those living in social housing.

What is influencing the delivery of integrated advice?

Delivery of integrated advice was driven by a desire to offer improved or holistic provision for clients, or to address a local need such as helping those with mental health conditions or young families, for example. This means that providers often delivered other support or services alongside debt advice and financial capability support. In fact, several programmes appeared to be ‘integrated’ by accident, rather than providers wanting to specifically offer “debt advice combined with financial capability support”. There was limited evidence of any other factors influencing providers to focus on, or develop, integrated advice programmes, i.e. it did not seem to be the case that funders were suggesting or requesting a specific financial capability element alongside debt services.

Delivery of integrated advice?

When it came to the timing of integrated advice (i.e. whether financial capability guidance should be offered before during or after debt advice), stakeholders felt there was no ‘one size fits all’ approach; rather, the they felt the financial capability element should be ‘relevant and timely’ to the individual and based on what they could cope with at the time; while this holistic approach feels positive, it can be somewhat problematic for funders who need to be more prescriptive about how money is used.

Anecdotally, providers noted pros and cons associated with each timing option. For example, providing financial capability support alongside debt advice was felt to be useful because the client was feeling engaged with financial advice and motivated to make changes. However, in many cases providers felt clients at this stage were often very stressed by their debts and not in a position to learn more generally about managing their finances. Further research can hopefully test / identify approaches to understand if one does generally work better than others.

Providers described several factors that made the provision of integrated debt advice and financial capability support either easier or more challenging. Barriers to provision included the additional resource required to provide an additional financial capability element alongside a standard debt.
service, and difficulty in maintaining engagement with clients throughout (and following) their debt advice – which could be exacerbated by mental health issues and chaotic lives. Factors that helped to provide effective integrated advice included offering a holistic / tailored approach, straightforward data sharing / communication between organisations, and focusing on ease of access for clients – including a simple referral procedure and ensuring any venue is easy to find.

**What evidence is available and how robust or compelling is it?**

It should be noted that very few integrated programmes were designed to specifically answer the question: “what is the impact of offering integrated advice compared to offering debt advice alone?” Instead, integrated programmes were designed to improve provision more generally or respond to a local need, and their evaluations were related to the aims of the programme or their funders, and not the broader question we are trying to address.

It is therefore not surprising that there is limited evidence available on the impact of integrated debt advice and financial capability support.

There are very few evaluations that can be considered methodologically robust, i.e. those that compare results between different groups (integrated advice with a ‘business as usual’ control group) or that collect robust levels of quantitative data. Of those that did, the longest follow-up period was 3 months after initial advice session so no long-term evidence on the recurrence of debt is available. Most available evidence involved small quantitative surveys, collections of management information data and / or case studies (again, this was the sort of data that suited the programme’s purposes, but did not answer the question imposed here).

In addition to evaluations not including very robust methodologies (for our purposes), their focus was generally on measuring satisfaction with the service, or psychosocial measures such as feeling better about debt. Many evaluations also focussed on the performance targets of a programme required by funders. A few asked customers whether their debt situation had improved since the intervention but did not ask for specifics and did not follow customers for more than a month or two after the programme. In summary, evaluations generally did not collect outcomes relating to long-term debt recurrence or financial capability.

An additional consideration is that the tailored nature of many interventions meant that they often did not provide ‘standard’ integrated advice (debt advice and financial capability support). Some provided additional support such as advice on employment, housing or mental health and wellbeing, whereas other programmes may have offered debt and financial capability support, but not all customers using the service were in debt and so only utilised the financial capability element. Despite this, evaluations would include data from all customers using the service, even if they experienced a broader or narrower offering than the ‘integrated’ advice we want to test.

**Where are the gaps in evidence?**

Initially therefore, evidence is required to determine a ‘base line’ of the impact that can be generated by combining financial capability and debt advice. It would be helpful if future interventions and their evaluations this area could:

- Focus on answering the broader question as to whether combining financial capability and debt advice creates more positive outcomes than debt advice alone;
• Linked to the above, focus specifically on the outcomes of customers that receive an ‘integrated’ financial capability and debt intervention, instead of including clients that receive a broader or narrower intervention;

• Collect concrete financial measures about how well people are managing their money, how much debt they are in and whether debt has increased, decreased, reoccurred etc., rather than solely outcomes relating to programme targets, or an over-focus on client satisfaction;

