

Money Advice Outreach Evaluation: Qualitative Outcomes for Clients

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- Leicester Money Advice
- St Ann's Welfare Rights Advice Group

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Definition of terms

For the purpose of this report, the following terms apply:

- **"target groups"** denote people who presented at outreach locations and had debt problems, but had not accessed advice through the pilot projects; and,
- **"client groups"** denote people who presented at outreach locations and had debt problems, who accessed money advice outreach through the pilot projects.

Executive Summary

1. Introduction

- The Legal Services Commission (LSC) is the public body responsible for providing legal aid in England and Wales. In 2005, the LSC received £6 million from HM Treasury's Financial Inclusion Fund to pilot different methods of money advice outreach in England and Wales.
- The overall aim of the money advice outreach pilot programme was to widen access to money advice in areas or amongst people facing high levels of deprivation and social exclusion. As well as providing money advice in new locations, the pilot programme aimed to test new methods of service delivery and develop new partnerships.
- The pilot programme was funded for a three year period, from 2005 to 2008. The money advice outreach pilot projects commenced service delivery on a rolling basis between January and July 2006.
- The Legal Services Research Centre (LSRC), the independent research division of the Legal Services Commission, was responsible for the evaluation of the money advice outreach pilots. The evaluation looked at multiple perspectives using a variety of research methods to examine both the impact of the pilots and processes involved. The evaluation involved three phases:
 - i. **Phase one:** Face-to-face survey of the target groups for money advice outreach provision – financially excluded individuals - in five different outreach location types.
 - ii. **Phase two:** Process, effectiveness and early impact evaluation of the pilots, focussing on the provider and partner perspective.
 - iii. **Phase three:** Impact evaluation, comprising qualitative interviews with clients and target groups, and a cost-effectiveness analysis conducted by the LSRC in-house.
- In September 2007, the Legal Services Research Centre (LSRC) – the independent research division at the LSC - commissioned ECOTEC Research & Consulting Ltd and the Personal Finance Research Centre (PFRC) at the University of Bristol to evaluate the qualitative outcomes of the pilot programme from the clients' perspective. This report presents the findings from 49 in-depth qualitative interviews with clients (41) and target groups (8)¹, which were carried out as part of the third

¹ The target group respondents were people who used an outreach venue, self-identified as having debt problems, but had not accessed advice from a pilot project.

phase. Qualitative research is used to elicit people's views and experiences but also to understand why people hold certain opinions. It is not designed to produce statistical data.

The money advice outreach pilot projects

- In 2006, the LSC awarded contracts to 22 organisations to establish money advice outreach pilot projects in England and Wales. The amount of funding ranged from around £60,000 to almost £1 million (depending on the number of advisers and the length of the contract) to fund project activity over a three-year period. Service delivery commenced on a rolling basis between Jan and July 2006, and continued until March 2008. More than 40 full-time equivalent caseworker posts were created across the pilot programme.
- The pilot projects worked with a wide range of partner organisations to deliver advice from well over 100 different outreach locations. The partner organisations fell into five broad categories:
 - i. ***Family support services***, including Sure Start Children's Centres and other family resource centres.
 - ii. ***Housing support services***, including housing offices, hostels and refuges.
 - iii. ***Organisations in the justice system***, including prisons, young offenders institutions, the probation service, magistrates and county courts.
 - iv. ***Community finance organisations*** such as credit unions, credit union collection points and other Community Development Finance Initiatives (CDFIs).
 - v. ***Other community-based organisations***, including community centres, Jobcentres, local authority customer service centres and one-stop shops, mental health units and libraries.

2. Motivations for advice seeking

What types of problems did clients have?

- Money advice outreach clients sought advice from pilot projects for a range of problems, most but not all of them debt-related. The most common problems were consumer credit debt (e.g. credit cards, personal loans, overdrafts) and difficulties paying household bills (e.g. rent, Council Tax or utilities). Target group respondents had similar types of debt problems to clients.

- Some prison clients reported business debts such as unpaid income tax or mortgage debt on commercial properties. This aside, there was little difference between the debt problems experienced by clients in prison and those outside prison.

Recognising debt problems

- Among clients who were not in prison, debt problems tended to be attributed to one of two factors: loss of income and / or a build-up of consumer credit debt over time.
- Loss of income occurred for a range of reasons including job loss, loss of benefit income, and giving up work because of ill-health or to care for a family member. In some cases, clients had no debt problems prior to this loss of income, while in others loss of income brought to a head pre-existing financial difficulties.
- Build-up of consumer credit debts tended to occur over a several years, to the point where the total amount of repayments was no longer affordable.
- Regardless of the reasons for their debt problems, clients generally only recognised they were in difficulty at a relatively late stage – when they were unable to pay all their creditors and had fallen behind with payments. In a few cases, the seriousness of the situation was only brought home by the threat of bailiffs or court action. By this stage, resolving their financial difficulties was a high priority for most.
- The target group respondents were very similar to these clients with regard to the factors that had contributed to their debt problems and the gravity of their situations. Most of them regarded their debt problems to be a matter of priority.
- The picture was rather different for clients in prison. Several of them reported having debt problems before they were sent to prison. In other cases, debt problems were a direct result of incarceration and loss of earned income. A few clients had only become aware of their debt problems since coming to prison. Again, these respondents generally regarded their debt problems as a high priority to resolve.

How did clients deal with debt problems prior to seeking advice from a money advice outreach pilot project?

- For the most part, the strategies used by clients to try and cope with their debt problems prior to contacting a pilot project offered a temporary stop-gap at best.
- Several clients had tried to borrow their way out of trouble, by taking out further credit to repay what they already owed. One or two had turned to their family for financial help, or tried to claim on payment protection insurance to pay credit cards or personal loans. A few people seemed to have ignored their debt problems altogether; these were, however, a minority among the people who were interviewed.

- Most clients with debt problems had tried to negotiate with at least some of their creditors to reduce repayments or to arrange to make up missed payments. Only a handful of them were able to reach any agreement with their creditors themselves. Similarly, almost all the target group respondents had tried to negotiate with their creditors – generally with little or no success.
- The main reasons given by clients for *not* contacting their creditors included not knowing how to approach creditors or lacking the confidence to do so; not having the means to repay what they owed; and being fearful of the response they might get from creditors.

Awareness and experience of other advice services

- General awareness of the existence of free-to-client advice services (other than the money advice outreach service) was fairly high among the clients and target group respondents who were interviewed. Only around a third of all respondents were completely unaware of other advice services; awareness was rather lower among prison clients than it was among those respondents who were not in prison.
- The remaining two-thirds of respondents were aware that other advice services existed. This usually amounted to no more than a general awareness that advice was available from organisations like the CAB service, and did not extend to knowing the types of advice and help that might be offered. Some clients had accessed advice in the past from free-to-client advice services for debt or other problems.
- Among the client group, several of those who were aware of other advice services had gone on to seek advice prior to contacting a pilot project; most had not. Most of the target group respondents knew about free-to-client advice services, but only one had sought advice.
- Where respondents had sought advice for their problems prior to contacting the pilot programme, the outcomes were mixed. Some seemed to have achieved a successful – if temporary - resolution to their previous problems. Others were dissatisfied with the advice they received or had been unable to access any advice – because they could not get through on the phone to make an appointment or because they were put off by long queues.
- The reasons why clients had not sought advice, even though they were aware of advice services, included lack of knowledge about what help or advice these services might offer, closure of local services. Some had simply not considered seeking advice. Prison clients in particular mentioned the embarrassment of seeking advice and the fact that, for a few of them, debt problems were a low priority.
- Target group respondents who had not sought advice despite being aware of services mentioned not knowing where their local advice service was; preferring to

sort things out themselves; and feeling that an advice service would not be able to help them.

3. Accessing money advice outreach

Awareness of the money advice outreach projects

- Most of the clients who were interviewed had first become aware of the money advice outreach service through contact with one of the projects' partner organisations.
- Partner organisations mainly acted as problem noticers, whereby partner staff identified a need for advice during discussion with clients. This was true across all categories of partner organisation. General awareness-raising by partner organisations and pilot projects was another important way in which clients came to hear about the outreach service. This was particularly true of clients in prison. Finally a small number of clients had been proactively seeking advice and were signposted to an outreach service by a partner organisation.
- The remaining clients either found out about the outreach service from family or friends (some who had used the service, some who had not); adverts for the outreach service; or because they were already familiar with the service or the advice agency running it.
- Only a few of the target group respondents were aware of the outreach service, having seen leaflets for it at the same employment and training agency. While all of them thought it sounded like a good idea, only one expressed interest in accessing advice.

Client expectations prior to contacting a money advice outreach pilot project

- Regardless of how they became aware of the outreach service, clients generally seemed to have little idea of what they could expect from the service, beyond knowing that it provided help and advice to people with debt problems. This is perhaps not surprising, given that most clients had never sought advice for their debt problems prior to contacting a pilot project. A handful of clients reported having had negative expectations.
- Most clients were already in a grave financial situation by the time they made contact with a pilot project. By far the most common trigger that led clients into contact with a pilot project was simply being made aware of it; this was true of all the clients in prison. It was up to these clients to make contact with a pilot project themselves, and most did so straightaway. Some non-prison clients delayed seeking advice, however, either until

their creditors threatened further action, or because they were initially embarrassed or anxious about seeking advice.

- The second main trigger was where partner organisations instigated contact with a pilot project on behalf of a client. These partner organisations went beyond just making people aware of the money advice outreach service to ensuring that a referral was made – what might be termed a ‘warm referral’. This approach was evident across all the categories of partners that pilot projects were working with, with the exception of prisons. As a result, none of these clients reported any delays on their part in contacting a pilot project.

Experiences of the referral process

- All the clients who were triggered to contact a pilot project by being made aware of it had self-referred to the pilot project for an appointment. Client who were not in prison generally telephoned for an appointment; a few visited outreach venues in person. Prison clients generally had to make appointments with the money advice service through prison staff, usually education or resettlement workers rather than prison officers. They did this either by submitting an application form for the money advice service, or by asking a member of staff to make an appointment for them.
- Warm referrals meant that a partner organisation made an appointment with the money advice outreach service on the clients’ behalf, usually at the same venue where the partner organisation was based.
- Regardless of the process by which they were referred to a pilot project, clients generally got an appointment to see a money advice caseworker fairly quickly. Most non-prison clients got an appointment within a week, which was viewed very positively. For prison clients, the process generally seemed to take about two weeks.

4. Effectiveness of money advice outreach

A profile of money advice outreach

- Money advice outreach always involved face-to-face advice in the first instance. Three clients received this initial session by video-link, all of whom were from the same project that used this method routinely to access a very rural area.
- Only two clients had resolved their case at the initial session. Of the rest, around half went on to receive additional sessions; averaging two and up to a maximum of six. This was nearly always supplemented by some mix of postal, telephone, or drop-in contact. A quarter of clients had their case conducted entirely by these methods, after the initial advice. Two clients were referred onwards; for immigration advice and to a solicitor.

- Home visits were less commonly used, and it appears that they were offered by some projects but not others. Four clients received a home visit at some point during the advice process, all of whom reported some level of illness or impaired mobility.
- For a minority of clients, the initial case was closed and subsequently re-opened within the project period, due to the debt having been 'sold-on' to another company. Just two clients reported opening more than one individual case.
- The duration of individual cases was often difficult to establish from the interviews. Clients themselves rarely placed the main emphasis on case 'closure', but rather described their case in terms of one or more episodes of advice-seeking. This aside, it appears that a period of several months was typical, up to a maximum of six months.

Factors affecting the chronology of the advice process

- A number of factors were commonly thought by clients to have affected how the advice progressed. The main ones were said to include the complexity of the clients' money problems; any unexpected changes to their personal circumstances; and, clients' engagement in the advice process – including whether they had provided full disclosure of their debt problems, and whether they adhered to their repayments.
- The interviews suggest that the mode of advice was influenced to some extent by the procedures that were in place for individual pilot projects, and the working practices of individual case workers. The pilot projects varied in their propensity to use home visits, for example, and the preferred mode of ongoing client contact. The pilot projects and advisers had devised their own ways of prioritising and apportioning time between clients.

Venue and location

- In the main, familiarity with the venue for advice was considered less important than the timeliness and relevance of the advice itself. This was particularly so where the referral was made at a 'crisis point', such as bailiffs calling or a court summons, at which point clients were often anxious to receive advice as soon as possible.
- Clients often identified barriers to travelling far to receive advice. These included caring responsibilities and low levels of personal confidence. The ability to 'drop in' to see the adviser during the case sometimes helped to reassure clients. For a minority of clients with chronic health problems or disabilities, a nearby location was said to be essential. All three of the clients who used a video booth to access advice said that this had helped to overcome the barrier of living some distance from an advice agency.

- Clients routinely commented on the importance of a 'private' space for the advice. For some clients, the process of seeking advice took some courage and they were keen to avoid others from their local community from finding out about their situation.

Provision

- Clients often described money advice outreach as an in-depth casework service. There was considerable diversity in the models of outreach provided, and it is apparent that the pilot projects and advisers devised their own ways of prioritising and apportioning time between clients. Clients often described money advice outreach as a dynamic process, for which their personal circumstances were subject to change
- The timeliness of the advice, trust in the adviser and the continuity in the process were considered important by most. Some clients identified that the adviser had taken a holistic approach to address their financial and personal issues together. These qualities compared favourably with most clients' previous experiences of advice provision.
- Where clients were dissatisfied with the advice process, this usually related to a break in contact with the adviser. Some clients reported that the level of input from the adviser fell off considerably following the early stages of their case. This was sometimes thought to be because the advisers were over-stretched.
- In the main, few major differences were found between service settings and venues, regarding clients' satisfaction with the provision. Those clients who accessed community venues were usually able to benefit from similar levels of access and continuity in adviser contact. Prison settings were an exception to this, where the heightened security, often remote locations, and unforeseen factors such as lockdowns combined to make continuity problematic.
- Clients who received advice in prison reported a number of issues that combined to slow the advice process. Of the eleven clients who were interviewed, five expressed concerns about delays to their case. These delays mainly related to practical access and booking appointments within the prison system, but were thought to be surmountable through improved communication between adviser and prison.
- The interviews show that the clients usually valued in their adviser a combination of good interpersonal skills, and a breadth of knowledge regarding money and welfare rights issues. Advisers needed to quite rapidly gain an understanding of the other services that the client was already accessing, such as those relating to health or housing.

Clients' levels of engagement in the advice process

- The interviews show that very few clients consciously disengaged from the advice process, although these findings must be treated with caution given that disengaged clients would also be unlikely to take part in the evaluation.
- Most clients described the advisers' role as one of expert and advocate, and were more than happy to comply with any actions that were recommended to them. In a smaller number of cases, the clients took a more selective view of the advice. One or two clients admitted to taking contrary action to what the adviser had recommended.
- Clients had mixed feelings about taking responsibility for managing aspects of their own case. In the main, support from the adviser gave clients confidence to fill-out forms and to budget. Some clients' problems had accumulated almost to the point of a personal breakdown, however, and they needed the adviser to take control whilst they dealt with their crisis situation. Clients with poor literacy or English language skills and those considered particularly vulnerable were sometimes less able to take responsibility.
- Clients routinely described some kind of handover process from the adviser, as part of the case closure. Some clients thought that responsibility for their finances was transferred back to them too quickly, because the adviser was keen to close the case. A minority of the most vulnerable clients who reported an acute lack of self confidence and difficult personal circumstances had an expectation for longer-term support.

5. Outcomes from money advice outreach

Levels of personal finance

- Clients routinely said that their general levels of personal finance had improved as a result of the outreach money advice, with regard to overall levels of income – net of outgoing payments (including debt repayment). Of those clients who received advice in non-custodial settings, the considerable majority reported noticeable improvements, whilst some were unsure. Only a handful said that the advice had made little or no difference.
- In most cases, clients' outcomes were said to have been achieved through a combination of actions by the adviser to consolidate their debts and maximise their income. Where cases involved court representation, some clients also thought the support from the adviser helped to achieve a better outcome; although not always so.
- Clients routinely described a number of qualities of the adviser and the advice process that were thought to have influenced the outcome of their case. These were said to include the advisers' negotiation skills, their ability to provide the client with options as part of their case; and, the provision of debt and benefits expertise under one roof.

- Whilst the service setting did not appear to affect the type and level of outcomes for most clients, prisons are an exception to this. The available options for money advice were restricted by prisoners' lack of income because this meant that the adviser was unable to arrange a debt repayment plan. Even so, the advice was consistently effective in preventing clients' debts from escalating whilst in prison and relieving pressure on family members.
- Factors relating to the category of prison and sentencing status may have affected clients' outcomes from the advice. For example, one resettlement prison allowed prisoners to access paid employment. This enabled the money adviser to arrange debt repayments, which addressed the problem of lack of income that is highlighted above.
- For the smaller number of clients who reported no financial benefits from the advice, this was sometimes because their case had stalled, meaning that their financial situation was essentially unchanged. This situation most commonly related to cases that involved customer rights or specialist (non-financial) expertise. A few clients were also unhappy with the level of repayments that had been negotiated on their behalf, because they felt them to be too high and therefore unmanageable.

Money management skills

- Of those clients who received advice in non-prison settings, around a third said they felt better able to budget and prioritise, a similar proportion were unsure, and a minority reported no change. These findings appear slightly muted compared with previous research, but this may largely be explained by the fact that increasing money management skills and providing financial capability training were not within the specific remit of the pilot projects. Moreover, some clients' financial difficulties had arisen for reasons other than mismanagement, including a lack of awareness of entitlements.
- Clients were rarely found to have been signposted onwards to other sources of community finance or savings by the pilot project, although it must be noted that this was not an explicit objective for the programme. The exception was where a credit union had made referrals to the project in conjunction with a loan.

Clients' financial circumstances following money advice outreach

- Whilst most clients reported some improvements to their finances as a result of the advice, their circumstances often remained difficult in absolute terms. This is to be expected, given their often chaotic lives, multiple personal problems and limited options for income generation. Of those clients who received advice in non-prison settings, the considerable majority were managing all of their bill and debt payments, although many said they were struggling. A minority had actually fallen behind with their repayments

- The main reason given by clients for struggling with their commitments was a combination of low income and other circumstances in their lives (such as those relating to housing, family or employment) that presented financial uncertainty.
- It was rare for clients to report having fallen behind with debt repayments that were negotiated through the project. Having been supported by the adviser to achieve a successful outcome, clients were usually determined not to “go back”. One client had missed repayments due to being hospitalised. Several others had defaulted because changes to their employment or benefits status had resulted in a loss of income.

Wider benefits of outreach money advice

- Clients who accessed the project for a variety of different money problems invariably reported some level of reduced personal stress as a result of the advice received. Clients commonly described how the adviser eased the stress or pressure they were under, by taking rapid action to halt threatening letters or calls from their creditors.
- Where clients reported having long-term health problems, they sometimes expressed relief at the money advice outreach. In a smaller number of cases, outreach money advice was said to have directly averted clients losing their home.
- The client interviews underlined the potential of debt management in helping people to break out of cycles of debt and poverty. This included examples where clients said money advice had helped to remove financial barriers that had held back other aspects of their lives, such as housing or employment.

Future advice-seeking and debt avoidance

- Almost all of the clients from non-prison settings reported an improved awareness of what advice could do for them, and said they would seek advice at an earlier stage in the future. In contrast, opinions were more divided within the target group. Five out of eight individuals said they would probably try and cope for themselves.
- Most of the clients said the money advice outreach project would be their first point of call, if their debt problems resurfaced. This was usually due to their satisfaction with the advice process, and because the adviser was now thought to be familiar with their case. Some clients were worried that project closure limited their future advice options.
- Whilst some clients felt better equipped to deal with creditors for themselves in future, few clients saw this as an alternative to continuing professional support.
- Most clients who were interviewed said they were optimistic about avoiding future debts, although this was often thought to be challenging to achieve. Five clients felt strongly that they would never fall into debt again. This was said to be because the original circumstances of the debt were a “one-off”.

- Clients often reported feeling protected from debt as a result of their awareness of the consequences, and changes made to their financial behaviour. The main risk factors were thought to be the struggle to meet essential costs; especially where clients had caring responsibilities, and sometimes the pressure from doorstep lenders.
- The target group were less optimistic in their views towards future debts; perhaps because they had not received any advice for their current debt problems. Five in eight foresaw a very real prospect of falling into debt, and four were already in arrears – one significantly so. Loss of income and poor prospects of any increases in income in the near future were common to each case. The remaining three individuals envisaged that their financial situation would improve as a result of cutting back on spending and avoiding further credit.

6. Conclusions

- At the time of writing the phase three report, the Financial Inclusion Action Plan had identified the requirement for the BERR projects to incorporate a money advice outreach element, drawing on best practice from the LSC's money advice outreach programme. Furthermore, a new £5m joint initiative had been announced to develop prison-focussed outreach, whilst the LSC had commenced the rollout of CLACs and CLANs to provide integrated social and welfare service provision.
- Based on the findings from this phase three evaluation; money advice outreach has an important role to play within these developments. The client interviews reinforce the evidence from phase two, that money advice outreach stands to benefit from being more closely integrated with other forms of support for the client groups.

Key findings for the BERR² pilot projects

If adequately resourced, this type of model has the potential to address some of the perceived shortcomings of outreach money advice as a 'stand alone' pilot. The specific benefits might include:

- stronger networks of support and resources for money advice outreach advisers;
- more capacity to provide aftercare for the most vulnerable clients, through lighter-touch advice and financial capability work.

Key findings for CLACs and CLANs³

By securing money advice outreach as part of the service provision offered by CLACs and CLANs in the future, the potential benefits for the provision might include;

² Department for Business, Enterprise and Regulatory Reform

³ Community Legal Advice Centres and Community Legal Advice Networks

- reduced pressure to take on unsuitable cases, such as those requiring immigration or housing expertise, as a result of being able to refer to suitable expertise in-house or among partner agencies, enabling the advisers to focus on debt casework; and,
- a framework for professionals to share a variety of expertise that might benefit financially excluded groups.

Key findings for prison-focussed outreach

With regard to prison-focussed outreach, key messages for the Ministry of Justice and LSC to take forward when setting up the new prison-based outreach work are:

- the priority to raise awareness of clients' available options for money advice, given that their prior levels of awareness were the lowest of all client groups;
- clarity around the best timing for money advice in relation to sentencing arrangements, given that the outcome of sentencing could have a direct impact on prisoners' advice needs – and the needs of their families;
- attention to the processes through which prisoners are able to arrange subsequent advice sessions as part of a casework approach, given that the client interviews showed this could be slowed down considerably if prison officers did not see the need; and,
- attention to how prison-based advice is best linked with subsequent advice upon resettlement – especially given that advisers were sometimes limited in their actions to freezing prisoners' debts, and that any renewal of employment or benefits once back in the community was anticipated to trigger action by creditors.

Lessons for the future

Based on the findings from the phase three evaluation, the following lessons are presented for all potential funders, planners, and providers of money advice outreach:

1. to ensure that the future funding criteria for money advice outreach provision are designed to accommodate clients' diverse and often complex circumstances.
2. for local pilot projects or providers who are considering to introduce a money advice outreach provision, such as the BERR pilot projects, to undertake a thorough assessment of supply and need for money advice outreach at a local level, prior to allocating resources and adviser capacity.

3. to prioritise further training and awareness-raising for a range of different partner organisations who work with financially excluded groups, to build their capacity as 'awareness-raisers', 'problem noticers' and 'sign-posters' and to intervene at an earlier stage on behalf of clients. Partner organisations should be enabled and encouraged to make 'warm referrals' on behalf of people with debt problems.
4. to consider more prominent and clearer publicity about the availability of debt advice offered by existing providers, such as CABx, alongside this new partnership work.
5. to review the use of home visiting within money advice outreach, as a method for reaching a greater number of clients for whom illness or disability present a barrier to travelling any distance for advice, whilst taking into account the likely cost implications of doing so.
6. to further develop and extend the existing models of prison-based advice, with attention to effective communication between provider and prison, quicker systems for booking follow-up advice sessions, and arrangements for clients to receive advice upon resettlement.
7. to ensure that money advice outreach is developed as part of other integrated models of advice provision, including CLACs and CLANs, to ensure a range of options for referring clients rapidly to specialist or non-debt related advice,
8. to explore different options for linking money advice outreach more closely with financial capability provision, and securing access to community finance for clients where it is appropriate to do so.
9. to disseminate the evidence from the money advice outreach programme at a policy level, reinforcing the role for debt management in helping people to break out of cycles of debt and financial difficulty, and as part of an approach to increase social inclusion.

1.0 Introduction

The Legal Services Commission (LSC) is the public body responsible for providing legal aid in England and Wales. Through the Community Legal Service, the LSC funds a range of information, advice and legal help services, which are delivered through contracts with not-for-profit agencies and solicitors. Contracts are granted within particular categories of law including debt, welfare benefits and housing. In addition, Community Legal Services Direct provides information and advice through a specialist telephone advice line combined with a website and public information leaflets.

In 2005, the LSC received £6 million from HM Treasury's Financial Inclusion Fund to pilot different methods of money advice outreach in England and Wales. The pilot programme was funded for a three year period, from 2005 to 2008, and aimed to widen access to money advice in areas or amongst people facing high levels of deprivation and financial exclusion. The money advice outreach pilot projects commenced service delivery on a rolling basis between January and July 2006.

In September 2007, the Legal Services Research Centre (LSRC) – the independent research division at the LSC - commissioned ECOTEC Research & Consulting Ltd and the Personal Finance Research Centre (PFRC) at the University of Bristol to evaluate the qualitative outcomes of the pilot programme from the clients' perspective.

1.1 Policy background

Financial exclusion first emerged as a policy issue in the late 1990s, as part of the Labour government's wider concern about social exclusion. A review of the problems of financial exclusion and how they might be addressed was published in 1999⁴, which prompted action in a number of policy areas. Several years on, however, it was clear that progress had been rather mixed.

Other policy concerns around personal finance had also come to the fore, in particular the extent of over-indebtedness among UK households. Research indicated that poorer households were not only more likely than other households to be financially excluded, they were also more likely to be over-indebted and in need of advice to resolve their financial difficulties. There was also evidence that face-to-face advice was likely to be the most effective way of delivering advice to financially excluded people⁵.

⁴ HM Treasury (1999) *Access to financial services*

⁵ HM Treasury (2004) *Promoting Financial Inclusion*

Proposals to address the dual policy concerns of financial exclusion and over-indebtedness were outlined in the 2004 Pre-Budget Report. Alongside plans to improve access to banking and extend the provision of affordable credit, the government recognised the need to significantly increase the availability of face-to-face debt advice that was free at the point of delivery if it was to achieve its policy objectives.

A Financial Inclusion Fund of £120 million over the period 2005-2008 was established to support work in these key policy areas, and a Financial Inclusion Taskforce set up to monitor progress towards the government's objectives. The former Department of Trade and Industry (DTI) – now BERR - received £47.5 million⁶ from the Financial Inclusion Fund to expand the provision of free-to-user face-to-face debt advice services in England and Wales. It is estimated that this funding will increase the number of debt advisers by up to 500, and provide help for over 100,000 people⁷. In addition, the LSC received £6 million to pilot models of debt advice outreach aimed at reaching financially excluded people in England and Wales who would not normally seek debt advice.

In March 2007, the Government announced a commitment to continue to fund face-to-face advice for financially excluded people over the period 2008-2011⁸. This commitment was reinforced with the launch of the Treasury's Financial Inclusion Action Plan in December 2007⁹. The Action Plan announced that a further £130 million would be made available through the Financial Inclusion Fund over the period 2009-2011, and detailed how this would be allocated to address the Government's policy objectives for tackling financial inclusion over the three-year period.

The Action Plan set out two main funding strands:

- An extension of funding support for the Department for Business, Enterprise and Regulatory Reform (BERR) money advice initiative over the period 2008-11, with £74 million from the Financial Inclusion Fund and £2million from BERR – to continue to support the provision of free face-to-face money advice to financially excluded people; and,
- A further £5 million for prison-focussed outreach across England and Wales, including £3 million from the Ministry of Justice and £2 million from the Financial Inclusion Fund. To be jointly commissioned by the LSC and the National Offender Management Service (NOMS), and within NOMS's finance, benefit and debt pathway for tackling re-

⁶ A commitment of £45 million to expanding face-to-face debt advice was announced in the 2004 Pre-Budget Report. A further £2.5 million was announced in the 2006 Pre-Budget Report.

⁷ Treasury Committee (2006) *Financial inclusion: credit, savings, advice and insurance*. The Stationery Office

⁸ £120m to boost financial advice, Press Association, 14 March 2007

⁹ HM Treasury (2007) *Financial inclusion: an action plan for 2008-11*

offending, with a view to enabling money advice outreach to be delivered in a joined-up way.

Although the evaluation indicated that the LSC's money advice outreach pilot programme had met its objectives, there was no provision in the Action Plan for additional funding for the pilot programme after March 2008. The BERR pilot projects were, however, required to incorporate a money advice outreach element drawing on best practice from the LSC's money advice outreach programme to increase the effectiveness in targeting financially excluded clients, and with a view to wider rollout after 2011.

The Action Plan also suggested that the LSC might explore options for mainstreaming the lessons learned from the pilot projects, as part of the implementation of its Community Legal Services Strategy. The strategy – 'Making Legal Rights a Reality'¹⁰ set out the LSC's strategic priorities for delivering legal aid over the period from 2006-2011. The strategy proposed new arrangements for providers of legal services working in a joined-up way with local authorities and other funders, to develop integrated models of delivery for social welfare services. Two principal developments were introduced:

- Community Legal Advice Centres (CLACs) – jointly funded single legal entities, offering a combination of social welfare law services to communities with high levels of social deprivation; and,
- Community Legal Advice Networks (CLANs) – providers of legal services working together to deliver the same legal services as centres, on a jointly funded basis.

The remit of CLACs and CLANs overlaps with that of the money advice outreach pilots in that each of them aims to take legal services to groups of people that do not currently access mainstream services.

1.2 The money advice outreach pilot programme

The overall aim of the money advice outreach pilot programme was to take legal and advice services to locations which were already used by potential clients but where money advice services could not ordinarily be accessed. In this way, it was hoped that the pilot projects would deliver advice to financially excluded people who would not normally seek advice from mainstream advice services. A project board, jointly chaired by the LSC and the DTI (now BERR), was established to oversee the LSC's money advice outreach pilot programme and BERR's face-to-face debt advice project. The same indicators were used

¹⁰ Legal Services Commission (2005) *Making Legal Rights a Reality*

by both projects to determine whether or not someone is financially excluded, namely one or more of the following:

- no bank account;
- no savings;
- uses high-cost credit;
- priority debts; and
- annual income of less than £14,500.

In 2006 the LSC awarded contracts to 22 organisations to establish money advice outreach pilot projects in England and Wales. Around 40 full-time equivalent caseworker posts were created across the pilot programme. The majority of contractors were voluntary sector organisations, including Citizens Advice Bureaux, independent advice agencies and other information and advice services. Two contracts were awarded to commercial providers. The pilot projects worked with a wide range of partner organisations to deliver advice from well over 100 different outreach locations. The partner organisations with which the pilots were working fall into five broad categories:

- **Family support services**, including Sure Start Children's Centres and other family resource centres.
- **Housing support services**, including housing offices, hostels and refuges.
- **Organisations in the justice system**, including prisons, young offender institutions, the probation service, magistrates and county courts.
- **Community finance organisations** such as credit unions, credit union collection points and other Community Development Finance Institutions (CDFIs).
- **Other community-based organisations**, including community centres, Jobcentres, local authority customer service centres and one-stop shops, General Practitioner (GP) surgeries and libraries.

1.3 The money advice outreach evaluation

The Legal Services Research Centre (LSRC), the independent research division of the Legal Services Commission, was responsible for the evaluation of the money advice outreach pilots. The evaluation looked at multiple perspectives using a variety of research methods to examine both the impact of the pilots and processes involved. There were three components to the evaluation of the money advice outreach pilot programme, as follows:

- Phase 1: *Face-to-face survey in five different outreach location types.* Focussing on the target population of the money advice outreach pilots and assessing the suitability of five outreach location types for delivering money advice to target groups. This phase was conducted in-house by the LSRC, with the interview fieldwork conducted by BMRB Social Research¹¹.
- Phase 2: *Process, effectiveness and early impact evaluation of the pilots, focussing on the provider and partner perspective.* The LSRC commissioned ECOTEC and PFRC to conduct this work, which comprised a mix of qualitative and quantitative evidence collated over an 18-month evaluation period¹².
- Phase 3: *Impact evaluation*
The impact evaluation comprised two elements. First, ECOTEC and PFRC were commissioned to conduct qualitative interviews with clients and target groups, the findings of which are reported in the substantive sections of this report. Second, LSRC conducted a cost and effectiveness analysis in house, using closed client case data specifically collected for this purpose, as well as monthly quantitative monitoring data and LSC administrative records.

1.3.1 Key findings from Phase 1 evaluation

The report of the Phase 1 evaluation was published in March 2007¹³. Key findings included:

- All location types (family and Children's Centres; credit unions; housing offices; community centres; and prisons) demonstrated high proportions of individuals meeting the criteria for financial exclusion, compared with the national average.
- Most target groups had a lower level of awareness of mainstream advice services than the general population¹⁴. Over half (55%) of the survey respondents who lived within two miles of a Citizens Advice Bureau (CAB) were unaware of the service, even though the respondents' proximity to a CAB was higher than for the general population.
- The majority of respondents (between 80% and 92%) felt that the location they were questioned in was a good location for a pilot project providing debt advice.

¹¹ See: Buck, A., Tam, T. and Fisher, C. (2007) *Putting Money Advice Where the Need is: Evaluating the Potential for Advice Provision in Different Outreach Locations*. London: LSRC

¹² See: Day, L., Collard, S. and Davies V. (2008) *Money advice outreach evaluation: The provider's perspective*, London: LSRC

¹³ Buck et al (2007), op cit

¹⁴ The exception was people who were surveyed at community centres, where levels of awareness were higher than the general population

- For non-prison respondents, these locations offered the advantages of being local, convenient and easy to get to. They were also places that respondents used on a regular basis, which meant that the location and its staff were familiar to, and trusted by respondents. Most non-prison respondents (82%) said they were very or fairly likely to use the advice offered by the pilot projects if they needed it.
- There was a high incidence of financial exclusion among prison respondents and around one in ten had got into financial difficulties since being in prison, in some cases because of issues around payment of rent or receipt of benefits. Many prison respondents believed there were a large number of prisoners who needed access to debt advice. Very few of the prison pilots were established at the time of the fieldwork; however 61% of prisoners stated they were very or fairly likely to access the service when it became available.
- Although all five types of outreach location had among their users high proportions of individuals experiencing social and financial exclusion, there were important variations between users of the different types of location in terms of usage patterns, socio-demographics and the extent and nature of their financial difficulties. These differences have important implications for the design and delivery of outreach debt advice.

1.3.2 Key findings from Phase 2 evaluation

The report of the Phase 2 evaluation¹⁵ is due to be published in summer 2008. The key findings included:

- By working with a range of partner organisations, the projects achieved considerable success in delivering outreach money advice to financially excluded clients, in often difficult and challenging circumstances.
- The pilot projects saw more than 21,800 clients, of whom 18,695 (or around nine in ten) met the criteria for being financially excluded. A total of 12,016 cases were opened. 86% of clients said that they had not sought advice previously.
- Across the pilot programme as a whole, casework was the most common level of advice provided. According to the pilot projects, clients often presented with complex, multiple problems which meant that the progress of cases was felt to be time-consuming and involve several appointments.
- The projects went some way to evidence the demand for outreach money advice amongst financially excluded clients, and to develop viable models for serving a range of different locations. This process was consistently reported by project staff and partners alike to have:
 - raised awareness of money advice with wholly new partners;

¹⁵ Day et al (2008), op cit

- widened access to new clients and locations where money advice was not previously available, or available only on a very limited basis;
- improved the quality of advice provision available to clients on an outreach basis, and reduced the risk of poor or partial advice;
- enabled money advisers to gain experience of a wider range of target groups and settings and to deliver money advice alongside other types of services; and
- achieved immediate benefits for clients, including crisis avoidance, reduced levels of personal stress and, less routinely, removing financial barriers that prevented clients from accessing other services, such as housing or family support.

1.3.3 Phase 3 evaluation

This report presents the findings from 49 in-depth qualitative interviews with clients and target groups carried out as part of Phase 3 of the programme evaluation¹⁶.

Of the 49 interviews, 41 were conducted with clients of money advice pilot projects. Five pilot projects assisted with the identification and recruitment of money advice clients, to ensure coverage of the main types of outreach settings, as outlined in section 1.2. As a result, the clients who were interviewed had received advice in a range of outreach settings including Children's Centres, housing offices, council offices, prisons and credit unions. A small number of the clients who were interviewed had received advice remotely via video-link. Full details of the sampling and recruitment for both clients and target groups are provided in Annex two.

The clients who were interviewed included a mix of men and women, and people of different ages, ranging from early twenties through to 60s. Most were in their 30s and 40s. They tended to be either single parents or single people living alone - some of whom were separated or divorced and living apart from their children. As we would expect, given that the pilot programme targeted people who were on low incomes and financially excluded, the majority of clients (35 out of 41) were not in work, and generally lived in workless households. As a result, their main source of household income tended to be social security benefits. A significant number of these respondents (12 out of 35) reported being unable to work because of health problems.

For the most part clients lived in rented accommodation, often rented from a social landlord. Eleven clients were in prison at the time of the interview. A full breakdown of the clients who were interviewed is provided in Annex two.

¹⁶ The target group respondents were people who used an outreach venue, self-identified as having debt problems, but had not accessed advice from a pilot project.

The main aim of the client interviews was to focus on the impact of the money advice outreach pilots on clients, including the reasons for using outreach advice (e.g. lack of awareness of mainstream advice providers), clients' views and experiences of accessing advice from the pilot projects, the type of help and advice they received and the outcomes of receiving advice (financial and otherwise).

The remaining eight interviews were conducted with **target groups**, and these explored the reasons why people had not sought advice from a money advice outreach project even though they used an outreach venue and had financial difficulties. Target group interviews were conducted in a Jobcentre Plus office and at an employment and training agency. They comprised six men and two women, all of whom were unemployed. They were mainly in their 20s and 30s, and included single people, single parents and couples with children. All but two were tenants.

All the interviews were conducted using a topic guide, recorded with the respondents' permission and fully transcribed. The transcripts were analysed using thematic grids designed specifically for use with qualitative data.

1.4 Outcomes of money advice: the wider context

Relatively little research has been conducted into the outcomes and impact of debt advice for clients. There has, however, been a significant programme of research led by the LSRC and the Ministry of Justice, which aimed to investigate the broad impact of money advice, to establish the social, economic and health impact of advice for those facing problems with debt¹⁷.

This programme of research found clear evidence of the positive impact of debt advice for clients. The benefits included improved financial circumstances, and evidence that these improvements were greater than would have been the case had no advice been provided. People's understanding of their personal finances was also found to have improved, which in turn could help them better target priority debts.

The findings from the research programme indicated that debt advice seemed to beneficially impact on people's levels of anxiety, their general health, relationships and

¹⁷ Pleasence P, Buck A, Balmer NJ and Williams K (2007) *A helping hand: The impact of debt advice on people's lives*. London: LSRC. A series of separate reports has also been produced providing further information about the different aspects of the programme: Williams K and Sansom A (2007) *Twelve months later: does advice help? The impact of debt advice: Advice agency client study*, London: Ministry of Justice; Turley C and White C (2007) *Assessing the impact of advice for people with debt problems (final report)*, London: LSRC; Pleasence, P and Balmer, NJ (2007) *Changing fortunes: Results from a randomized control trial of the offer of debt advice in England and Wales*. Journal of Empirical Legal Studies, Volume 4, Number 3

housing situation. Earlier qualitative research has highlighted the tremendous sense of relief from anxiety that clients often feel once they have received debt advice¹⁸. As outlined above, in Phase 2 of the evaluation of the money advice outreach programme, providers also identified reduced levels of personal stress as a positive outcome of the advice process for the clients they saw.

Finally, it is notable that the research programme found that many people facing debt problems led unstable lives, which might well have an effect on the outcomes and impact of debt advice in the longer term, such as people's ability to sustain repayment arrangements over several years. This finding was echoed in the Phase 2 evaluation of the money advice outreach programme – the pilot projects commonly reported that clients often presented with complex, multiple problems, of which problem debt was just one aspect. Common underlying problems included drug and alcohol addiction, poor mental health and low levels of literacy and numeracy. This is perhaps not wholly surprising, given that the pilot projects were specifically designed to target financially excluded people in areas of deprivation.

1.5 Report structure

The remainder of this report is structured as follows:

- Chapter two reviews clients' motivations towards and experiences of advice-seeking. It explores how clients first recognised they had debt problems and what strategies they had used to try and manage their debt problems prior to seeking advice from a pilot project – including whether or not they had sought advice from anywhere else.
- Chapter three provides an overview of the process by which clients accessed money advice outreach through the pilot programme. This includes awareness of the outreach services provided by the pilot projects, the triggers for seeking advice, and their views and experiences of the referral process.
- Chapter four considers the effectiveness of the money advice outreach pilot programme from the clients' perspective. It outlines the chronology of advice provision, from the initial advice session, through subsequent contact with an adviser, and where appropriate to case closure and any follow-up. It goes on to explore clients' views and experience of the advice process including the outreach

¹⁸ Collard S, Steele J and Kempson E (2000) *Quality assured? An assessment of the quality of independent money advice*. London: Money Advice Trust/Barclays; Collard S and Burrows B (2002) *Good, bad or indifferent? The quality of money advice in Scotland*. Glasgow: Money Advice Scotland.

venues where advice was accessed, the mode of advice delivery, and their relationship with the adviser. The final section covers the extent to which clients were willing and able to engage in the advice process.

- Chapter five summarises the main outcomes for clients of receiving help and advice through the money advice outreach pilot programme. This includes financial outcomes, the wider benefits of advice (e.g. on health and family), and changes in attitudes towards money management and the propensity to see advice in the future.
- Finally, chapter six draws together and concludes upon the effectiveness and impact of the programme, from the clients' perspective.