• Include a quantitative element with a robust base size;

• Ideally include a comparison between a group receiving integrated advice, and a group receiving debt advice only. This would be most effective if clients were randomly allocated into these groups, though it is appreciated there are ethical issues to be considered here;

• Follow those that have received integrated advice for a longer period of time than has been done so far – ideally up to 12 months after the intervention. Those running long term evaluations should consider how many respondents to include at the beginning, so that there will still be a robust base size at the end following the inevitable drop-out over time;

• Ideally, research would identify how and why the financial capability elements do or do not result in better outcomes. This could involve qualitative research, or quantitative questions around what specific behaviours or attitude changes the financial capability elements prompted, and the likelihood of these changes occurring anyway.

Given the current lack of robust evidence on the impact of integrated advice, it is not surprising that there is as yet insufficient evidence to say whether certain delivery models, timings, or referral models create positive impacts. These could be secondary concerns after initial impact has been established.
Appendix A: Call for evidence online landing page introduction

About this Call for Evidence

The purpose of this call for evidence is to start building up a picture of what integrated financial capability and debt advice practice is currently out there, and to understand how effective these ‘integrated’ offerings are.

The Money Advice Service (MAS) is interested in collecting evidence about any type of intervention that seeks to improve people’s financial situation through integrating financial capability support and debt advice.

As a shorthand we are calling this ‘integrated advice’, and specifically we are looking for evidence on:

- What ‘integrated advice’ is currently out there that you know about?
- What models, practices and approaches are used?
- How effective you think these approaches are, or could be, and why?

We are keen to understand to what degree ‘integrated advice’ might improve outcomes for customers by embedding attitudes, mindsets and habits for financial capability and resilience.

We are interested in hearing from anyone with ideas and expertise to contribute, whether that is in the form of written evidence or by personal experience. We seek practical examples, case studies, evaluations, insight as well as rigorous peer-reviewed research on existing practices and evidence of what’s working or not in ‘integrated advice’ interventions.

There are 4 main questions. At the end of these questions we have also provided an email address, to which you can send any supporting evidence you have, or any further comments.

Background

As the statutory body for financial capability and major funder of debt advice in the UK, MAS have committed to exploring the synergy between financial capability and debt advice. This has also become a crucial component of our debt commissioning strategy 2018-2023.

Historically, financial capability and debt advice have developed as two largely distinct areas of focus, often delivered by different advisors and practitioners, funded through separate funding streams under different regulatory frameworks and focusing on different outcomes.

Research tells us that debt advice provides effective crisis relief focusing on the short-term need, however tends to be less effective at bringing about improvements in people’s long-term financial situation.

We know that clients report some incidental improvement to their financial capability as a result of debt advice. However, we believe there are opportunities to go further by supporting clients to make long-term improvements to their financial capability, their financial situation (beyond benefit maximisation) and their attitude and behaviour relating to money and debt.

What happens next:

The deadline for submissions to this call for evidence is Friday 28th September 2018.

We will use the information collected through this call to better understand the various models of delivery, how effective they are and to identify any evidence gaps.
We will also be issuing a funding call later in the year which will look to fund evaluations of some of these current ‘integrated advice’ initiatives. There will be the opportunity to register your interest for this funding call at the end of the survey.

We really appreciate your contribution to this important research.

If you are coming to these questions for the first time, please leave the box below empty and simply click ‘start’

You can ‘pause’ the survey if you would like to come back to it later. If you pause the survey, we will provide a code on screen. Please make a note of this code, so you can use it when you re-enter the survey, to return where you left off.

If you are returning to these Call for Evidence questions after pausing, please enter your code in the box below, and click ‘start’.

Confidentiality

MAS has commissioned IFF Research to undertake this call for evidence on our behalf. Your question responses and any documentation you upload will be collected and stored securely by them, and used only for the purpose of this research as described above. IFF Research is an independent research company who comply with the Market Research Society’s Code of Conduct.

MAS will only process any personal data received as part of this consultation in accordance with the General Data Protection Regulation. This means that your personal data will only be used for the purpose of the call for evidence, it will not be disclosed to third parties unless the law requires it and you will not be identifiable from any published reports.

If you would like your responses to these questions to be treated as confidential (i.e. so that your organisation won’t be mentioned in our report), there is a space for you to let us know this at Question 7.