Additional information is provided in the report annexes: a number of more detailed client case studies (Annex one), and a full method statement (Annex two).

2.0 Motivations for advice seeking

This chapter draws on the interviews with clients and target groups to explore people's motivations for seeking and not seeking advice. It starts by considering the types of problems that respondents required advice for. It explores how respondents first recognised they had debt problems and what strategies they had used to try and manage their debt problems – including contact with creditors. The final section explores awareness of other advice services among respondents generally and whether or not clients had sought advice from anywhere else before contacting a money advice outreach pilot project.

Key findings

What types of problems did clients have?

- ▶ Money advice outreach clients required advice from the pilot programme for a range of problems, most but not all of them debt-related. The most common problems were consumer credit debt (e.g. credit cards, personal loans, overdrafts) and difficulties paying household bills (e.g. rent, Council Tax or utilities). Target group respondents had similar types of debt problems to clients.
- ▶ Three prison clients (all previously self-employed) owed money to HM Revenue and Customs for unpaid income tax or National Insurance contributions. A further two prison clients had fallen behind with mortgage and Council Tax payments for commercial properties. This aside, there was little difference between the debt problems experienced by clients in prison and those outside prison.

Recognising debt problems

- ▶ Among clients who were not in prison, debt problems tended to be attributed to one of two factors: loss of income and / or a build-up of consumer credit debt over time. Two clients had been left with debts by an ex-partner.
- ▶ Loss of income occurred for a range of reasons including job loss, loss of benefit income, and giving up work because of ill-health or to care for a family member. In some cases, clients had no debt problems prior to this loss of income, while in others loss of income brought to a head pre-existing financial difficulties.
- ▶ Build-up of consumer credit debts tended to occur over a several years, to the point

where the total amount of repayments was no longer affordable.

- ▶ Regardless of the reasons for their debt problems, clients generally only recognised they were in difficulty at a relatively late stage – when they were unable to pay all their creditors and had fallen behind with payments. In a few cases, the seriousness of the situation was only brought home once clients had received the threat of bailiffs or court action. By this stage, trying to resolve their financial difficulties was a high priority for most.
- ▶ The target group respondents were very similar to these clients with regard to the factors that had contributed to their debt problems and the gravity of their situations. Unlike the client group, two of the eight target group respondents had managed to keep up payments on their credit and household commitments without falling behind at all. Their financial situations were clearly precarious, however. All but two of the target group respondents regarded their debt problems to be a matter of priority.
- ▶ The picture was mixed for clients in prison. Several of them reported having debt problems before they were sent to prison. In other cases, debt problems were a direct result of incarceration and loss of earned income. Two clients had only become aware of their debt problems since coming to prison. Again, with a few exceptions, these respondents generally regarded their debt problems as a high priority to resolve.

How did clients deal with debt problems prior to seeking advice from a money advice outreach pilot project?

- ▶ The strategies used by clients to try and deal with their debt problems prior to contacting a pilot project were insufficient to resolve their difficulties completely. At best, they offered a temporary stop-gap which delayed further action by creditors.
- ▶ Several clients had tried to borrow their way out of trouble, by taking out further credit to repay what they already owed. One or two had turned to their family for financial help, or tried to claim on payment protection insurance to pay credit cards or personal loans. A few people simply ignored their debt problems altogether; these were, however, a minority among the people who were interviewed.
- ▶ Around two-thirds of all clients with debt problems had tried to negotiate with at least some of their creditors to reduce repayments or to arrange to make up missed payments. Only a handful was able to reach any agreement with their creditors themselves. Similarly, seven of the eight target group respondents had tried to

negotiate with their creditors – generally with little or no success.

- ▶ The reasons given by clients for *not* contacting their creditors included not knowing how to approach creditors or lacking the confidence to do so; not having the means to repay what they owed; and being fearful of the response they might get from creditors. The one target group respondent who had not contacted his creditors had been managing to keep up his repayments by working cash-in-hand while officially unemployed.

Awareness and experience of other advice services

- ▶ General awareness of the existence other free-to-client advice services (other than the money advice outreach service) was fairly high among the clients and target group respondents who were interviewed. Only around a third of all respondents were completely unaware of other advice services; awareness was rather lower among prison clients than it was among those respondents who were not in prison.
- ▶ The remaining two-thirds of respondents were aware that other advice services existed. This usually amounted to no more than a general awareness that advice was available from organisations like the CAB service and did not extend to knowing the types of help and help that might be offered. Some clients had accessed advice in the past from free-to-client advice services for debt or other problems.
- ▶ Among the client group, several of those who were aware of other advice services had gone on to seek advice prior to contacting a pilot project; most had not. Of the five target group respondents who knew about free-to-client advice services, only one had sought advice.
- ▶ Where respondents had sought advice prior to contacting a money advice outreach pilot project, the outcomes were rather mixed. Three clients seemed to have achieved a successful (if temporary) resolution to their previous problems. Another two clients had been dissatisfied with the advice they received. A further two clients and one target group respondent had been unable to access any advice. Finally, two prison clients had sought advice prior to being sent to prison – one of these clients was put off accessing advice by the long queue at an advice agency, in the other case, the advice agency was unable to resolve a client's Housing Benefit problem.
- ▶ The reasons why clients had not sought advice, even though they were aware of advice services, included lack of knowledge about what help or advice these services might offer and closure of local services. Some had simply not considered seeking advice. Prison clients also mentioned the embarrassment of seeking advice and the

fact that, for a few of them, debt problems were a low priority.

- ▶ Target group respondents who had not sought advice despite being aware of services mentioned not knowing where their local advice service was; preferring to sort things out themselves; and feeling that an advice service would not be able to help them.

2.1 What types of problems did clients have?

There was a range of problems for which money advice outreach clients sought advice from a pilot project, most but not all of them debt-related. The most common problem, reported by about half the clients who were interviewed, was consumer credit debt (e.g. credit cards, personal loans, overdrafts). A similar number of clients reported difficulties paying household bills (such as rent, Council Tax or utilities). Several respondents had been struggling to pay both consumer credit commitments and household bills. Target group respondents reported similar debt problems – five of them had consumer credit debts, while the other three were in difficulty with household bills.

The debt problems of three clients (all in prison) related to unpaid Income Tax or (in one case) unpaid National Insurance contributions. These clients had all been self-employed in the past. In addition, two prison clients had fallen into arrears with mortgage and Council Tax payments for business properties since coming to prison. Apart from this, there was little difference between the debt problems experienced by clients in prison and those outside prison.

Several clients sought advice from a money advice outreach pilot project for non-debt related matters. These included immigration issues and consumer rights.

2.2 Recognising debt problems

Although the types of debt problems experienced by clients in prison were fairly similar to other clients and target group respondents, the factors that had given rise to these problems were somewhat different. There was little if any difference between clients and target group respondents with regard to the factors that had contributed to their debt problems and the gravity of their situations.

2.2.1 Clients who were not in prison

Among the clients who were not in prison, debt problems were largely attributed to one of two factors: loss of income and / or a build-up of consumer credit debt over time. In

addition, two clients had been left with debts by a former partner; in both cases, debt problems had resulted in the breakdown of their relationship.

"I'd come into the marriage with £10,000 savings and I've gone out of the marriage with several thousands of debt."

Loss of income occurred for a variety of reasons, including job loss, giving up work because of ill-health or disability, loss of benefits or giving up work to provide care for a family member. In some cases, clients had been managing their finances without any difficulty prior to the loss of income. In others, a loss of income brought to a head financial difficulties that had been building for some time.

Where consumer credit debts had built up over time, this tended to be a gradual accumulation of credit commitments over several years, to the point where the total amount of repayments was no longer affordable. Prior to this point, several clients talked about juggling payments to priority and non-priority creditors¹⁹ and making up missed payments when they could – this was often referred to as ‘robbing Peter to pay Paul’. Others described how they had tried to borrow their way out of difficulty, for example by taking out credit cards to pay off other debts.

"[I was] Borrowing more to try and sort myself out, but it made it worse off."

In contrast, one woman had been managing to meet her repayments until her son began stealing from her.

In some cases, the build-up of consumer credit debt was clearly the result of living long-term on a low income, where credit had routinely been used to smooth income flows, and to pay for larger expenses such as Christmas and children's birthdays. In cases where clients had moved in and out of the labour market, their problems may well have stemmed (at least in part) from the fact that credit taken out when they were in work was no longer affordable once they were out of work²⁰. Poor money management was likely to be a contributory factor for at least some clients who had accumulated consumer credit debt over time, although only one or two admitted to this.

Regardless of the reasons for their problem debt, clients generally only recognised they were in difficulty once they were unable to pay some or all of their creditors, and had fallen

¹⁹ Priority debts include utilities, rent or mortgage, Council Tax, child support or maintenance and Magistrates Court fines. Non-payment of priority debt can have serious consequences, such as loss of home, fines or imprisonment. Non-priority debts generally refer to consumer credit debts, where the only course of recovery action is to sue the debtor in the County Court.

²⁰ See for example Kempson E, Bryson A and Rowlingson K (1994) *Hard Times? How poor families make ends meet*. London: Policy Studies Institute.

behind with payments. Clients described being chased by creditors for payment; in some cases, this had escalated to being threatened with bailiffs or court action and one client had already been evicted from his home by the time he sought advice from a pilot project. This is consistent with the findings from earlier research, which indicates that people tend not to seek advice unless the situation seems completely unmanageable²¹.

Case study: Debt problems arising from loss of income

Anita²² is married with three children. Her husband had run his own painting and decorating company, but following an accident several years ago he was unable to work full-time. In the past year, he had been diagnosed with a serious illness and Anita had given up work to look after him. Their money problems had been building up prior to the accident, but things got much worse once they were dependent on social security benefits as their only income.

... we'd sort of been muddling along for a while, but it's all a blur now, because he's been so ill and that's all I've had to focus on.

Credit card bills had gone unpaid, as had the water bill and Anita was receiving demands for payment. Anita had tried to talk to her creditors but, with her husband in hospital for long periods of time, she found it very difficult. She had also requested to extend her overdraft as a means of coping, but was turned down by her bank. By the time she came into contact with a pilot project, she was no longer able to cope.

By this stage, trying to resolve their financial difficulties was a high priority for almost all the clients who were interviewed. In keeping with previous research²³, clients talked about the stress and anxiety of dealing with problem debt. Some clients felt this had exacerbated existing physical or mental health problems.

For a few clients, the seriousness of their situation was only brought home once they had received the threat of bailiffs or court action. One woman, for example, ignored demands for the repayment of her rent arrears until she received a notice of eviction (despite the fact that she already had a court order relating to her rent arrears). Her main priority up to this point had been her adult son, who had since been sent to prison, and as a result *'everything went out of the window, sort of bills and everything'*. Another client, who had recently lost his job and his home following a relationship breakdown, described how his

²¹ Lea S, Mewse A and Wrapson W (2007) *Study into debtor behaviour in support of pre-action notice pilot*. London: Her Majesty's Courts Service.

²² All client and target group respondent names have been changed.

²³ See for example Turley and White (2007) *op cit*; Kempson E (2002) *Over-indebtedness in Britain*. London: DTI.

debt problems continued to be a low priority despite demands from creditors. In his words, he had simply 'lost sight' of his finances as a result of his separation.

Two clients had debt problems of a rather different nature. One woman, a lone parent, had been charged several hundred pounds by her bank for failed direct debits which she could not afford to pay. She disputed the charges, as she had previously sent a letter to the bank to cancel the direct debits. The other, also a lone parent, had received a demand for income tax because she had worked more hours than she was allowed to on her student visa. This was complicated by the fact that she was applying for refugee status at the time, which would have impacted on the amount of tax she had to pay. As it was, delays in her application meant that she was not granted refugee status for several years.

As mentioned above, a number of clients had sought advice from a pilot project for **non-debt problems**. These problems had arisen in a variety of ways. One woman, a refugee living in a hostel, received no benefits for the first three months after arriving in the UK, and was wholly dependent on friends for food and money to pay for essentials. Another woman, unable to work because of poor health, struggled to manage on her own without social care (such as help with shopping and household chores), which she could not afford to pay for from her Incapacity Benefit.

A third client required advice about a Housing Benefit shortfall, which came about when she was looking to move home. The final client with a non-debt problem was in dispute with a contractor over payment for work that had been carried out on her home.

2.2.2 Clients in prison

For clients in prison, the picture was rather mixed. Several of them reported having debt problems before they were sent to prison. Notably, these related to arrears on Income Tax, Council Tax or rent rather than consumer credit debts. Again, these debts tended to have built up over some time. The money owed to HM Revenue and Customs for unpaid Income Tax by two clients, for example, had been outstanding for several years. One man had a non-debt problem that had arisen before he came to prison, involving an overpayment of Housing Benefit, which he disputed.

In contrast, a number of clients stated that they had not had any financial difficulties before they were arrested and imprisoned, albeit for different reasons. For two clients, who had run their own businesses prior to being sent to prison, incarceration and loss of earned income meant that they could no longer afford to repay what they owed, which included mortgage and loan repayments. Both clients faced the loss of their businesses and their homes.

Before his imprisonment, a third client had been making regular payments to repay a number of consumer credit debts; the loss of earned income once he was imprisoned meant that he had fallen into arrears. A fourth client had borrowed several thousand pounds from family members since he had been in prison, and sought advice when he came under pressure to repay what he owed.

Finally, two clients reported that they had only become aware of debt problems since being in prison. In one case, this related to a credit card balance of £200, which with interest and penalty charges had increased to £1,200 since the client had been in prison. He first became aware of this when he received a letter in prison from a debt collection company. The other client had been notified while in prison of outstanding National Insurance contributions amounting to several hundred pounds.

Like the clients described in section 2.2.1, clients in prison generally regarded their debt problems as a high priority to resolve. Three prisoners, however, afforded their debt problems a low priority. These included the two prisoners, described above, who had longstanding Income Tax arrears. One had ignored the demands he received over the years; since coming to prison, however, he was concerned that the debt might adversely affect his sentence, and did not want his family to be visited by bailiffs. The other had stopped making repayments some years ago because the interest and fines added to the amount outstanding made it seem insurmountable.

"I stopped paying them because it became unbearable to be able to sustain that. Then I would just leave it and all they would do is write to me saying I owed them this more and I owed them that, and it just wouldn't bother me."

The third prisoner had ignored demands for Council Tax before he was sent to prison, partly because of relationship difficulties and associated heavy drinking, partly because he expected to be sent to prison in the near future.

2.2.3 Target group respondents

Target group respondents were, on the whole, very similar to non-prison clients. Most of them reported getting into financial difficulty as a result of job loss (not surprising, given the outreach venues from which they were sampled). One respondent described how he had failed to curb his lifestyle or his spending when he lost his job several years ago.

"I wasn't managing my money – I just kept spending and spending. I'd take some money out and go to the casino to win it back, or the bookies."

There were some exceptions to this. The first was a lone parent who had been living long-term on a low income and found it impossible to pay all her household bills from her

benefit income. As a result, she was constantly juggling payments between creditors. The second was an unemployed man, who described how he had been struggling to keep up with household bills since the recent death of his mother, who used to pay them all. The third was a young single man who had run up a large bill on his mobile telephone while out of work that he was unable to pay.

Like the money advice clients, most of the target group respondents had missed payments to their creditors or were in arrears. In some cases, creditors had taken action to recover the outstanding debts. Two respondents, however, were just about managing to keep up with their commitments. This included the unemployed man described above, who was currently using his credit card to pay all his household bills, and then paying as much off his credit card as possible each month. Another man, unemployed for the past six months, was up-to-date with his household bills and making minimum payments on his credit cards (which, like his overdraft, were up to their credit limit).

All but two of the target respondents considered their debt problems to be a high priority. One, who had a history of bad debt and was now unable to access any credit, felt his ongoing debt problems to be a very low priority. The other felt that his unpaid mobile telephone bill was a medium priority (his college course being the highest). Indeed, he had not recognised the unpaid bill as a debt problem until debt collectors had become involved.

2.3 How did clients deal with debt problems prior to seeking advice from a money advice outreach pilot project?

There were a number of strategies used by clients to try and deal with their debt problems prior to seeking advice from one of the pilot projects. None of these strategies was sufficient to resolve people's debt problems completely, however. At best, they provided a temporary stop-gap which delayed further action from creditors.

Around two-thirds of all clients with debt problems and nearly all the target group respondents had tried to negotiate with their creditors – almost all of them were unsuccessful. A few people seemed to have simply ignored their debt problems altogether until action was taken against them; these were, however, a minority among the people who were interviewed.

2.3.1 Clients who were not in prison

As mentioned above, several people had tried to borrow their way out of trouble, by taking out further credit to repay what they already owed. It was not uncommon for these clients to have consolidated their debts in the past, suggesting that this strategy had been used

before. Two of these clients applied unsuccessfully to their banks for further credit; others had accessed further credit from sub-prime lenders.

Case study: Borrowing to repay debt

Gina is a lone parent aged 35, who worked part-time in a call centre. Her debt problems had built up over a few years, in the form of credit cards and personal loans. She had already consolidated her debts twice in as many years, once with financial help from her parents. She had also sought advice from debt helplines advertised on TV – one company had suggested she declare herself personally bankrupt, which she did not want to do.

Prior to contacting a pilot project, she owed in the region of £18,000 on consumer credit debts and had for some time been 'borrowing off one to give to another'. The tipping point came when she found herself unable to access any further credit, and so unable to finance her debts any longer. *'It was getting on top of me – I didn't know where the money was going to come from'.*

One or two clients had turned to their family for financial help to repay their debts, and other research indicates that financial support from family can be an important factor in alleviating financial difficulties²⁴.

"... they [family] used to lend me the odd money to buy some shopping or they'd pay off my gas bill one month or they'd pay off my car tax... they'd help me out."

Following the loss of earned income, two clients had tried to claim on payment protection insurance to cover repayments on credit cards and loans. In one case, the claim was unsuccessful; in the other the claim was ongoing at the time of the interview.

Most non-prison clients mentioned contacting at least some of their creditors, mainly to negotiate reduced payments or to arrange to make up missed payments. This mainly occurred when clients realised they were unable to meet all their repayments, or had started to fall behind. In a small number of cases, however, clients only made contact in response to action taken by a creditor, such as a visit from a debt collector or bailiff.

Most of these clients were unable to reach any agreement with their creditors themselves. Where clients had made contact with creditors in response to action such as a visit from bailiffs or debt collector, this contact generally prompted a demand for immediate full payment of the outstanding amount or the threat of further action.

²⁴ Atkinson A, Kempson E and Collard S (2008 forthcoming) *Snakes and ladders: A longitudinal study of financial difficulty*. Financial Services Authority.

Only two clients reported any success in negotiating with their creditors themselves. One, a lone parent who had been left with debts by an ex-partner, arranged to make reduced repayments to her creditors. This proved to be a struggle on the Income Support that she received, so she tried to pay what she could.

"I used to ring them up and say, Look I can't afford to pay it this month, or can I pay it next month or can I pay something less...so I did negotiate with them"

The second client had fallen behind with her water bill. She contacted the water company as soon as she started getting demands for payment, and arranged that no further action be taken until she had sought advice from the money advice outreach pilot project.

The reasons given by clients for *not* contacting their creditors included not knowing how to approach creditors or lacking the confidence to do so; not having any means of repaying what they owed; and being fearful of the response they might get from creditors.

"I would be too frightened to [contact credit card companies]...I don't think I'd have got anywhere with them, they certainly wouldn't have accepted £1.00 a month."

2.3.2 Clients in prison

Like the non-prison clients, a few of the prison clients had simply ignored their debt problems. Others lacked the opportunity to address their debt problems because they had arisen since they had been in prison.

Three prison clients had tried unsuccessfully to negotiate with their creditors before they were sent to prison. A fourth, described above, had only become aware of his credit card debt in prison. As he was in a resettlement prison, he was able to contact his creditor by telephone as well as by letter – something that was not allowed in other prisons. Even so, this was problematic, as he did not have access to the paperwork relating to the debt. He was unable to reach any agreement with his creditor.

"I kept writing back and saying, Look you're not listening, I'm in prison, everything I've had has been taken away, all my money, my house and everything, I've got no assets and I've got no record of this, all my paperwork is at the Customs [HM Revenue and Customs], I haven't seen it, you know, I don't know where it is, I've got no way of checking it.... because when you're in prison you're isolated, your paperwork has gone, everything is gone isn't it."

A fifth prison client had arranged for his partner to offer to repay his rent arrears on his behalf while he was in prison; his social landlord rejected this offer. Two other prisoners also tried to sort out their financial difficulties from prison, through their friends or family. For one client, this involved selling his home and business. The other reported how

friends had paid his mortgage and loan payments for him for several months after he was sent to prison, but were unable to do so in the longer term.

2.3.3 Target group respondents

Again, the target group respondents were very similar to clients in terms of their coping strategies. About half the target group respondents talked about receiving financial support from their family as a means of coping with their debt problems – either to pay for day-to-day living costs or to help repay debts. In some cases, family members were also mentioned as a source of informal advice. A number of respondents, all JobCentre Plus customers, had spoken to JCP advisers about the possibility of additional financial support; one had subsequently applied and been turned down for a Social Fund loan, the others had been ineligible for any other financial help. More unusual coping strategies included gambling and informal work.

In addition, seven of the eight target group respondents had tried to negotiate with their creditors – generally with little or no success. One man had managed to negotiate reduced payments for an unpaid fine – but only after being told how to go about this by the bailiffs who had come to his home. His other creditors, however, were still demanding full payment. Another seemed to have agreed with creditors to pay what he could afford. A third respondent had managed to rearrange the payment date for her bank loan, but had been told the bank could provide no further assistance. The remaining respondents reported being unable to reach any agreement with creditors.

2.4 Awareness and experience of other advice services

Phases 1 and 2 of the money advice outreach programme evaluation indicated low levels of awareness of free-to-client advice services, something also highlighted in earlier research²⁵. The first phase of the evaluation, comprising a survey of different outreach locations, found a lower level of awareness of mainstream advice services among people who used these locations than the general population (aside for people in community centres). Over half (55%) of the survey respondents who lived within two miles of a CAB were unaware of the service, even though the respondents' proximity to a CAB was higher than for the general population. Data from the second phase of the evaluation indicates that 86% of clients who accessed advice through the pilot programme said that they had not sought advice previously.

Among the clients and target group respondents who were interviewed, general awareness of the existence of advice services (other than the money advice outreach

²⁵ Collard S and Burrow B (2002) op cit.

service) was fairly high by comparison. Only around a third of all respondents were completely unaware of other free-to-client advice services. One or two clients mentioned contacting commercial debt management companies after seeing television adverts, although ultimately they did not pursue this option. Awareness of advice services was rather lower among clients who were in prison compared with those who were not.

This left two-thirds of all respondents who knew that other free-to-client advice services existed. This usually amounted to no more than a general awareness that advice was available from organisations like the CAB service and did not extend to knowing the types of help and help that might be offered. Some clients had accessed advice in the past from free-to-client advice services for debt or other problems.

Among the money advice outreach clients (both prison and non-prison clients), several of them (nine in total) went on to seek advice for their current problems prior to contacting a pilot project; their experiences are described in the following sections. Most (16 in total) did not seek advice, however, despite their awareness of the availability of advice and, in some cases, the fact that they had accessed advice from these services in the past for debt and other problems. A further two clients had previously accessed debt advice from the same agency that delivered the pilot outreach service.

Of the five target group respondents who were aware of free-to-client advice services, only one had sought advice for their current financial difficulties.

2.4.1 Clients who were not in prison

There were three main reasons why people had *not* sought advice, even though they were aware of advice services (in all cases they mentioned CAB). First, a few clients had used a CAB in the past (at least one of them in relation to a debt problem), but this was some considerable time ago – several years at least. These clients had since moved, and seemed simply not to have considered that there might be a local CAB that could help them.

Second, some clients knew about the CAB but were not aware that it might offer the type of help and advice they needed.

"I have heard of Citizens Advice Bureaus but to be frank I didn't realise the way they helped you. I didn't have a clue."

Finally, several clients (all from the same local area) were aware that the CAB service provided advice; indeed some had used it in the past for debt or other problems. Their

local CAB branch had, however, closed some time ago and they were unaware of any other local advice service.

In total, seven non-prison clients *had* sought advice prior to contacting a pilot project, in most cases related to debt problems. The outcomes for these clients were rather mixed.

Three clients seemed to have achieved a satisfactory outcome. The first was a lone parent who had given up work to care for his children, and fallen into arrears with household bills. He was referred to an advice agency by his social worker when he first fell into financial difficulties, which was able to negotiate a reduction in his rent arrears and intervened to stop bailiffs visiting his home. Since that time, however, his debt problems had once again escalated. The other two clients had successfully accessed advice about non-debt related matters (in both cases about their legal rights), and were satisfied with the service they had received.

Two clients had been dissatisfied with the service they had received in relation to their debt problems. One had only been able to speak to an adviser over the telephone, and found it difficult to explain her situation. After a couple of attempts to resolve her debt problems in this way, she gave up.

"It's hard to explain over the phone... I didn't think there was anywhere that I could go and speak to someone face-to-face, everything just seems to be over the phone now."

The second client had tried several times to see an adviser at a drop-in advice service before successfully accessing advice. She understood that the adviser had written to her creditors requesting a reduction in her repayments; even so, she was still receiving demands for payment.

"I just thought, Oh my God, even though I've gone somewhere this isn't helping."

Despite contacting an advice service, two clients expressed frustration that they had been unable to access any advice for their debt problems even though they had actively sought it. One had tried several times to telephone an advice agency but failed to get through. The other had been told she was ineligible for advice because she lived outside the postcodes served by the agency.

"... because I was on benefits and I wasn't a council tenant I had a lot of doors shut to me. There were a lot of support services out there and I literally live across the wrong side of the main road to get support and I just found it really hard... I couldn't access it because it was postcodes, and the postcode lottery was really frustrating..."

2.4.2 Clients in prison

About half the clients in prison were not aware of any advice services prior to their contact with a pilot project; in most cases these clients' debt problems had not developed or come to light until they were in prison.

The remaining prison clients were aware of advice services, and again the CAB was the most commonly mentioned. Only two of them, however, had sought advice before coming to prison. In one case, this was from a local community resource centre in relation to rent arrears linked to Housing Benefit payments, which he disputed. While he found the resource centre helpful, it was unable to resolve the issue with the Housing Benefit office. The second client had gone to an advice agency but had been put off by the long queue.

Another client had tried unsuccessfully to get access to advice while in prison, for a debt problem that had arisen while he was there.

"I tried in [name of prison] to contact the Citizens Advice Bureau and I wasn't getting no help. They were promising oh they were going to be in this month or they're going to be in next month and I wasn't hearing nothing, or I wasn't getting updated by anybody."

The rest of these clients did not seek advice before they came into prison either because they were embarrassed to discuss their debt problems or because it was a low priority.

"I knew I could go to citizens advice if I wanted to just get advice about what I should do... I just didn't bother going... it just wasn't on my mind."

2.4.3 Target group respondents

On the whole, the target group respondents were very similar to the clients in relation to their experiences of advice-seeking. Of the eight target group respondents who were interviewed, five were aware of free-to-client advice services, in the form of CAB. One of these respondents had tried to seek advice for her current debt problems but had been unable to get through to the CAB by telephone and given up (see box below).

Case study: Advice-seeking experiences

Laura is a lone parent in her 40s, whose income comprises social security benefits. Since losing her job, she had found it increasingly difficult to keep up with the payments on her credit cards and bank loan. Unable to get through to her local CAB by telephone, she instead relied on advice from a TV series about people in debt – she had cut up her credit cards following one episode.

TV programmes give more advice than advisers, as advisers don't have the time.

Case study: Advice-seeking experiences

She had also contacted 'debt helplines' that she saw advertised, and had asked her bank about the possibility of going bankrupt. She decided not to pursue this option because of the bankruptcy fees she would have to pay (£400) and the chance that her name might be published in a newspaper.

Two respondents were aware of CAB services and had used them in the past for debt problems – both had been satisfied with the help and advice they received.

"They were good, I thought they helped me more and they phoned and sorted it all out for me and I was happier and now I'm back to square one again."

Like some of the clients, however, they had received this advice several years ago and had since moved and did not know where their local CAB was. While one woman thought she would be able to find out by asking around, she preferred to try and sort things out herself. As she had been unsuccessful in her attempts to negotiate with her creditors, this seemed to imply that she would simply carry on juggling payments between them.

This left two respondents who knew about CAB but had never sought advice. For one man, this was clearly a matter of personal pride – he felt strongly that he should sort out his debt problems himself. If he needed advice about personal finances, he tended to ask a close friend who was an accountant. As he was about to move into a new job, he felt confident that his financial difficulties would ease in the near future.

"I've racked up the debt and it's got to be paid off, you've just got to work your way out of it, simple as that... they could offer all the advice in the world, but at the end of the day you've got to pay what you owe."

The second respondent, struggling to pay his household bills after his mother's death, thought that the CAB would be unable to help him as he had not yet fallen behind with any household bills or credit card payments. He felt that he might get have to seek advice once he had reached the credit limit on his credit card and was no longer able to use it to pay his household bills. Having almost housebound for several years, however, the prospect of the journey to the nearest CAB was rather daunting for him. When mooted by the interviewer, the idea of a home visit was appealing to him.

3.0 Accessing money advice outreach

This chapter starts by exploring awareness of the money advice outreach projects, among both clients and target group respondents. It goes on to consider clients' expectations of the outreach service and the triggers that led them to contact a pilot project. The final section looks at their experiences of being referred to a money advice caseworker.

Key findings

Awareness of the money advice outreach projects

- ▶ Around seven in ten of all clients who were interviewed had first become aware of the money advice outreach service through contact with one of the projects' partner organisations.
- ▶ For the most part, partner organisations acted as ***problem noticers***, whereby partner staff identified a need for advice during discussion with clients. This was true across all categories of partner organisation. ***General awareness-raising*** by partner organisations and pilot projects was another important way in which clients came to hear about the outreach service. This was particularly true of clients in prison. Finally a small number of clients had been proactively seeking advice and were ***signposted*** to an outreach service by a partner organisation.
- ▶ The remaining three in ten clients either found out about the outreach service from family or friends (some who had used the service, some who had not); adverts for the outreach service; or because they were already familiar with the service or the advice agency running it.
- ▶ Of the eight target group respondents, only three were aware of the outreach service, having seen leaflets for it at the same employment and training agency. While all of them thought it sounded like a good idea, only one expressed interest in accessing advice. The other two had either accessed advice from other sources or felt that the service would not be able to tell them any more than they already knew.

Client expectations prior to contacting a money advice outreach pilot project

- ▶ Regardless of how they became aware of the outreach service, clients generally seemed to have little idea of what they could expect from the service, beyond knowing that it provided help and advice to people with debt problems. This is perhaps not surprising given that most clients had never sought advice for their debt

problems prior to contacting a pilot project. A handful of clients reported feeling sceptical about the help that might be provided by the outreach service and concerned that advisers might be judgemental. None of these clients had any previous experience of advice services.

- ▶ Most clients were already in a grave financial situation by the time they made contact with a pilot project. By far the most common trigger that led clients into contact with a pilot project was simply being made aware of it; this was true of all the clients in prison. It was up to these clients to make contact with a pilot project themselves, and most did so straightaway. Some non-prison clients delayed seeking advice, however, either until their creditors threatened further action, or because they were initially embarrassed or anxious about seeking advice.
- ▶ The second main trigger was where partner organisations instigated contact with a pilot project on behalf of a client. These partner organisations went beyond just making people aware of the money advice outreach service to ensuring that a referral was made – what might be termed a ‘warm referral’. This approach was evident across all the categories of partners that pilot projects were working with, with the exception of prisons. As a result, none of these clients reported any delays on their part in contacting a pilot project.

Experiences of the referral process

- ▶ All the clients who were triggered to contact a pilot project by being made aware of it had **self-referred** to the pilot project for an appointment. Client who were not in prison generally telephoned for an appointment; a few visited outreach venues in person. Prison clients generally had to make appointments with the money advice service through prison staff, usually education or resettlement workers rather than prison officers. They did this either by submitting an application form for the money advice service, or by asking a member of staff to make an appointment for them.
- ▶ **Warm referrals** meant that a partner organisation made an appointment with the money advice outreach service on the clients’ behalf, usually at the same venue where the partner organisation was based.
- ▶ Regardless of the process by which they were referred to a pilot project, clients generally got an appointment to see a money advice caseworker fairly quickly. Most non-prison clients got an appointment within a week, which was viewed very positively. For prison clients, the process generally seemed to take about two weeks.

3.1 Awareness of the money advice outreach pilot projects

The second phase of the pilot programme evaluation²⁶, which focused on the provider's perspective, found that working with partner organisations was the main way in which pilot projects aimed to identify potential clients. In keeping with this, around seven in ten of all clients who were interviewed for this third phase of the evaluation had first become aware of the money advice outreach service through contact with one of the projects' partners.

For the most part, partner organisations acted as **problem noticers**, in other words partner staff identified a need for advice during discussion with clients. This was true across all categories of partner organisations²⁷. Three clients were made aware of the money advice outreach service when they tried to access credit union loans to repay what they owed.

"I went to [credit union] to get a loan to pay off the Council Tax and rent arrears, but they said it would be best not to give me a loan, so they put me in touch with money advice."

Other examples included social tenants who were made aware of the outreach service by their housing officers when discussing rent arrears; and prisoners who had spoken to Information and Guidance staff about their financial difficulties.

General awareness-raising by partner organisations and pilot projects was another important way in which clients were made aware of money advice outreach service. This was particularly the case among clients in prison, who were generally told about the service and how to access it by prison staff as part of their induction into prison. One or two prisoners had heard about the service when a money advice caseworker had spoken at their induction course or other courses run by the prison. In another example of awareness-raising, one client described how he found about the service when he attended a court hearing about his unpaid TV licence, where a money advice caseworker was talking to people while they waited for their hearings to take place.

Finally, a small number of clients described how partner organisations had acted as **sign-posters** to the money advice outreach service. In all these cases, clients were proactively seeking advice to resolve their problems, and were made aware of the money advice outreach service by a partner organisation. One woman, for example, had been told about the outreach service when she approached her housing officer for advice about benefit entitlement.

²⁶ Day et al (2008), op cit

²⁷ The five broad categories are: family support services; housing support services, organisations in the justice system; community finance organisations; and other community-based partners.

The remaining three in ten clients had found out about the outreach service in a number of ways. Most had been told about the pilot project (or the agency running it) by friend or family member – some who had used the service, some who had not. A few had seen adverts for the outreach service in community venues including a baby clinic, a GP surgery and a community centre; and a few were already aware of the pilot project or the advice agency that was running it. It is notable that almost all of these clients received advice from pilot projects that targeted particular geographical communities (e.g. deprived housing estates), as opposed to organisational communities such as social tenants or credit union members.

3.1.1 Target group respondents

Of the eight target group respondents, only three were aware of the money advice outreach service, the rest were not²⁸. All three were users of the same employment and training agency, and had seen leaflets for the outreach service at the agency's office. They generally felt that the service should have been advertised more prominently, for example using posters. While all of them felt the outreach service sounded like a good idea, only one expressed interest in accessing advice. Unfortunately, by the time he enquired about it, the outreach service had already been withdrawn following the end of the pilot programme. Of the other two respondents, one had already received advice by the time she became aware of the outreach service – from her bank (with regard to possible bankruptcy) and from debt helplines she had contacted after seeing them advertised. The other respondent felt the outreach service would not be able to tell him any more than he already knew.

Among the target group respondents who were not aware of the outreach service, three expressed interest in receiving advice for their debt problems²⁹; the remaining two said they preferred to try and resolve their problems themselves.

3.2 Client expectations prior to contacting the pilot project

Regardless of how they became aware of the money advice outreach service (or the agency that ran it), clients generally seemed to have little idea of what they could expect from the service, beyond knowing that it provided help and advice to people with debt problems and financial difficulties.

²⁸ It should be noted that the target group interviews took place in February/March 2008, when the pilot projects would have been winding down following the decision not to extend the funding for the pilot programme.

²⁹ All respondents were given the details for CLS Direct, a Legal Services Commission-funded telephone helpline which provides advice on a range of issues including debt.

"... she [friend who had used service] said they are really good, and they help take some of the stress off and they give you really good advice."

This is perhaps not surprising, given that most clients had never sought advice for their debt problems prior to contacting a pilot project.

Some clients demonstrated rather more knowledge of what they could expect from the service. These clients tended either to have found out about the service through general awareness-raising by a partner organisation or a pilot project, or in a few cases had previous experience of debt advice. One prison client, for example, remembered being told that the money advice caseworker could contact creditors and act on his behalf. From her experience of bankruptcy, another client knew that the caseworker would be 'on her side'.

"I don't know if I had particularly any expectations, I knew that because I'd been before about the bankruptcy... you feel like you're armed with information and knowledge and somebody's on your side and they know more than you do because they've had experience. So I already had that feeling and so I could only expect good things really, whatever happened then it would, at least somebody would be on your side."

As well as having few expectations about the process of receiving money advice, it was clear that clients had little if any idea about what to expect in terms of the outcomes of advice, beyond a hope that their situation would improve.

"... when you go to an adviser you're not really sure about what they are going to say and that's why you go - because you don't know what is possible in your situation."

A handful of the clients who were interviewed reported some negative expectations about the money advice outreach service. None of them had used advice services in the past. One client was concerned that she was being fobbed off by the partner organisation (a credit union) that had told her about the money advice outreach service.

"I didn't want to be passed around from company to company... I thought these aren't interested so they're going to palm me off to another company..."

Two other clients described their initial scepticism about contacting a pilot project because they expected the advisers to be judgemental and perhaps only able to offer limited assistance.

"I just thought, they're going to really judge me harshly... I didn't know if they could help me get rid of the debt completely, I didn't understand what they could practically do to support me."

As a result of their negative expectations, one of these clients delayed seeking advice.

3.3 Triggers to seeking advice

By the time clients came into contact with a pilot project, their debt problems had generally reached the stage where they were a high priority to resolve. Almost all clients reported being in arrears with payments to creditors in the run-up to contacting a pilot project and were receiving demands for payment. Some clients' debt problems had escalated beyond this – several said they had received court summons for Council Tax or rent arrears, or had court orders for the payment of arrears; one client had already been evicted by the time he came into contact with a pilot project. Several clients talked about reaching a point where they could no longer cope with the demands from their creditors or the worry of further action.

"...it was just never getting anywhere and I was thinking well how am I going to keep up? This is just pointless, I'm not getting anywhere with this... I just thought I can't deal with this, I need to get it sorted and it was just dragging me down, like as well as my illness I was thinking about that at the time as well."

The exception to this general picture was a client who had managed to keep up with his repayments on consumer credit and household bills since the failure of his small business. This was, however, becoming an increasing struggle.

As reported in chapter 2, around two-thirds of all clients with debt problems had tried to negotiate with their creditors, largely without success. The one client who had successfully managed to negotiate reduced repayments to her creditors had found it difficult to maintain even the minimum payments required. In cases where clients had accessed advice for their debt problems from another advice service before contacting a money advice outreach pilot project (see sections 2.4.1 and 2.4.2), they either felt that their problems had not been addressed satisfactorily, or further problems had subsequently arisen. It seems, therefore, that in almost all cases accessing debt advice through a pilot project was a last resort. Moreover, as we go on to discuss in chapter 4, most clients were unable to say what they might have done had they not come into contact with a pilot project. Some thought they might have contacted other advice services that they were aware of; others had no idea where they might have turned.

Given the already dire situation that most clients were in, there seemed to be two key triggers that led them to come into contact with a pilot project. By far the most common trigger was clients simply being made aware of the existence of a pilot project. Some of these clients delayed seeking advice, however, either until their creditors threatened them with further action or because they were initially embarrassed or anxious about seeking advice. The second trigger was where partner organisations instigated contact with a pilot project on behalf of a client.

3.3.1 Clients who were not in prison

For around half of clients who were not in prison, the main trigger to seeking advice was **being made aware** of the existence of a pilot project. This was the case regardless of the pilot project they had been sampled from. They had become aware of the money advice outreach service through friends or relatives, seeing adverts for the service, or being given the contact details by a partner organisation. It was, therefore, up to these clients to make contact with the money advice outreach service themselves. Most of them did so straightaway. Some (seven in total) delayed contacting the service, which ranged from a few days to several months.

Where clients mentioned reasons for these delays, it was generally because they were anxious about seeking advice or embarrassed to do so (see box below).

Case study: Delays in advice-seeking

Cheryl is a lone parent whose sole income is social security benefits. She had struggled for some time to manage her credit card debt, using one card to pay off another and cutting back on everyday spending to try and avoid missing any payments. Until she saw an advert for the money advice outreach service at her GP surgery, she was unaware of any advice services in her neighbourhood. Even though she thought the outreach service might be able to help her, pride prevented her from contacting the service until several months later, when she finally decided to make contact:

"Horrible, pride comes before a fall, I'm not so bad now with that, it's not for everybody, I have pride and I don't want to admit it."

When these clients did eventually contact a pilot project it was either as a last resort or prompted by further threats from creditors, such as a visit from bailiffs. One client got in touch with a pilot project a few weeks after finding out about it, when her social security benefits were stopped. As described above, another client delayed contacting a pilot project because she had negative expectations about it. She was finally persuaded to get in touch with an adviser a few days later by a friend, who had used the service and recommended it to her.

For most of the remaining clients, contact with a pilot project had been **instigated by a partner organisation on their behalf**. In other words, these partner organisations went beyond just making people aware of the money advice service, to ensuring that a referral was made – what might be termed a ‘warm referral’. This approach was evident across all the categories of partners that the pilot projects were working with, and included housing officers, hostel staff, credit union workers, court staff and support workers. As a result,

none of these clients reported any delays on their part in contacting a pilot project, as it had effectively been taken out of their hands.