If you have any questions about this study, you can contact:
  - IFF Research: Becky Cartmell – becky.cartmell@iffresearch.com / 0207 250 3035
  - Money Advice Service: Daniel Kelly – daniel.kelly@moneyadviceservice.org.uk

The Money Advice Service privacy policy can be found at: https://www.moneyadviceservice.org.uk/en/corporate/privacy
Appendix B: Call for evidence online questions

ASK ALL

A1  Firstly, can you provide any examples of interventions that seek to improve clients’ financial situation by providing a mix of debt advice and financial capability support?

For any examples you can provide, please tell us:

- The organisation who provides the support and where (country/region/locality in the UK)
- What client groups or areas of need is the support targeted at and at what stage of the client’s debt journey does it take place (i.e. prior to or early intervention / during debt crisis support / after a debt advice journey)
- What's the content / topics and areas covered and why
- What channels / delivery method is used? (face-to-face, online, telephone, group sessions, separate take away resources) and how does the service engage the user?
- What are the expected outcomes for client?

Where available, please feel free to include links to any relevant websites or any other relevant online materials that would help us understand the nature of the intervention. You can also send us any attachments, to the email address given at Question 5.

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ASK ALL

A2  What do you think makes or could make ‘integrated’ interventions effective?

This could be based on your own experience, client feedback or any internal reviews or similar evidence you may have.

In your response, please consider any benefits to the client, provider, funder or other stakeholders. Where available, please feel free to include links to any relevant websites or any other relevant online materials that would help us understand the nature of the intervention. You can also send us any attachments, to the email address given at Question 5.

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ASK ALL

A3 What are the risks or challenges in delivering this kind of ‘integrated’ support?

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ASK ALL

A4 What other ‘integrated’ advice initiatives would you like to see taking place in the near future and why?

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ASK ALL

A5 Those are the main questions. Do you have any documents that would give further information on the responses you have given? Please note, these do not need to be of a publishable standard. We are happy to receive any supporting or relevant material as part of this mapping exercise.

You can send us the documents as an attachment or hyperlink via email to: 
Evidence_fincapdebt@iffresearch.com

Please do not send anything that contains sensitive or personal information, i.e. anything that could be used to identify a person. If you have any questions or concerns about this, please contact us before sending anything: Becky.Cartmell@iffresearch.com

ASK ALL

A7 If you’re currently delivering a project that provides ‘integrated’ fincap support and debt advice, are you interested in applying for funding from MAS to evaluate the effectiveness of your intervention?

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<tr>
<td>No</td>
<td>2</td>
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<tr>
<td>Not relevant – not currently delivering a project that provides integrated fincap support and debt advice</td>
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A6 Would you like any findings that we report based on your responses, to be referred to in MAS’ report...

| On an attributed basis (i.e. we might say which organisations certain evidence or ideas came from) | 1 |
| On an anonymised basis (i.e. findings will be completely anonymised with no reference to their source) | 2 |

ASK ALL

A8 And finally, we would like to collect a few details from you. We will only use your name and email address if we need to clarify any of your responses and will delete them from our systems 1 month after we finish the Call for Evidence. We will not pass your organisation name on to MAS unless you gave us permission to do so in the previous question.

What is your name?

WRITE IN
Prefer not to say | 1

And your email address?

WRITE IN
Prefer not to say | 1

Which organisation do you work for?

WRITE IN
Prefer not to say | 1

That is the end of our questions, thank you very much for taking part in our call for evidence.
“IFF Research illuminates the world for organisations businesses and individuals helping them to make better-informed decisions.”

Our Values:

1. Being human first:
   Whether employer or employee, client or collaborator, we are all humans first and foremost. Recognising this essential humanity is central to how we conduct our business, and how we lead our lives. We respect and accommodate each individual’s way of thinking, working and communicating, mindful of the fact that each has their own story and means of telling it.

2. Impartiality and independence:
   IFF is a research-led organisation which believes in letting the evidence do the talking. We don’t undertake projects with a preconception of what “the answer” is, and we don’t hide from the truths that research reveals. We are independent, in the research we conduct, of political flavour or dogma. We are open-minded, imaginative and intellectually rigorous.

3. Making a difference:
   At IFF, we want to make a difference to the clients we work with, and we work with clients who share our ambition for positive change. We expect all IFF staff to take personal responsibility for everything they do at work, which should always be the best they can deliver.