Finally, two clients were already aware of the money advice outreach service (or at least the agency running it) because they had used it in the past to access advice about debt problems. In both cases, their most recent contact was triggered by threats from creditors. One client had contacted her loan company expecting to be able to postpone or reduce her monthly loan repayment. Instead, the loan company demanded the full loan repayment within 10 days, at which point the client sought help. The second client decided to seek advice following a visit from bailiffs; she admitted losing sight of the seriousness of her financial difficulties due to other personal issues, which prevented her from seeking advice earlier.

3.3.2 Clients in prison

For all the prison clients, the trigger for making contact with an outreach money adviser was **being made aware** that the service was available. None of these clients mentioned any delays on their part in getting in contact with the service. As we go on to discuss in the next section, however, the referral process tended to be rather more protracted in prison than it was in other outreach locations.

3.4 Experiences of the referral process

On the whole, clients' experience of the referral process was straightforward, whether they made an appointment themselves or a partner organisation made an appointment for them. They generally got an appointment to see a money advice caseworker fairly quickly; around half of all clients got an appointment within a week and most were seen within two weeks. For prison clients, the process seemed to take about two weeks.

3.4.1 Clients who were not in prison

There were two main ways in which clients were referred to a money advice outreach service: either **self-referral** or, as described above, a **warm referral** from a partner organisation. As we go on to discuss in the next chapter, initial appointments were generally held at an outreach venue provided by a partner organisation. In a few cases, clients were seen by a caseworker in their home.

Just over half of non-prison clients had self-referred to a pilot project. This group comprised clients who had been made aware of the service by a partner organisation, by friends or family, or from adverts for the service, along with the two clients (described above) who were already aware of the service.

These clients generally telephoned the project (or the agency running it) to make an appointment. Most seemed to get through to someone straightaway; a few had left messages and were called back by a caseworker either on the same day or the following day. One caseworker took immediate action on the basis of a telephone call from a client who had received a summons for Council Tax arrears. This involved rearranging the court hearing to a later date.

Two clients visited outreach venues in person to self-refer themselves for advice. One went along to the outreach venue (a Youth Offending Team office) on the day when advice clinics were held, in the hope that she would be seen. Staff there made her an appointment with the money advice caseworker for later the same day. The other client went along to a money advice drop-in session, and only had to wait a short time to be seen.

As described above, warm referrals meant that a partner organisation made an appointment with the outreach service on the client's behalf, usually at the same venue where the partner organisation was based. For the most part, this seemed to be a relief for clients. One woman, who was HIV positive, was grateful that her support worker had already disclosed this information to the money advice caseworker before the appointment.

"... the good thing was because I am [HIV] positive, he [support worker] was able to tell him that over the phone, rather than sitting in an open plan office and saying it, you know... so that was a weight off my mind as well."

In contrast, another client described how his housing officer had made an appointment for him with a money adviser without discussing it with him first.

"I felt that they'd taken it out of my hands, it was no longer my choice there, they've said you are basically, not do you want to, you are seeing, you are going to be counselled and I just thought that was, yes presumptuous of them"

As he recognised that he needed advice, this had not prevented him from attending the appointment.

Regardless of the process by which they were referred to an outreach service, hardly any of the non-prison clients waited more than two weeks to see a money advice caseworker. Indeed, most were seen within a week, which was viewed very positively by clients. As one client commented:

"It was more or less straightaway. It was brilliant."

For three clients, the speed of arranging an appointment compared favourably with their experience of other advice agencies, where they had had to wait two weeks or more for an appointment, or had not been able to get through at all. One client, however, who was worried about bailiffs returning to her home, found a week a long time to wait for advice.

"If you ring on a Monday you generally get seen the following week, which at the time is pretty daunting if you've got the bailiffs knocking on your door, but it goes quite quickly, but I understand the system has changed recently."

Two clients reported that they had to wait up to a month to see a money advice caseworker. Although they would have liked an appointment sooner, they both accepted that this was not possible because the service was heavily in demand.

There were two clients whose experience fell outside the main patterns of referrals described above. Both were clients of the same outreach project, and both had become aware of the service while attending Magistrates Court for hearings related to their debt problems. One of them had been made aware of the outreach service by court staff, after attending a hearing where it was decided to evict him. As the money advice caseworker was in court that day, he was able to speak to him there and then to arrange an appointment for a few days time.

The second is an example of what might be called 'just in time' advice. The same caseworker had spoken to this client while he queued to attend a hearing (see section 3.1 above for details). The caseworker provided advice to the client there and then, in a side room at the court. He also represented him at the court hearing.

3.4.2 Clients in prison

As we might expect, prison clients generally had to make appointments with the money advice service through prison staff. They did this either by submitting an application form for the money advice service (as they did with all other services that were provided in the prison), or by asking a member of staff to make an appointment for them (which probably also involved completing an application form). Appointments tended to be made through ancillary staff such as resettlement staff, education staff or information and guidance workers, rather than prison officers.

Case study: Referrals for advice in prison

Jeff's debt problems had come to light before he was sent to prison. Following the break-up of his relationship, he and his partner moved out of their council property. He subsequently received a demand for £300 rent arrears – which he disputed. The matter was still unresolved by the time he was sent to prison, despite the intervention of an advice agency. Jeff was told about

Case study: Referrals for advice in prison

the money advice outreach service as part of his induction to prison, and given a leaflet about it. As soon as he had completed the induction course, he put in an application form to the Education Department to see a money advice caseworker, and was seen about a week later.

There were a couple of exceptions to this. One prison client put his name down for an appointment at the end of his induction course, at which the money advice caseworker had spoken. Another was in a resettlement prison that allowed prisoners free movement around the prison, and had been able to call into an advice clinic without an appointment.

Most prison clients felt that they had been able to get an initial appointment fairly quickly – usually within two weeks of making a request. For one or two prison clients, the process took rather longer – up to a month. One of these clients had started to get concerned about his situation, as creditors were sending demands to his parents' home. Moreover, he felt the process that prisoners had to go through to access money advice and other services was a barrier to seeking help. As we go on to discuss in the next chapter, some prison clients expressed concerns at the length of time it took to set up subsequent appointments to see a money adviser.

4.0 Effectiveness of money advice outreach

This report section draws upon the interview data to consider the effectiveness of the processes associated with outreach money advice, from the clients' perspectives. A descriptive account of the money advice outreach is first provided, looking at the different stages to the advice process as reported by the clients. The section then considers the factors that were found to have affected the course of the advice process, and clients' satisfaction with different aspects of the provision. Finally, the section examines clients' levels of engagement in the advice process.

Key findings

A profile of money advice outreach

- ▶ Money advice outreach always involved face-to-face advice in the first instance. Three clients received this initial session by video-link, all of whom were from the same project that used this method routinely to access a very rural area.
- ▶ Only two clients had resolved their case at the initial session. Of the rest, around half went on to receive additional sessions; averaging two and up to a maximum of six. This was nearly always supplemented by some mix of postal, telephone, or drop-in contact. A quarter of clients had their case conducted entirely by these methods, after the initial advice. Two clients were referred onwards; for immigration advice and to a solicitor.
- ▶ Home visits were less commonly used, and it appears that they were offered by some projects but not others. Four clients received a home visit at some point during the advice process, all of whom reported some level of illness or impaired mobility.
- ▶ For a minority of clients, the initial case was closed and subsequently re-opened within the project period, due to the debt having been 'sold-on' to another company. Just two clients reported opening more than one individual case.
- ▶ The duration of individual cases was often difficult to establish from the interviews. Clients themselves rarely placed the main emphasis on case 'closure', but rather described their case in terms of one or more episodes of advice-seeking. This aside, it appears that a period of several months was typical, up to a maximum of six months.

Factors affecting the chronology of the advice process

- ▶ A number of factors were commonly thought by clients to have affected how the advice progressed. The main ones were said to include the complexity of the clients' money

problems; any unexpected changes to their personal circumstances; and, clients' engagement in the advice process – including whether they had provided full disclosure of their debt problems, and whether they adhered to their repayments.

- ▶ The interviews suggest that the mode of advice was influenced to some extent by the procedures that were in place for individual pilot projects, and the working practices of individual case workers. The pilot projects varied in their propensity to use home visits, for example, and the preferred mode of ongoing client contact. The pilot projects and advisers had devised their own ways of prioritising and apportioning time between clients.

Clients' satisfaction with different aspects of the advice provision

Venue and location

- ▶ In the main, familiarity with the venue for advice was considered less important than the timeliness and relevance of the advice itself. This was particularly so where the referral was made at a 'crisis point', such as bailiffs calling or a court summons, at which point clients were often anxious to receive advice as soon as possible.
- ▶ Clients often identified barriers to travelling far to receive advice. These included caring responsibilities and low levels of personal confidence. The ability to 'drop in' to see the adviser during the case sometimes helped to reassure clients. For a minority of clients with chronic health problems or disabilities, a nearby location was said to be essential. All three of the clients who used a video booth to access advice said that this had helped to overcome the barrier of living some distance from an advice agency.
- ▶ Clients routinely commented on the importance of a 'private' space for the advice. For some clients, the process of seeking advice took some courage and they were keen to avoid others from their local community finding out about their situation.

Provision

- ▶ Clients often described money advice outreach as an in-depth casework service. There was considerable diversity in the models of outreach provided, and it is apparent that the pilot projects and advisers devised their own ways of prioritising and apportioning time between clients. Clients often described money advice outreach as a dynamic process, for which their personal circumstances were subject to change
- ▶ The timeliness of the advice, trust in the adviser and the continuity in the process were considered important by most. Some clients identified that the adviser had taken a

holistic approach to address their financial and personal issues together. These qualities compared favourably with most clients' previous experiences of advice.

- ▶ Where clients were dissatisfied with the advice process, this usually related to a break in contact with the adviser. Some clients reported that the level of input from the adviser fell off considerably following the early stages of their case. This was sometimes thought to be because the advisers were over-stretched.
- ▶ In the main, few major differences were found between service settings and venues, regarding clients' satisfaction with the provision. Those clients who accessed community venues were usually able to benefit from similar levels of access and continuity in adviser contact. Prison settings were an exception to this, where the heightened security, often remote locations, and unforeseen factors such as lockdowns combined to make continuity problematic.
- ▶ Clients who received advice in prison reported a number of issues that combined to slow the advice process. Of the eleven clients who were interviewed, five expressed concerns about delays to their case. These delays mainly related to practical access and booking appointments within the prison system, but were thought to be surmountable through improved communication between adviser and prison.
- ▶ The interviews show that the clients usually valued in their adviser a combination of good interpersonal skills, and a breadth of knowledge regarding money and welfare rights issues. Advisers needed to quite rapidly gain an understanding of the other services that the client was already accessing, such as those relating to health or housing.

Clients' levels of engagement in the advice process

- ▶ The interviews show that very few clients consciously disengaged from the advice process, although these findings must be treated with caution given that disengaged clients would also be unlikely to take part in the evaluation.
- ▶ Most clients described the advisers' role as one of expert and advocate, and were more than happy to comply with any actions that were recommended to them. In a smaller number of cases, the clients took a more selective view of the advice. One or two clients admitted to taking contrary action to what the adviser had recommended.
- ▶ Clients had mixed feelings about taking responsibility for managing aspects of their own case. In the main, support from the adviser gave clients confidence to fill-out forms

and to budget. Some clients' problems had accumulated almost to the point of a personal breakdown, however, and they needed the adviser to take control whilst they dealt with their crisis situation. Clients with poor literacy or English language skills and those considered vulnerable were sometimes less able to take responsibility.

- Clients routinely described some kind of handover process from the adviser, as part of the case closure. Some clients thought that responsibility for their finances was transferred back to them too quickly, because the adviser was keen to close the case. A minority of the most vulnerable clients who reported an acute lack of self confidence and difficult personal circumstances had an expectation for longer-term support.

4.1 A profile of money advice outreach

Based on clients' accounts of the advice process, it is possible to develop an overall profile of the type of money advice casework that was provided through the project. The following summarises some of the key characteristics of the advice process, for the sample of clients who were interviewed. The profile is intended to provide a mainly descriptive account, before going on to examine clients' views and experiences in further depth.

4.1.1 The initial advice session

All 41 clients described having received an initial face-to-face advice session. Of these clients, three received face-to-face advice by video-link. These clients were all from the same pilot project, which offered this mode of delivery routinely as a means of providing money advice to clients within a very rural area.

Only two clients reported that their case was resolved from a single session. These were both found to be fairly straightforward – one involved a housing benefit issue, and another was resolved with a call to creditors on the clients' behalf. The considerable majority of clients went on to receive some form of additional support as part of a casework process.

The following table provides a breakdown of the venues that were accessed for the initial advice, within the client sample.

Table 4.1 Outreach venues where initial face-to-face advice was received			
Prison	11	Court	2
Housing office	7	Advice centre	2
Credit union office	5	Youth Offending Team (YOT)	1

Table 4.1 Outreach venues where initial face-to-face advice was received

Home visit	4	Community centre	1
Video booth	3	GP surgery	1
Civic centre	3	Hostel	1

As the table illustrates, the venues at which outreach money advice was delivered largely reflect the sampling approach, which aimed to provide a cross-section of the five different service settings that are documented in phases one and two of the evaluation. Even so, clients who accessed the community-based (rather than custodial) projects were often found to have been seen at a variety of locations to offer some flexibility. The two exceptions were a project based at a housing office that referred tenants exclusively to the office, and a rural project that used video-link as the sole basis for delivering advice.

Home visits were included at some point during the case for four clients. They were also offered to a fifth, who declined because this would have delayed the initial session taking place. All of the clients receiving home visits reported some level of illness or impaired mobility, and some cited an acute lack of self confidence or agoraphobia as is discussed later in this section. Two were older people with serious health problems and living alone, one was a woman with full-time caring responsibilities for her terminally ill husband and four children, and one client was living with family members due to losing their home.

4.1.2 Follow-up casework

Around half of the clients (19) received at least one further advice session on a face-to-face basis. The average total number of face-to-face sessions per client was two, and the maximum six. Eight clients received two sessions, five clients received three sessions, and six clients received four or more sessions as part of their cases.

In almost all instances, this additional face-to-face advice was supplemented with ongoing written and telephone correspondence. Where the client lived in proximity to the advice centre, it was not uncommon for them to report 'dropping in' to hand-over letters from creditors or to collect copies of forms (such as Trust Fund applications). Clients reported gaining reassurance from this process, because it sometimes gave an opportunity for a verbal update on case progress from the adviser, or to ask questions.

Of the 22 clients who received only a single face-to-face advice session, half (11) went on to receive some combination of telephone support and written correspondence for the remainder of the case. As with clients who received multiple face-to-face sessions, they also routinely benefited from dropping-in to the advice centre for ad hoc contact with the adviser.

Of the other 11 clients who received only a single face-to-face advice session;

- three clients were still at an early stage in the advice process and were awaiting their case to progress. Each was anticipating further sessions being arranged;
- two clients reported broken contact, as a result of the adviser leaving. These clients were both from the same project, and reported dissatisfaction with the advice process as a result of the disruption caused;
- two clients said that their case was resolved after the first session; whilst,
- a further two clients were referred onwards for specialist advice. This included a referral to an immigration law specialist due to the threat of deportation to the client's spouse, and a referral to a solicitor to resolve a dispute with a building contractor.

For a minority of clients, the initial case was closed and subsequently re-opened within the project period. In two of these cases, the clients reported that steady progress with making repayments was disrupted by one of their debts being 'sold-on' to another company. This took place at intervals of four and six months from project closure, respectively.

Two clients reported opening more than one individual case during the project period. This included a client who was on remand twice at the same prison, and was referred to the same adviser each time; and a client who was referred via their credit union – once for a repossession order, and again a year later for tax arrears. Although these were the only 'revolving door' cases encountered during the fieldwork, it should be noted that the timing was often less than a year after the advice took place. This suggests that the incidence of such repeat cases is likely to be higher amongst the client group.

4.1.3 Level of help provided

Clients identified having accessed a variety of debt and welfare benefits advice from the pilot projects, usually as part of a casework process. Typical actions taken by the adviser included support to set up repayment plans, income maximisation measures, applications to have debts written-off, action to halt bailiffs, and filing for bankruptcy on behalf of clients.

Four cases involved representation, although two of these clients were from the same pilot project that specifically accessed the magistrate's court as one of the venues (and would therefore be expected to generate above average numbers of cases involving representation). The other two cases involved housing and credit union clients, where proceedings had reached court stage. The relationship between the level of help and the client outcomes is explored further at section 5.

4.1.4 Case duration and closure

The duration of individual cases was often difficult to establish from the client interviews. Clients themselves rarely placed the main emphasis on case 'closure', but rather described their case in terms of one or more financial problems that the adviser sought to address. This was typical of more complex cases, where clients routinely struggled to recall the order in which the advice was received, or were sometimes unaware that the advice was part of a single case. At times the process of case recall appeared to mirror the 'chaotic' lives that were described by some of the most socially excluded individuals.

Whilst it was not possible to collect fully robust empirical data, the interviews suggest that;

- a period of several months was fairly typical for cases within the client sample, but some cases were resolved more quickly within two to three weeks of the initial advice;
- a minority of cases were reported to have lasted six months; and,
- there were rare examples of clients opening a second (new) case at an interval of one year or more after the first one.

Most clients who accessed face-to-face advice in the community reported a follow-up session within one-to-two weeks. In contrast, a combination of factors appears to have contributed to typically longer periods of time (closer to one-to two-months) between first and second appointments in prisons. The reasons are explored later in this section.

Some clients perceived their relationship with the adviser as ongoing, and described making contact periodically on a longer-term basis if any subsequent money issues arose.

4.2 Factors affecting the chronology of the advice process

A number of factors were said to have affected the duration and development of the advice process, from clients' perspectives. Some of these factors were found to be common to most types of pilot projects and venues. They are summarised in the following table.

Table 4.2 Factors affecting the advice process

- | |
|--|
| <ul style="list-style-type: none">• Complexity of clients' personal circumstances – although the client interviews provided only a partial view of the factual details of each case, it was apparent that clients with concurrent financial problems and often challenging life circumstances usually received more than one advice session. Repeat sessions were typical of cases that involved disputes relating to benefits payments and multiple creditors, for example.• Changes to clients' personal circumstances or status – clients sometimes described upheaval in their lives that affected their case. One client re-contacted the adviser to enquire |
|--|

Table 4.2 Factors affecting the advice process

about a crisis loan, because her son was due to come home from prison. In another case, a prisoner on remand needed a second advice session after losing his criminal case. This was because a long-term sentence had different financial implications for his family.

- **Extent of initial disclosure of debt problems³⁰** – it was not uncommon for clients to report new developments to their case, as a result of information that was either withheld or overlooked during the initial adviser consultation. This sometimes resulted in new claims from creditors, of which the adviser was previously unaware.
- **Extent of adherence to repayment plans** – although most clients reported difficulties with struggling to keep up with repayments over time (as explored further in the next section), in some instances these difficulties were sufficient to trigger new action by creditors. Several clients who reported fairly minor defaults on repayment plans said that new proceedings were issued against them, which lengthened their case.
- **Resale of debts** - it was not uncommon for clients to report that their debts had been sold-on to another company, even within the relatively short period with which they were in contact with the money adviser (between three and six months). In two examples, cases that were previously closed had to be re-opened, to resolve the issue.

A further set of **project-side factors** also emerged as having affected the course that clients' cases took. The interviews suggest that the specific mode of follow-up to the initial advice was influenced to some extent by the procedures that were in place for individual pilot projects, and the working practices of individual case workers.

Home visiting is a particular example. Such visits were found to have been offered fairly routinely to clients for certain pilot projects – even within the relatively small numbers interviewed for the evaluation, but were not presented as an option by other pilot projects. This supports the findings from the Phase 2 evaluation that providers' views differed considerably, regarding the merits of home visiting.

The client interviews also seem to reflect some differences between the adviser's preference for telephone, drop-in or written contact when dealing with clients. The following examples illustrate this point:

³⁰ Clients' behaviours in respect of adherence to repayment plans and disclosure of debt problems are considered further at section 1.3.

- The clients who were interviewed from one pilot project all described very similar experiences of receiving an individual face-to-face session followed by telephone contact. Given that these clients each described quite different money problems; it seems that the casework model was a fairly standardised one. These clients had in common that they were tenants who accessed debt advice at their local housing office.
- In contrast, the clients who were interviewed from another community-based pilot project were offered a mix of home visits, centre-based advice, written and telephone correspondence. The adviser was also said to have sometimes visited less mobile clients in their home, to drop-off correspondence. The clients had in common that they lived in a deprived inner-city area, in close proximity to the advice centre.

These differences in approach reinforce the findings from the phase two evaluation report; that there was considerable diversity in the models of outreach provided to clients, and that pilot projects and advisers devised their own ways of prioritising and apportioning time between clients.

When these various factors are considered together, it is evident that delivering money advice outreach was often a *dynamic process*, for which clients' circumstances were subject to change and advisers were therefore required to react to a series of emerging issues to manage the case effectively.

4.3 Clients' satisfaction with different aspects of the advice provision

The qualitative interviews made it possible to explore in some detail clients' experiences and perceptions of the different aspects of money advice outreach. These included the location and venue, the mode and content of the advice, skills and qualities of the adviser, and the nature of any follow-up.

4.3.1 Venues

The phase one evaluation showed that most respondents felt that the **location** they were questioned in was a good location for a pilot project providing debt advice because it was local, convenient and easy to get to. It is possible to draw much the same conclusions at phase three;

Clients routinely identified that they were able to access a venue that was accessible, and usually within a short distance of where they lived. Most of the community-based pilot projects were working at several different outreach locations, meaning that advisers could book appointments at the most convenient location for the client, or wherever the next

session was being held. The outcome was often to reduce waiting times³¹. This timeliness of the advice session was usually welcomed by clients, who described being anxious to receive advice as soon as possible.

A further aspect of receiving advice locally was to help overcome clients' mobility problems. It was not uncommon for clients to describe childcare commitments, or responsibilities for a housebound relative. In these situations, clients often expressed relief (and sometimes surprise, as considered in the previously) that advice was available close to where they lived.

A smaller number of clients described a lack of confidence about travelling too far from their local area. Indeed, views of what constituted a 'local' service were at times highly specific to a particular neighbourhood. Several clients described being aware of other advice provision available within their town, city, or local area, for example, but had never considered this as an option for them.

"Yes it's [location] very important to me, because I don't know if it's not just down the road from you, you go don't you. If it's miles away sometimes you make an excuse not to go or something or have a home visit or something. But with it being right on your doorstep it's a good location".

"People mention about things like Citizens Advice Bureau and places like that. Well again, you know what I mean, it's one of those things that as I said it just felt like too much of a struggle to actually get there".

For a minority of clients, their mobility problems were said to pose a more significant barrier to travelling any distance for advice. Several clients described how depression, agoraphobia or panic attacks were posed a sufficient barrier to make even a short journey to the advice centre problematic. In extreme cases, clients said that they would probably not have received advice had they been required to attend the advice centre. A handful of clients were experiencing chronic health problems or disabilities, which had seriously impaired their mobility. In these situations, clients reported that they would not be in a position to travel any distance at all to receive advice.

These findings indicate that the need for **home visits** was perhaps sometimes higher than was thought by providers at stage two of the evaluation. Indeed, even within the relatively small number of clients who were interviewed, two reported that home visits were the only option for them due to the extent of their mobility problems. This clearly has implications for rolling-out money advice more widely, as considered further at section six.

³¹ as evidenced by the fact that most non-prison clients reported having been seen within a week

A further model explored through the client interviews was the use of **video-link** technology. Three of the clients had received advice in this way from the same pilot project. Their experiences were generally very positive, although this raises some bigger questions about replicating the approach, as considered in the following case study.

Case study: advice by Videolink

All three of the clients who accessed advice at a video booth reported that the location provided the main draw for them. In one instance, the client described how the alternative would be a 30 or 40 mile drive to the nearest provider agency. Use of the technology was facilitated by staff at the Citizenlink portal, and all of the clients felt generally comfortable with the technology as a means of accessing face-to-face advice. This was considered far preferable to telephone-based support.

None of the three clients described chronic levels of social exclusion of the type that were recounted by some clients who accessed advice at other pilot projects. For example, two of the three were employed, and none had any health or disability issues. A potential issue to explore further, therefore, is whether the mode of delivery also meets needs of the most vulnerable clients. If so, this appears to be a very cost effective way of serving some of the remotest rural areas with money advice.

Privacy and confidentiality

When prompted on the suitability of the venue, clients often commented on the importance of having a 'private' space for the advice session. Views tended to be more positive, where the adviser was able to set-aside a room for the purpose of the interview. For some clients, the process of seeking advice took some courage and they were keen to avoid other people from their local community finding out about their financial and personal circumstances. Here, privacy issues were particularly important. For example;

- One client who was HIV positive spoke of the peace of mind that she could discuss her personal situation in full confidence. She compared this with having to discuss her status in public, if attending a drop-in session at her local bureaux.
- A client with English as an Additional Language, speaking through her translator, commented on how important it was to access advice privately and confidentially at the advice centre. She explained how she would not have sought advice from the local Somali community centre, for fear of community members hearing of her problems.

A general lack of private space was sometimes found to be an issue for clients receiving advice in prison, although this appears to have varied between establishments to some extent. Of the seven clients interviewed in the first prison, three reported having received advice on their corridor at some point. The other interviews either took place in the cells, or occasionally in a private room on the prison complex. In contrast, all four of the interviews

in the second prison took place in a classroom. This appears to have been due to referrals coming via the prison's education department.

Whilst most of the prisoners expressed a preference for a private space, however, a lack of privacy was thought to be part of prison life and few clients perceived this as a major issue affecting the advice process.

4.3.2 Provision

As considered previously, most clients described money advice outreach as an in-depth casework service. This invariably required an initial face-to-face consultation, but with more varied follow-up.

Notwithstanding the variations between individual pilot projects and venues, it is possible to identify some qualities of the advice provision that were valued by most clients. These are shown in the table below.

Table 4.3 Qualities considered important by clients for money advice outreach

- **Timeliness of the advice** – clients commonly identified that fast access to advice was an important aspect of the service. Many clients described being at a crisis point by the time advice was sought. The ability to schedule an appointment flexibly – within days or weeks, was often said to have enabled the adviser to take rapid action to stop creditors.
- **Appropriateness of the location for advice** – an accessible and private space was considered important by clients who received money advice outreach. Not having to travel far considerably eased the process for clients with caring responsibilities, whilst a minority of housebound clients thought home visiting essential due to physical or mental health issues (such as agoraphobia), caring responsibilities, or an acute lack of personal confidence.
- **Thoroughness of the initial advice session** – the detailed approach taken by the adviser to assess clients' financial situations emerged as a key theme from the interviews. This approach was often said to have reassured clients of the adviser's knowledge, and made them more receptive to attending further sessions - especially where clients had previous negative experiences of advice-seeking. Clients routinely described how the adviser took "on the spot" action to contact creditors in front of them, and they took reassurance from this.
- **Holistic approach to the advice** – clients regularly described how the advisers took the approach of addressing the 'whole case', taking into account both their financial and personal circumstances. This usually compared favourably with other forms of advice. For example, some clients who had contacted debt help-lines described how this type of service was more narrowly focussed on money matters and did not always offer a person-centred service.

Table 4.3 Qualities considered important by clients for money advice outreach

- **Continuity of service** – clients usually placed an emphasis on being able to track the progress of their case to completion. Continuity in the advice process and adviser were thought to be important factors in this respect. Most clients reported being able to see the same adviser throughout, except in situations of staff turnover. This was usually thought to have benefited their case, because the adviser had a detailed knowledge of their situation. Some clients also reported the ability to 'drop in' to the advice centre during their case.
- Some clients compared the project casework favourably with experiences of drop-in advice, where they had seen different advisers each time. This was said to have been frustrating, because the advisers had no overview of their case, and each session was a one-off.

Where clients were dissatisfied with the advice process, this usually related to a break in contact with the adviser. Some clients reported that the level of input from the adviser fell off considerably following the early stages of their case, for example. This was sometimes thought to be because the project was over-stretched, and that advisers were taking short-cuts to close cases quickly³². Several clients had been sent letters, informing them that the project was coming to an end, and that their case would be closed. Neither was satisfied that all of their debt problems had been resolved. One client reported that clients were being referred onwards to a more limited advice service at a nearby bureau.

It was rare for clients to report a wholly negative experience of the advice, although two examples were found within the interview sample. The first appears to have been due to a mismatch in expectations - the client was frustrated that the adviser could not help to bring a court case against a building contractor, and hired a solicitor instead. In the second example, the client had experienced ongoing difficulties in contacting the adviser and was unhappy that no action seemed to have been taken to stop the debt collectors from calling.

Returning to some of the different types of follow-up advice, it is evident that no single model was consistently more effective, from clients' perspectives:

- Those clients who received **a series of face-to-face advice sessions** often rated highly the level of access that they had to the adviser, and the opportunity to address a series of different money issues for which there would be insufficient time available at a drop-in session. An apparent drawback was that clients sometimes appeared to become over-reliant on the adviser for regular support, as discussed at 1.3.

³² This underlines some of the findings from the analysis of MI for the Phase 2 evaluation, which appeared to show that some of the pilot projects had boosted their rate of case closures during the final year of the programme in an effort to hit their case targets. A number of other factors are also feasible, however, including cases where the adviser might have considered the client capable of managing for themselves, and so transferred responsibility back to them.

- Most of the clients who received ***mainly telephone-based follow-up*** found this mode of advice to be satisfactory, if the initial session was thought to have addressed their crisis situation. Indeed, the interviews suggest it was often the thoroughness of the initial advice that made possible a 'lighter touch' approach for the remainder of the case. Clients who received advice in this way often thought it important to keep the door open to adviser again if needed, however, in case new claims were made against them.
- Fewer clients were ***represented in court by their adviser***. Where this level of help was provided, the clients generally expressed relief at having had someone speak on their behalf. This was sometimes thought to have had a positive impact on the outcome of the court case, where clients would otherwise have represented themselves.

In the main, few major differences were found between service settings and venues, regarding clients' satisfaction with the provision. Those clients who accessed community venues such as housing offices, community centres, GP surgeries and credit unions were usually able to benefit from similar levels of access and continuity in adviser contact. Indeed, any variations in clients experiences usually appear to have been attributable to their personal situation and outlook (considered below), and provider-side factors.

As with other aspects of the project, a number of issues were found to be specific to prison-focussed outreach. These are explored in turn, overleaf.

Prison-focussed outreach

Clients who received advice in prison reported a number of issues that combined to slow the advice process. Of the eleven clients who were interviewed, five expressed concerns about delays to their case. These delays mainly related to practical access and booking appointments within the prison system, but also appear to have been affected by the way that the pilot projects liaised with the individual prisons for the purpose of delivering advice.

At a practical level, the issue of adviser access was found to be common to both of the prisons where the interviews took place. As with money advice outreach in general, clients often found that paperwork was missing at the first appointment and needed to book another session to progress their case. Unlike community-based outreach, however, it was more difficult for prisoners to arrange another session quickly. This typically required a written request to prison staff, which could take some time to process. Although clients were sometimes able to keep in contact with the adviser by telephone, this was not always a suitable alternative to face-to-face advice if the adviser needed to view key documents.

The differences in clients' experiences between the two prisons suggest that the level of communication between the provider agency and the prison was also an important factor in overcoming barriers to access;

In one of the prisons, for example, the clients described how the project linked-in via the prison education department. The money adviser was said to have regularly visited the prison to raise awareness at the education sessions there, and staff acted as project advocates to encourage the prisoners to use the service. Most of the prisoners were satisfied with the progress of their case, and reported having regular telephone contact with the adviser in-between face-to-face advice sessions. Although a period of one or two months was still typical to book further appointments, clients reported some reassurance from the ongoing communication during this time.

In the second prison, however, clients identified greater difficulties in accessing money advice. Although most of the clients reported being referred swiftly by the resettlement team, four of the seven cases had stalled after the first advice session. The main reason given by clients was that any further appointments required a written application, which was handled by the prison officers. The prison officers had a lower awareness of the project, and several of the clients were concerned that their application received low priority. This was partly thought to be a cultural³³ issue – external appointments were usually one-off, so the prison officers were sceptical of the need for additional advice.

"The landing staff sent my paperwork back... they sent it back saying oh you've seen the Money Advice before so what's the reason you want to see them again. I don't know why"

This situation was said to have been compounded by the confidentiality of the casework. One client described how staff had requested further case details, as justification for bringing the adviser into the prison again. The client was reluctant to provide this information, because they felt uncomfortable about disclosure to the prison staff:

"I explained to the Prison Officer that I've received another letter regarding my issues, but there are other issues what they discussed on that paper and I would like to discuss them with them. Obviously I can't discuss them with anyone else because they're my financial thing".

A lack of communication between the prison and provider agency also sometimes meant that case correspondence fell out of synchrony. In one example, this led to a client's case being closed prematurely. This was because the delay in processing the application for further advice led the adviser to assume that the client required no further support:

"I think the Prison Officers and the independent Money Advice people who work here, there's a lack of communication"

These examples serve to illustrate that the new outreach services in prisons need to address both practical and cultural issues when setting up their outreach advice.

³³ In the sense of 'different organisational cultures'

4.3.3 Skills and personal qualities of the adviser

The interviews show that the clients usually valued in their adviser a combination of good interpersonal skills, and a breadth of knowledge regarding money and welfare rights issues.

The ability of the adviser to put clients at ease was said to be particularly important during the early stages in the advice process. This was because clients routinely identified some combination of reticence to talk about money issues; and general cynicism about the project being able to help them. This was particularly the case where clients had previous negative experiences of advice-seeking, or thought they had exhausted all possibilities for negotiating with their creditors.

"I thought there's nowt going to come of this, because I've heard it all [before]... when he said yes he can sort this and he can sort that and he can sort it, and I thought well, yes okay".

Indeed, the interviews suggest that these personal qualities of the adviser sometimes helped to engage clients who were unsure about whether to attend the appointment at all. In some cases, the ability to talk to the adviser by telephone prior to the advice session provided early reassurances that boosted clients' confidence in advice-seeking.

"I was a little bit nervous because you think people are going to give you a hard time, because you've like done something stupid and she [adviser] was like - you're not the only person, you've got to stop thinking that you are"

"I got out of her [the adviser] that it's OK. Being in debt doesn't single me out"

Alongside these interpersonal skills, clients also regularly drew reassurance from their adviser's specialist knowledge of money issues. Often, the initial session provided an opportunity for the adviser to showcase this knowledge in front of the client – by calling creditors to negotiate in front of them, for example. Indeed, clients rarely faulted the adviser's technical competence in handling their case. Any disagreements in approach usually related to the course of action taken by the adviser, as is explored further below (refer to sub-section 'engagement in the advice process').

The ability for the adviser to relate their technical expertise to the clients' wider circumstances was also thought to be important. Clients commonly described how the adviser sought to establish a full picture of their personal situation before negotiating with creditors. This was often valued highly, because clients felt that the adviser empathised with their position and was performing an informed 'advocacy' role on their behalf.

"She's [the adviser] is very much on your side, she knows what you're entitled to and I've got a feeling that she would fight for it as well, so she'd fight for your rights.

The interviews suggest that advisers needed to quite rapidly gain an understanding of the other services that the client was already accessing, in order to make effective judgements about their case. It was not uncommon for financially excluded clients to describe already being in contact with welfare or social services, health services, or the involvement of civil or criminal justice organisations in their lives. Clients usually reported having more confidence in their adviser, if they showed an understanding of these other services.

Case study: adviser working in a multi-agency context

The client was in contact with a hospital care worker and social services team, because of receiving cancer treatment whilst her DLA appeal was ongoing. The adviser was said to have played an important link role between these other agencies.

"I think what she was doing was assessing my needs...she sort of bridged the gap between the medical profession and social services and that was quite handy. I think she specialised in not only finance but social services, and I don't think there's enough people that probably do that".

As described previously, continuity in the advice process was often valued by clients. Having sustained contact with a trusted adviser in whom they had confided sensitive financial and personal case details was thought to be an important aspect of this. Some clients identified that, having been through this process of disclosure with the adviser for their recent case, it would be easier to seek advice again in future. This was because any further advice-seeking would effectively be a renewal of their relationship with the adviser. In contrast, the prospect of recounting their personal financial situation again to a different adviser in future was thought to be a disincentive for advice-seeking.

Issues regarding clients' propensity to seek advice in future are explored in further detail in the next section of the report.

4.4 Clients' levels of engagement in the advice process

The interviews suggest that there were two main aspects to the clients' engagement in the advice process –

- The clients' willingness to *cooperate* with the advice given by the adviser and to see through the case process to the end; and

- The clients' willingness to assume *responsibility* for handling aspects of the case for themselves.

Starting with the first of these two issues, the interviews show that very few clients consciously ***disengaged from the advice process***. Indeed, clients were more likely to report concerns that the adviser was not sufficiently engaged in their individual case, from their perspective. Some caution is needed in this respect, as it must be presumed that clients who disengaged altogether would be very unlikely to agree to an interview for the evaluation. The evidence in this respect is, therefore, slightly inconclusive.

Most clients described the advisers' role as one of expert and advocate, and were more than happy to comply with any actions that were recommended to them. Clients were usually more satisfied with this process, where the adviser was said to have provided a full explanation for various courses of action (such as resettlement plans or charitable applications). They particularly valued being given "options" to consider in this respect, so as to maintain some ownership of the case and to understand the consequences of each stage of the case for their personal financial situation.

In a smaller number of cases, the clients reported taking a more selective view of the advice that was offered to them. These clients described their relationship with the adviser in slightly more defensive terms, and were prepared to challenge the advice given if they felt this would have a negative impact on their situation. Whilst not necessarily problematic, there were one or two examples where clients admitted to taking their own action independently of the adviser. For one client in particular, this appeared to have caused tension with the adviser, and had potentially held-up the case process.

Case study: client resistant to cooperate with casework

The client was in dispute over a Tax Credit issue which had been ongoing for some years and was at risk of going to court, alongside other debt issues. She felt strongly that the claim against her was incorrect, and was angry that the adviser insisted on arranging a repayment plan – *"she [adviser] wanted me to admit to something that I hadn't sort of said or done in order to like close things up. I wanted to fight it and dispute it"*.

Having arranged a plan, the client subsequently decided to stop the repayments because of how the issue was handled. This was done without informing the adviser: *"I kind of just made that decision for myself and not been able to make payments, but I haven't heard anything yet"*.

The client has reported tensions with the adviser on a number of occasions since.

The interviews show that clients had mixed feelings about taking responsibility for ***managing aspects of their own case***. Most clients identified having been supported to complete expenses forms or funding applications for themselves, although this activity usually stopped short of more in-depth financial capability work.

In the main, this type of support and encouragement by the adviser was welcomed. Clients routinely described active involvement in the casework process as part of "facing-up" to problems that were at the root of their current situation. Furthermore, clients who were supported to write letters or applications often reported growing in confidence as a result of having done so, even though this was often found to be stressful in the first instance.

Where clients reported being less actively involved in writing letters or applications throughout the case, this was usually because of poor literacy or English language skills. Two of the clients had refugee status and English as an Additional Language, for example. It would also appear that some clients were considered particularly vulnerable by the adviser, meaning that most or all of the contact with creditors was managed on their behalf. In these situations, clients usually expressed considerable relief that the adviser had intervened to shield them from having to deal with creditors directly.

For some clients, the accumulation of stress and worry was said to have posed the main barrier to dealing with creditors for themselves. This was a separate issue from clients' confidence in their own negotiation skills, and related more to their mental state during a time of crisis. Even clients who said they would normally be comfortable with handling creditors reported having reached such a low point that they were unable to deal with the situation. In these circumstances, it was often necessary for the adviser to step-in and "*take control*" in the first instance, prior to building clients' confidence back up to the point where they could engage more effectively.

"You haven't got the mental, whatever, to do it [deal with creditors] for yourself. You need someone to physically, literally, intervene when you're in that state."

4.4.1 Project closure

Clients routinely described some kind of handover process from the adviser, as part of the case closure. It was at this stage in the advice process that some of the main differences emerged between clients' perceptions and expectations of longer-term support.

A typical handover process involved the adviser talking the client through the necessary steps should the problems ever arise again, whilst providing application forms and letters for them to use. The following examples illustrate this approach:

"She [adviser] gave me model letters that I could have adapted... knowing that I was intelligent and I am capable... She did stress that really the service was quite stretched"

"He [adviser] sent me the letters to send to them [creditors]... because they wouldn't listen to me in the same way that they'd listen to him, you know... it depends how they were coming at me. I mean if it was just "can you offer any more?" I'd just send off one of the forms."

In the main, clients voiced few concerns about this handover process, although this was usually because they felt reassured that they knew where to turn for help in the future if they needed it. The obvious exception was where the project had been closed-down, in which case the clients were more anxious about alternative sources of future advice.

Whilst most clients were aware that the casework period was finite, some felt that the responsibility was transferred back to them too quickly. This was sometimes thought to have been due to capacity issues at the provider agency. One client described having struggled to access their full benefits entitlements, for example, after the money adviser had started the process on their behalf and left them to pursue their own claim. It was thought that more intervention would have had a faster outcome.

"In fact, I had extraordinary trouble with benefit. The Disability Living Allowance was fairly easy to get, but Incapacity Benefit should have been due to me from something like March and I eventually got it I think about August last year"

This balance between ongoing advice and empowering clients to act for themselves was perhaps the most difficult to achieve for the most vulnerable clients. In contrast to those cases where the level of support from the adviser was tapered, a minority of clients reported having required an intensive level of adviser contact throughout their case. Furthermore, some clients reported fairly blurred boundaries between pre- and post- case closure, with an expectation for potentially longer-term support if needed.

"On average, it's [contact with the adviser] once a week. But I can speak to her about a certain matter a couple of times one day and then again the next day, and then maybe not have to contact her again for a fortnight".

"I know what [adviser] can do and that I'll always phone him up for advice now. Well I don't need his help so much now because I know what I'm doing basically with some things now and that. But he's always here if I need him basically if I need advice and that, you know."

These experiences illustrate the challenges that are posed for any locality-based model of money advice outreach. The interviews suggest that wider networks of informal or ad hoc support built up around some of the pilot projects, and that the most vulnerable clients often perceived a need for more sustained support to prevent further debt problems.

5.0 Client outcomes from money advice outreach

This section of the report considers the interview evidence regarding client outcomes from money advice outreach. The section first reviews the main types of financial and wider outcomes that were reported by clients, and how these were achieved. It then considers the clients' financial circumstances in the period since receiving advice through the project, and whether these outcomes were sustainable. The section concludes by discussing clients' views towards future advice seeking, and any steps taken to avoid further debts.

Key findings

Outcomes from money advice outreach

Levels of personal finance

- ▶ Clients routinely said that their general levels of personal finance had improved as a result of the outreach money advice, with regard to overall levels of income – net of outgoing payments (including debt repayment). Of those clients who received advice in non-custodial settings, the considerable majority reported noticeable improvements, whilst some were unsure. Only a handful said that the advice had made little or no difference.
- ▶ In most cases, clients' outcomes were said to have been achieved through a combination of actions by the adviser to consolidate their debts and maximise their income. Where cases involved court representation, some clients also thought the support from the adviser helped to achieve a better outcome; although not always so.
- ▶ Clients routinely described a number of qualities of the adviser and the advice process that were thought to have influenced the outcome of their case. These were said to include the advisers' negotiation skills, their ability to provide the client with options as part of their case; and, the provision of debt and benefits expertise under one roof.
- ▶ Whilst the service setting did not appear to affect the type and level of outcomes for most clients, prisons are an exception to this. The advice was consistently effective in preventing the escalation of clients' debts whilst in prison, but options were restricted by prisoners' lack of income because this meant that the adviser was unable to arrange a debt repayment plan. Factors relating to the category of prison and sentencing status may also have affected clients' outcomes from the advice.

- For the smaller number of clients who reported no financial benefits from the advice, this was sometimes because their case had stalled, meaning that their financial situation was essentially unchanged. This situation most commonly related to cases that involved customer rights or specialist (non-financial) expertise. A few clients were also unhappy with the level of repayments that had been negotiated on their behalf, because they felt them to be too high and therefore unmanageable.

Money management skills

- Of those clients who received advice in non-prison settings, around a third said they felt better able to budget and prioritise, a similar proportion were unsure, and a minority reported no change. These findings appear slightly muted compared with previous research, but this may largely be explained by the fact that increasing money management skills and providing financial capability training were not within the specific remit of the pilot projects. Moreover, some clients' financial difficulties had arisen for reasons other than mismanagement, including a lack of awareness of entitlements.
- The project's focus on 'crisis' advice, the advisers' limited capacity for financial capability and the fact that it was not a specific objective of the pilot projects to offer this service might help to explain why money management took a lower profile. Furthermore, not all clients' money problems were reported to have arisen as a result of mismanagement. Some clients felt that they already possessed adequate skills.
- In line with the above, clients were rarely found to have been signposted onwards to other sources of community finance or savings by the pilot project. The exception was where a credit union had made referrals to the project in conjunction with a loan.

Clients' financial circumstances following money advice outreach

- Whilst most clients reported some improvements to their finances as a result of the advice, their circumstances often remained difficult in absolute terms. This is to be expected, given their often chaotic lives, multiple personal problems and limited options for income generation. Of those clients who received advice in non-prison settings, the considerable majority were managing all of their bill and debt payments, although many said they were struggling. A minority had actually fallen behind with their repayments.
- The main reason given by clients for struggling with their commitments was a combination of low income and other circumstances in their lives (such as those relating to housing, family or employment) that presented financial uncertainty.

- ▶ It was rare for clients to report having fallen behind with debt repayments that were negotiated through the project. Having been supported by the adviser to achieve a successful outcome, clients were usually determined not to “go back”. One client had missed repayments due to being hospitalised. Several others had defaulted because changes to their employment or benefits status had resulted in a loss of income.

Wider benefits of outreach money advice

- ▶ Clients who accessed the project for a variety of different money problems invariably reported some level of reduced personal stress as a result of the advice received. Clients commonly described how the adviser eased the stress or pressure they were under, by taking rapid action to halt threatening letters or calls from their creditors.
- ▶ Where clients reported having long-term health problems, they sometimes expressed relief at the money advice outreach. In a smaller number of cases, outreach money advice was said to have directly averted clients losing their home.

Future advice-seeking and debt avoidance

Advice-seeking

- ▶ Almost all of the clients from non-prison settings reported an improved awareness of what advice could do for them, and said they would seek advice at an earlier stage in the future. In contrast, opinions were more divided within the target group. Five out of eight individuals said they would probably try and cope for themselves.
- ▶ Most of the clients said the money advice outreach project would be their first point of call, if their debt problems resurfaced. This was usually due to their satisfaction with the advice process, and because the adviser was now thought to be familiar with their case. Some clients were worried that project closure limited their future advice options.
- ▶ Whilst some clients felt better equipped to deal with creditors for themselves in future, few clients saw this as an alternative to continuing professional support.

Debt avoidance

- ▶ Most clients who were interviewed said they were optimistic about avoiding future debts, although this was often thought to be challenging to achieve. Five clients felt strongly that they would never fall into debt again. This was said to be because the original circumstances of the debt were a “one-off”.
- ▶ Clients often reported feeling protected from debt as a result of their awareness of the

consequences, and changes made to their financial behaviour. The main risk factors were thought to be the struggle to meet essential costs; especially where clients had caring responsibilities, and sometimes the pressure from doorstep lenders.

- The target group were less optimistic in their views towards future debts; perhaps because they had not received any advice for their current debts. Five in eight foresaw a very real prospect of falling into debt, and four were already in arrears – one significantly so. Loss of income and poor prospects of any increases in income in the near future were common to each case. The remaining three individuals envisaged that their financial situation would improve as a result of cutting back on spending and avoiding further credit.

5.1 Financial outcomes from outreach money advice

A main type of outcome achieved by clients who received advice through the project was to improve their overall **levels of personal finance**. As the interviews were conducted qualitatively, clients' judgements in this respect were based on an overall assessment of their financial circumstances as a result of receiving advice. This was not supported by any quantitative analysis of financial data in this report³⁴. This type of outcome is consistent with previous studies of the impact of debt advice, however, which reached the same conclusion using a variety of different methodological approaches – both quantitative³⁵ and qualitative³⁶.

Of those clients who received advice in non-custodial settings, a considerable majority reported noticeable improvements to their levels of personal finance as a direct result of the advice received. Only a handful of clients said that the advice had made little or no difference in this respect, whilst few again clients were unsure of whether the project had made a difference at the time when the interviews were conducted. The findings in respect of personal finance were rather different for clients who received advice in prison. A number of factors account for this difference, to which we return in further detail below.

³⁴ This is covered by a further impact assessment conducted by the LSRC at Phase 3.

³⁵ South, P, (2006). *A national dividend: the economic impact of financial advice*. The Resolution Foundation commissioned Deloitte to model the potential impact of providing financial advice for people living in the UK on low to moderate incomes. An economic modelling approach was used. The research identified clear potential benefits of receiving financial advice; for personal savings and income.

³⁶ Pleasence et al. (2007) Ibid.

With the exception of prisons, the service setting did not appear to have had a particular influence on the extent of improvements to clients' financial circumstances, or how these were achieved. Indeed, clients' debt problems were rarely specific to the service or partner organisation from which they were referred. The interviews did show that all but one of the clients who accessed advice from a housing-related project had rent arrears amongst their debt problems. However, the wider circumstances of each case were sufficiently diverse as to rule out any single common factor in the outcomes achieved.

For the relatively small number of clients who reported no financial benefits from the advice process, this was sometimes because their case had stalled, meaning that their financial situation was essentially unchanged. One client reported that the adviser had been out of contact for some months, and another that their case had been closed without warning. Several clients who went on to complete the advice process also said that it had made very little financial impact – usually because they were unhappy with the level of repayments that had been negotiated by the adviser on their behalf.

5.1.1 How were the outcomes achieved?

In most cases where clients' financial circumstances had improved, this was thought to have been achieved through a combination of actions by the adviser to consolidate their debts and maximise their income. Prior to receiving advice, clients routinely identified having reached a point where they had been unable to pay their creditors and had fallen behind with payments. By intervening to prevent the debt problems from escalating further, the adviser could usually buy some extra time to undertake a detailed assessment of the clients' situation. This in turn was often thought to have helped the adviser to gauge the optimum repayments for the individual, taking into account their full entitlements.

As a result of this process, clients routinely identified being financially better off once their debt repayments were deducted from their income, than before the adviser intervened:

"She [adviser] asked me would I be able to, you know, afford to pay... I said I can't really afford that and she reduced it from £5.00 to £3.50. She asked me how much I was on, benefits and took it from there.

"It's a lot better for me, because now I've got more money to spend on the kids and take them away places, and I get some time away myself with friends"

Clients routinely described a number of qualities of the adviser and the advice process that were thought to have played a key role in the outcome their case. These are shown in Table 5.1, overleaf.

Table 5.1 Factors influencing positive outcomes from money advice outreach

- **The advisers' negotiation skills**

Clients routinely identified the advisers' knowledge and persistence in negotiating with creditors as a success factor in their case.

- **Providing the client with options**

Clients identified how the ability to discuss different actions and their consequences helped them to achieve the best outcome for their particular case. One client had been presented with bankruptcy as the only option by a debt helpline, for example, but was able to write-off a number of his debts with support from the project.

- **Debt and benefits advice under one roof: holistic advice**

Not being passed between debt and benefits agencies was commonly found to have streamlined the case and reduce inconsistencies in the advice received. Some clients thought this had helped to achieve a quick outcome.

- **Multiple actions adding-up**

Clients frequently described how the adviser's knowledge of debts, benefits and grants helped maximise their income to a greater extent than through debt advice alone. Clients were rarely aware of the existence of trust fund accounts until receiving advice, for example, and often found that this helped to keep down their repayments.

For those cases that involved court representation, some clients also thought they had achieved a better outcome than they would have anticipated had the adviser not supported them. In one case, however, the client thought that the adviser was a little out of their depth. The case had to be adjourned, because the adviser had not brought all of the correct paperwork with them and appeared unfamiliar with the process.

5.1.2 Outcomes achieved for different types of casework

The specific combination of actions taken by the adviser to meet clients' needs varied between cases. Although no single type of casework was found to have been more effective, it is useful to consider the main approaches that were taken for each in turn.

The following provides a summary for each of;

- debt casework,
- income maximisation; and,
- advice and advocacy for non-debt related issues

A. Debt casework

Clients most commonly reported having incurred debt problems through the accumulation of consumer credit, falling behind on household bills, or a combination of both. In these situations, the typical actions taken by the adviser to improve the clients' financial circumstances included the following:

- one or more initial crisis advice measures, such as halting bailiffs, applying for eviction notices to be set aside, or rescheduling court dates, followed by;
- debt consolidation measures tailored to the individual's debt problems, such as - consolidating credit card or catalogue debts into a repayment plan; negotiating lower Council Tax and utilities payments, deducted from the clients' benefits; freezing interest repayments on loans; and, negotiating with creditors for certain debts to be written-off.

Clients less commonly reported action by the adviser to apply for bankruptcy. When offered this route, clients usually expressed concerns about the impact on their future credit rating. The exception was where levels of prior debts were particularly acute.

Successful debt consolidation measures often halted the escalation of clients' debt problems and enabled a more realistic approach for repaying their debts, based on their ability to pay. Examples included:

- a client who was referred to the project with consumer credit debts, bank charges and utilities arrears, who is now managing all of her commitments as a result of the adviser consolidating her debts into an affordable repayment plan; and,
- a home owner, who was successful in halting the eviction proceedings against her, after the adviser intervened to arrange a repayment plan for her mortgage arrears. The client was said to have been previously declined support from another welfare rights agency, because of not qualifying for help under their postcode system.

B. Income maximisation

Some clients reported having reached a crisis point through the withdrawal of benefits entitlements, or their debt problems had been exacerbated by issues of significant under-claim. Clients in this position were commonly found to be in a dire financial situation. The typical actions taken by the adviser to improve the clients' circumstances included:

- on the spot action to reinstate benefits, including where clients' JSA had been stopped because they had failed to re-apply due to a crisis in their personal lives;
- an assessment of the correct entitlements for the client - this sometimes included securing higher levels of Disability Living Allowance; accessing Child Tax Credits or Carers Allowance; and,
- help with additional grant applications to further maximise the clients' income, including trust fund accounts, Community Care Grants, and Discretionary Housing Payments.

These actions commonly took place alongside one or more aspects of debt casework, such as where the client had taken doorstep loans or fallen behind with household bills to make-up the deficit in their benefits payments – often over a period of some months.

Often, the material benefits from this combination of debt and benefits advice were considerable. Clients with caring responsibilities were particularly likely to report having benefited. Examples included:

- a father who was able to afford support from an Occupational Therapist and to purchase home equipment for his severely disabled son, where previously the pair were surviving on a crisis loan and with a risk of the son returning to the care of his mother who had been assessed as unfit by Social Services; and,
- a family living in hostel accommodation who reported much improved living conditions as a result of accessing DLA alongside debt-cancellation measures, where previously they had been reliant on food donations from friends to get by.

C. Advice and advocacy for non-debt related issues

Clients less commonly required advice for non-debt related matters including immigration issues and consumer rights. In these situations; a case was sometimes opened by the adviser, and clients were sometimes referred onwards to third party (such as specialist) organisations.

The numbers of non-debt or benefits cases were relatively few, but it would be fair to say that clients had mixed experiences of this type of support. There were fairly even numbers of clients who reported a successful outcome, and those who did not. Some of the factors where progress was slow appear to have related to:

- i. third party referrals not always being successful or appropriate;
- ii. protracted disputes for some customer rights cases; and,
- iii. advisers sometimes appearing to be outside their area of expertise when advising about legal issues that went beyond debt and welfare benefits.

Examples of successful outcomes included:

- a client who presented to the project with money problems, but subsequently found that their spouse was at risk of deportation due to a failing asylum case. The adviser was able to rapidly signpost them to specialist advice, thereby preventing the deportation.

Examples of less successful outcomes included:

- a client who was in dispute with a building contractor over money owed, who reported no progress in pursuing the case through the project. The client opted to close her case and to hire a solicitor to represent her instead.

5.1.3 Outcomes for clients receiving advice in prison

In the main, clients who received advice in prison welcomed the service and expressed relief that they had been able to address their financial problems to some extent. This was especially the case given the fewer options for accessing such advice in a prison setting.

Of the prisoners who were interviewed, most reported some improvements to their financial position as a result of money advice outreach, but some had experienced slower progress with their case, which meant that their financial problems were still unresolved at the time of interviewing. This included an ongoing bankruptcy case and protracted negotiations around mortgage interest and debt repayments.

In the majority of prison cases, the clients' money problems were incurred prior to entering custody and had worsened as a result of incarceration. Typically in such cases, the action taken by the adviser was to liaise with creditors on the prisoners' behalf to notify them of their clients' status, and to halt any further escalation in proceedings against them. The adviser was usually successful in freezing the interest on debt or interest repayments, including for Council Tax, mortgage arrears, and unpaid income tax or National insurance contributions. Beyond this level of help, it was sometimes thought that there was little the adviser could do. Without an income, there were usually few further options available to the adviser, although there were some exceptions to this as discussed further below.

Clients commonly identified how the adviser had helped to prepare them for what to expect when managing their finances upon release. This was achieved through a combination of awareness-raising and, sometimes; light-touch financial capability work:

"After seeing the money advice, it's helped me to resolve the fact that I can manage my financial situation outside [prison] really. Without it getting worse".

In some cases, it was possible for the adviser to improve the outcomes for the client by supporting prisoners' families at the same time. This usually entailed support and advice to family members on actions they could take on the clients' behalf. In a more unusual case, the client was referred to the adviser for a debt problem, and it transpired that his wife was at risk of being deported. The adviser was able to quickly arrange for her to access specialist benefits and immigration advice at her local bureau.

Unlike other service settings, a number of barriers were commonly identified by advisers working in prisons that related directly to the prison system. These barriers were sometimes thought to have combined to affect the outcomes that it was possible to achieve on clients' behalf. The following table provides a summary.

Table 5.2 Barriers to overcome for money advice outreach in prisons

- **Uncertainty over sentencing** – it was sometimes difficult to provide appropriate advice for prisoners on remand, without knowing the outcome of their criminal case. In one example, a remand prisoner who received advice through the project subsequently received a life sentence. This outcome had very different implications for their finances, and their family.
- **Slower access and communication arrangements** – as described in section four, a combination of factors meant that case progress was often slower in prisons;
- **Limited options for income maximisation** – prisoners' benefits are frozen upon entry to custody. This meant that advisers were unable to supplement debt reduction with measures to boost prisoners' incomes, as was often the case for other client groups; and,
- **Risk of discontinuity in the advice** – the exact timing and circumstances of prisoners' return to the community was not always known, and the advisers could not always guarantee an equivalent level of service for clients upon resettlement. Some prisoners also expressed concerns over how their creditors would react upon their release.

The action taken by the adviser was found to be influenced by the ***type or category of prison***. In Prison A, all of the clients seen had served long sentences at another establishment and were subsequently transferred to help prepare them for life upon release. Because of this status, the prisoners all reported having some paid employment in local industry as part of their resettlement plan. As a result, it was possible for the advisers to arrange some level of repayments with the clients' creditors. The following case study provides a particularly effective example.

Case study: successful outcome for prison-based advice

One client from Prison A identified how he had incurred rent arrears on his Housing Association flat, prior to entering custody. At the time of starting his sentence, the client was faced with court fines and proceedings to repossess the flat. As the client was unable to deal with the issue whilst in prison, it was necessary for his family members to deal with the Housing Benefit Office on his behalf – with little success.

The client was referred to an adviser through the project, who liaised with the Housing Benefits agency, to arrange repayments for the housing arrears. A plan was set in place for the client to pay £10 per week towards the arrears, which was taken from the clients' wages whilst in prison. The adviser was also able to arrange for a solicitor to set aside the repossession order. The client was very satisfied with this outcome, as the situation had been in deadlock for over two years.

"I'd most probably have lost the flat, and I'd most probably still have the court fine

Case study: successful outcome for prison-based advice

hanging over my head”.

The client has a job waiting for him upon release. He recognised that the combination of support to prepare him for employment and the money advice had a significant impact on his prospects.

Prison B shared with Prison A that clients were preparing to return to the community. In contrast to Prison A, however, none of the prisoners reported accessing paid employment in the community as part of their resettlement plan. This entailed that the adviser was unable to schedule repayments with creditors, because the clients essentially had no income. As a result, the clients’ routinely identified that the adviser could only halt the further escalation of their debt problems. It would still be necessary for most clients to seek advice upon leaving prison, when repayments would resume.

In summary, money advice outreach was much valued by prisoners and routinely prevented their debts from accumulating any further. Beyond this, debt casework in prison settings appears to be considerably more restricted than in other service settings.

5.1.4 Money management skills

The feedback from clients was rather mixed, regarding whether their **money management skills** had improved as a result of money advice outreach. Of those clients who received advice in non-prison settings, around a third said they felt better able to budget and prioritise, a similar proportion were unsure, and a minority reported no change. It must be noted in this respect, however, that improving clients’ money management skills was not a specific objective of the pilot projects.

These findings only partially support previous research on the impact of debt advice, which showed that clients were routinely more confident and knowledgeable about their personal finances as a result of receiving advice³⁷. In the context of the Money Advice Outreach Programme, however, it must be noted that advisers were not funded to deliver financial capability work. Furthermore, a high proportion of cases were said to have involved ‘crisis’ advice that required a high level of intervention by the adviser on behalf of the client.

³⁷ Pleasence, P et. al (2007). *A Helping Hand: The Impact of Debt Advice on People’s Lives*. The findings were derived from qualitative interviews with money advice clients from a sample of fourteen agencies, conducted at a six-month interval from receipt of advice. The interviews showed that respondents were routinely ‘*more knowledgeable and confident about their personal finances*’ (pp. 14).

The relevance of money management skills was largely thought to reflect the way in which clients' debts had accumulated. Not all of the clients' money problems were reported to have arisen as a result of mismanagement, and some clients felt quite strongly that they already possessed adequate skills. Several of the clients had formerly run their own businesses, for example, and had considerable knowledge of financial matters.

For those clients who lacked confidence with their money management, the main benefits were usually said to be a better understanding of priority and non-priority debts. Indeed, this often related as much to clients' awareness of their rights and responsibilities as it did their budgeting *skills* per se. Clients were sometimes previously unaware that council tax and utilities bills took priority over doorstep loans, or lacked the confidence to prioritise when faced with pressure from lenders. With support from the adviser, clients often said that they better understood the reasons for prioritising, and were more confident to do so.

"I still prioritise my debts, because I don't want to miss any. I wouldn't get as scared by the letters now, or the threatening phone calls... [If] you're making your payments and keeping your agreement, there's nothing else they can do."

"Loan companies kept telling me if I didn't pay they were going to send the bailiffs around and they were going to come and clear me out and everything... now I know where I stand and I know what my rights are."

A smaller number of clients also reported having an improved understanding of basic budgeting skills, as a result of the money advice outreach. This was the case for several clients who described having previously had no such strategy in place:

"I've gained an insight on how to manage my money, really. Before I just had it and just seemed to spend it all out. But now I put myself to a budget each week and deal with it that way".

"I had to heat up my house, so I used the money from the water rate money, but [Adviser] actually explained then sort of how I should do me budgeting for my bills".

Despite some clients receiving practical advice about money management, the clients were rarely found to have been signposted onwards to other sources of community finance or savings – an action that, although not within the specific remit of the pilot projects, was a potential option for some of them. The exception was one pilot project that was specifically designed to take referrals from a credit union, where debt problems posed a barrier to opening an account. Here, there were several instances where clients were able to take out a small loan with the credit union after the adviser had addressed their debt problems.

5.2 Clients' financial circumstances following money advice outreach

Whilst most clients reported some relative improvements to their finances as a result of money advice outreach, their financial circumstances were often found to have remained difficult in absolute terms. This is to be expected, given their often chaotic lives, multiple personal problems and limited options for income generation. Of those clients who received advice in non-prison settings, the considerable majority were managing all of their bill and debt payments, although many said they were struggling. A minority had actually fallen behind with their repayments.

The main reason given by clients for struggling with their commitments was a combination of low income and other circumstances in their lives (such as those relating to housing, family or employment) that continued to present financial uncertainty. It was common for clients to express considerable relief at the initial outcome of advice, followed by a realisation that their repayment plan would be difficult to maintain on a day-to-day basis.

"I'm still skint, just not worrying as much... it's still not enough money when you have two kids and a house to run"

Some clients identified how occasional expenditure, such as children's clothes, repairs or medical costs placed extra pressure on their financial position. Some clients had found it necessary to juggle their repayments to cover these costs, even post-project.

"It's like if one of children's pair of shoes are ripped, then I have to take that money out of the big money."

In the most extreme example, one client described how the repayments negotiated by the adviser were inappropriate and did not take into account even their basic living costs. This client thought they were at risk of falling behind with their household bills as a result.

It was rarer for clients to report having ***fallen behind with debt repayments*** that were negotiated through the project. Having been supported by the adviser to set a plan in place, clients were usually determined not to "go back" to their previous situation. Where clients had missed repayments, this was sometimes because other events in their lives had taken centre stage, meaning that they had either overlooked or been unable to pay their creditors. One client had been re-admitted to hospital due to deterioration in their medical condition, for example. During this time they had failed to complete a payment form. The creditors were said to have quickly responded with a fresh set of demands for payment, despite efforts by the client to explain her situation.

“I’ve missed a couple of payment dates. They’re [creditors] saying I’m now going against the agreements, and I’ve rung up and said I’ll pay it later... but they’re not being sympathetic to that, even though I’m actually getting back to them”.

A small number of clients had missed repayments because changes to their financial or employment status were said to have made their commitments unmanageable. One client found that her benefits had been reduced, for example, because one of her children had started school. This made it harder to keep-up the repayments, and the client needed to re-contact the project to ask the adviser to re-negotiate. A second client had been in part-time employment when advice was first received, but had returned to benefits since then to care full-time for her elderly mother. The client had struggled to manage her repayments on a reduced income, and her debts had started to accumulate.

“It was OK while I was still able to do a bit of work, but now I’m on benefit again... it’s becoming a struggle again. And I don’t know what to do about it, because I’m not spending anything extra in terms of outgoings”.

There were only one or two clients who described having missed repayments due to a more fundamental disagreement with the advice that was given them. These clients had also disengaged with the advice process per se, at certain points during their case.

5.3 Wider benefits of outreach money advice

The impact of money advice on individuals’ personal stress is well documented within the research literature. For example, the LSRC concluded from an analysis of qualitative data from a longitudinal advice agency study that clients receiving personal advice *“...described this as being particularly beneficial in relation to depression and stress³⁸”*.

The phase three money advice outreach evaluation certainly supports these findings. Clients who accessed the project for a variety of different money problems invariably reported some level of reduced personal stress as a result of the advice received. Indeed, twenty of the twenty-eight clients who accessed advice in non-prison settings identified some level of reduced stress. The exception was the small number of cases where clients were wholly dissatisfied with the advice process for some reason (refer to section 5.1).

Clients commonly described how the adviser eased the stress or pressure they were under, by taking rapid action to halt threatening letters or calls from their creditors. This was described as *“a weight off my shoulders”*, or *“putting my mind at rest”*.

³⁸ Pleasance, P. et. al. 2007, pp.15

For some clients, the transfer of responsibility for dealing with their creditors was said to have provided them with breathing space to deal with other aspects of the crisis situation that had led them to seek advice. This included where the client simultaneously had to negotiate their debt problems alongside stressful events such as:

- court proceedings;
- domestic violence;
- relationship breakdown; or,
- the involvement of family members in the criminal justice system.

Clients who received advice in prison often particularly emphasised the impact of money advice on their stress levels. Prisoners commonly described feeling powerless to act to halt the escalation of debts, prior to intervention from the project. Where the action by the adviser was successful, these clients routinely identified how the actions to freeze their debts or interest payments had given them peace of mind. In some cases, this also gave clients assurance that their families were no longer being pursued by creditors.

Clients with long-term health problems were another group who appear to have particularly benefited from the money advice outreach. Several clients who suffered from depression, anxiety or heart problems talked of how the build-up of financial stress had exacerbated their condition. A successful outcome to the advice process was sometimes said to have removed one source of pressure, although such clients typically faced a combination of other circumstances that had contributed towards their poor health.

For some clients, not having to worry about their finances had simply released them to get on with other aspects of their lives. For example, one client received timely advice from the project, which resulted in outstanding bank charges against her being dropped. The client was due to start a new job after two years of being unemployed when she heard the outcome from the case. She described the relief at being able to prepare for working life and settling her son into nursery, without the additional worry of debt problems.

5.4 Future advice-seeking and debt avoidance

Almost all of the clients from non-prison settings reported an improved awareness of what advice could do for them, and said they were more likely to **seek advice in future** if it was required. There was nearly always a direct relationship between awareness and propensity – clients routinely said that money advice outreach was their first experience of money advice, or that it had changed their previously negative views of advice. As a result, they felt better informed of the benefits and would be more receptive to this type of help.

Several of the clients commented that, on reflection, they had been “*a bit stubborn and naïve*” or “*embarrassed*” about advice-seeking in the past. As a result of their experience of money advice outreach, they identified being more comfortable and familiar with the idea of seeking advice again. Some of these clients specifically identified that they would seek advice at an earlier stage in future, having seen the consequences of allowing their money problems to accumulate.

Most of the clients who said they would seek advice again in future identified the money advice outreach project as their first point of call. The reasons commonly given were;

- that relationships had been built-up with individual advisers during the casework process, who were thought to understand clients’ circumstances; and,
- that clients were commonly satisfied with the outcomes from the advice process.

A number of clients expressed concerns that their local pilot project was closing-down, and that few alternative sources of advice were thought to be available locally. Whilst some clients felt better equipped to deal with creditors for themselves in future, few clients saw this as an alternative to professional support. As considered in section four; this raises some issues around how best to manage clients’ expectations for support, without over-stretching the capacity of local advice providers.

“I’ve been able to ring a couple of creditors for myself... I’ve not taken the reins from her [adviser], but I’ve been able to speak to [Utilities Company] because I was mistakenly put down as a business customer so I was being charged business rates and I was in a two bedroom flat. It’s helped with the confidence”.

“I’m quite panicky because I’ve got a couple of other creditors chasing me now, and I haven’t got them [pilot project] to go to... I haven’t got them to either reassure me that I’m doing the right thing, or give me other options. And that’s quite daunting”.

Four clients said that their views of advice-seeking were *less* positive as a result of money advice outreach. This was because each of these clients was dissatisfied with the service provided (for reasons considered previously in this section). One client identified that they already had a good understanding of the benefits of advice because of being a social worker, and that the project had made them neither more nor less positive in their outlook.

Within the **target group**³⁹ opinions were evenly divided with regard to future advice seeking. Five of the target group described being relatively self sufficient with regard to their finances, despite having incurred debts in the past. In each case, it was thought unlikely that they would seek advice. One individual reported having “*learned my lesson*”

³⁹ These were the small number of interviewees who had debt problems but who had not sought advice from the pilot service.

with respect to credit card debt, and thought the adjustments to her own behaviour were sufficient to avoid future debts. A second considered himself to have “*all of the knowledge I need*” about money matters. Two others reported usually just trying to get by.

Three individuals were receptive to the idea of advice-seeking. Of these, one was already aware of their local pilot project and was considering asking for help. A second was aware of the project, but a combination being largely housebound and having poor confidence meant that they had not made contact. This individual described that they would be more likely to have sought advice if home visits were offered. A third was previously unaware of the availability of specialist money advice in their local area, and thought it feasible they might ask for help about how to deal with debt collectors. This individual described needing to be convinced that any potential source of advice was reliable and worthwhile.

5.4.1 Debt avoidance

Most clients who were interviewed said they were optimistic about avoiding future debts, although this was often thought to be challenging due to clients’ financial circumstances. As described previously, many clients identified that a combination of low income and chaotic personal lives meant that it was a struggle to keep on top of their commitments. Some described facing repayments for ten years or more and felt daunted by this.

Five clients felt strongly that they would never fall into debt again. In each instance, this was because the circumstances of the initial debt problem were said to be a “one off”. Examples included where a clients’ ex-partner had incurred debts without their knowledge, and where a claim had been made against the client in error. Clients who had no previous history of debt problems were keen to move-on quickly from this period in their lives

The interviews highlight a number of risk and protective factors that were commonly said to affect how clients viewed their propensity to incur further debts.

The main **protective factors** were found to include clients’ improved awareness of prioritising their debts, combined with greater confidence in knowing their rights with respect to creditors. For some clients, these factors appeared to have combined to give them a sense of having greater financial resilience towards potential future debts. It was common for clients to describe debt avoidance almost as a matter of pride or self esteem. Clients routinely identified that they were “*determined*” not to fall back into debt again, and some had put this into practice– “*I recently turned down a loan*”.

Where clients recognised that their previous use of credit had contributed to their debt problems, they also sometimes described having made changes to their financial

behaviour to prevent this happening again. Comments included that; *"I wouldn't use store cards again"*, and *"I'm more responsible now"*.

Furthermore, it was not uncommon for clients to draw some optimism from plans they had made to find employment or training. Four clients said that they expected to return to work in the coming year. Three of these clients expected their financial situation to improve as a result. One client was concerned that a return to work might trigger new demands from her creditors, however, due to the potential increase to her income.

The interviews also suggest a number of common **risk factors** for incurring future debts. Some clients, particularly those with caring responsibilities, described a constant process of weighing-up the drawbacks of debt with the need to provide for their family on a low income. In a handful of cases, this balancing act was thought to have tipped in favour of skipping some repayments so as to buy household items.

"I've like taken on extra credit that I know I shouldn't, but it's just so tempting when you are a single parent and you're being offered something that you can pay back at a later date..."

Other clients identified ongoing pressure from doorstep lenders as the main risk of falling back into debt. This was particularly where clients, or their family members, had taken out loans in the past. A few clients in this situation identified that it was more difficult to resist the lure of cheap credit, when this was being offered to them on a regular basis.

"They [doorstep lenders] try and worm their way into everything, like they get work phone numbers and mobile numbers, you know... it's almost a form of harassment".

Clients' circumstances were very different, and the influence of these risk and protective factors was not always described in the same way. It was often clients who lived in very deprived neighbourhoods who identified particular risks from doorstep lending, for example. This concurs with the evaluation in phase two, which showed that doorstep lending was particularly rife in some of the local areas covered by the pilot projects.

There was a mixed response again from the **target group** interviews.

Of those individuals who were interviewed at the first employment agency, three of the four were relatively optimistic about avoiding future debts. Each envisaged that they would be able to clear their existing debts, as a result of adjustments to their borrowing and spending behaviours. One individual hoped to clear her debts within three years, and thought that job-seeking could hasten this process. A second was gradually reducing his spending, whilst a third hoped to move-on from his debt problems to secure a mortgage. Only one individual perceived a more significant risk of future debts. This was due to a poor credit rating which had posed a barrier to accessing finance.

At the second employment agency, three individuals were largely pessimistic about their prospects of avoiding debts, and a fourth was more ambivalent about the future. Loss of income was implicated for each of them. Three of the individuals cited a lack of success with job-seeking that made it unlikely their circumstances would improve. Each of them anticipated that their arrears would continue to accumulate as a result, with one foreseeing a possible crisis situation - *"everything is just snowballing"*. The fourth individual's situation was a little different. They had incurred credit card debts as a result of periodically giving up work to care for their spouse, who has mental health problems. The client was now back in full-time work, but mindful that the same situation could arise again.

6.0 Conclusions

The evaluation of the money advice outreach pilot programme has comprised three phases: a face-to-face survey in five different types of outreach location in Phase 1; a process evaluation from the perspective of providers and partners in Phase 2; and an impact evaluation at Phase 3, comprising qualitative interviews with clients and target groups, and a cost-effectiveness analysis conducted by the LSRC in-house.

This report has presented the evidence from the qualitative part of the third phase of the Money Advice Outreach Evaluation, carried out by ECOTEC Research and Consulting Ltd and the Personal Finance Research Centre (PFRC). The evaluation aimed to establish the impact of money advice outreach from clients' perspectives, based on qualitative interviews with a sample of 41 clients and 8 target group respondents⁴⁰.

Previously, chapter one of the report set out the aims and background to the evaluation, before giving an overview of the findings from Phases 1 and 2. Chapter two went on to review the motivations of the client and target group for advice-seeking. Chapter three explored how the clients accessed the pilot projects. The processes of delivering outreach money advice were considered at chapter four, before reviewing the outcomes at chapter five.

This final chapter of the report draws together the report findings. It first considers the extent to which the money advice outreach pilot programme engaged with and met the needs of financially excluded people. It then summarises the lessons learned with regard to clients' awareness and motivations for advice-seeking, before setting out the key policy messages for delivering money advice outreach in different service settings.

6.1 Client's perspectives of money advice outreach – an overview

The third phase of the money advice outreach evaluation focusing on qualitative interviews has provided a detailed snapshot of the advice provision, as experienced by the clients who received it. Overall, the picture is an extremely positive one. The findings reinforce the cumulative evidence from Phases 1 and 2 – that money advice outreach provided tangible benefits for clients who were often in dire financial circumstances and with little or no alternative options available to them.

⁴⁰ The target group respondents were people who used an outreach venue, self-identified as having debt problems, but had not accessed advice from a pilot project.

Clients who accessed the project at each of the different types of outreach locations routinely identified that outreach money advice had:

- improved their financial circumstances as a result of reducing their levels of debts and maximising their income;
- reduced their personal stress levels;
- improved their awareness of the benefits of money advice; and,
- made them more likely to seek advice in future.

The evaluation showed that although clients' financial situations often remained difficult in the period following advice (generally as a result of low income, sometimes combined with 'chaotic' life circumstances), their immediate crisis situation was almost always resolved. The interviews further hinted at the social costs that were avoided through the timely provision of advice, such as clients who were facing eviction, homelessness, relationship breakdown, or the loss of custody of their child as a consequence of their financial circumstances.

The client interviews also provided a more detailed insight to the mechanics of the money advice outreach process, from clients' perspectives. As this section goes on to discuss, the advice provision was nearly always described in terms of an in-depth and personalised casework⁴¹ process that implicated clients' wider circumstances – housing, employment, or family, for example. Although the conduct of the casework was almost always viewed positively, a number of issues were identified around advisers' capacity and the closure of the pilot projects, which had sometimes affected clients' experiences. The interviews further identified some more specific points around prison-based advice work (see later on in this chapter).

The Phase 3 evidence based on qualitative interviews confirms what is already known about advice-seeking, in that clients often had a low awareness of the availability of debt advice, and had waited until their debt problems became unmanageable before contacting the pilot projects. For most of these clients, simply becoming aware of the existence of specialist advice was sufficient to encourage them to seek help at that point in time, although the role of partner organisations also emerges as being a crucial one. The interviews further support the findings from Phase 1, by illustrating the potential demand for advice in outreach settings. On the whole, the target group respondents were found to be in a very similar situation to the clients who were interviewed.

⁴¹ Casework includes taking action on behalf of a client in order to move their case on and sometimes involves negotiation, advocacy or representation on the clients' behalf to third parties.

The remainder of this section reviews in more detail the conclusions from the qualitative interviews carried out as part of the Phase 3 evaluation, in relation to the policy aims of the money advice outreach programme.

6.2 Engaging financially excluded individuals

The main desired impact of the money advice outreach pilots was:

“To reach out to ‘hard-to-reach’ and disadvantaged groups who would not ordinarily access mainstream money advice.”

The first phase of the evaluation showed that the priority target groups were well represented at each of the five types of locations accessed by the pilot projects⁴². It also demonstrated that awareness of mainstream advice was lower than the national average among the target groups⁴³, despite the higher-than-average availability of free debt advice. The second phase of the evaluation showed that, from the perspective of the pilot projects and their partners, the projects had achieved considerable success in widening access to outreach money advice for financially excluded clients, by establishing new partnerships and delivering debt advice at over 100 outreach venues, most of which had not previously offered debt advice.

Phase 2 of the evaluation indicated that around nine in ten of clients seen by the pilot projects met the criteria for being financially excluded. This is reflected in the profile of the clients interviewed for Phase 3 of the evaluation. As was identified in section one:

- most of the clients interviewed (35 out of 41) were not in work and were reliant on social security benefits for income;
- a third of these clients reported being unable to work due to poor health; and
- clients often reported leading chaotic lives due to a combination of other issues that are well documented for socially excluded groups in general, including mental health problems, drug and alcohol misuse, relationship breakdown and poor basic skills.

As a snapshot of the client group, the interviews reinforce the fact that the pilot projects did indeed reach some of the most disadvantaged groups on a routine basis⁴⁴. They also re-affirm that such groups were present across each of the five main types of outreach locations. The target group respondents were very similar to the clients - most were out of

⁴² Housing support services, family support services, organisations in the justice system, community finance organisations, and other community settings

⁴³ As noted in chapter one, the exception was people who were surveyed at community centres.

⁴⁴ This goes some way towards allaying concerns that were raised in the Phase 2 evaluation, where the quantitative monitoring data indicated that some of the pilot projects might have taken a higher proportion of clients who did not meet the criteria for being financially excluded, so as to boost contractual targets for numbers of cases.

work and had other personal, family or health issues that served to complicate their financial difficulties.

Like the previous two phases of the evaluation, the Phase 3 qualitative interview data confirmed that social and financial exclusion were often interlinked. It is notable in this respect that;

- most of the clients who were interviewed reported a mix of consumer credit debts and rent, utilities or Council Tax arrears. Although clients' debts had accumulated over varying periods of time - from a sudden loss of income, to build-up of debts period of years - low income had often worsened the situation; and,
- the target group respondents who were interviewed showed a similar profile. Indeed, the main distinction between the circumstances of the client and target group respondents was that the latter were less likely to have fallen quite so far behind with their financial commitments. Even so, debt was a source of worry in most cases.

6.3 Understanding clients' awareness and motivations for advice-seeking

The Phase 3 qualitative evaluation aimed to establish what motivated clients to seek advice, their awareness of advice provision, and how the money advice outreach pilots were successful in delivering advice to clients where mainstream advice might previously have failed.

6.3.1 Awareness of money advice

In contrast with the findings from Phase 1 of the evaluation, in Phase 3 overall levels of awareness of advice services were found to be relatively high amongst the client group.

Around two thirds of the client group had a *general* awareness of advice services. This awareness usually related to the availability of free-to-client advice services and, most commonly, to the CAB service. Some clients had used advice services in the past, for debt or other problems. A similar level of awareness was found amongst the target group respondents who were interviewed, of who five in eight were aware of an equivalent generalist advice service. Only in prisons was this general awareness of advice provision noticeably lower; particularly where clients had been incarcerated for some time.

Despite this general awareness of the existence of advice services, the Phase 3 qualitative interview data indicates that clients were mainly disadvantaged by a specific and actionable lack of knowledge about the availability of *debt* advice to help people in their particular situation. Most commonly, this related to the following:

- uncertainty about the type and nature of advice that might be available, including whether or not help was available for debt problems as well as benefits;

- uncertainty about the location and access arrangements for local mainstream advice providers – either due to having moved address since previously accessing advice, or because local services had moved or closed down; and
- In some cases, a perceived lack of relevance or usefulness of advice in general.

These uncertainties were found to have contributed towards a situation in which only nine out of 25 clients that were aware of other free-to-client advice services had taken action to contact them prior to contacting the pilot project. Where advice had previously been sought for debt problems, the outcomes were mixed.

6.3.2 Motivations for advice-seeking

Alongside a lack of awareness of how advice might help them resolve their financial difficulties, the interviews show that a number of factors had also influenced clients' advice-seeking behaviour. When added together, these factors present an altogether more complex picture, which makes it difficult to pinpoint any single motivational driver amongst the client group.

- Prior to seeking advice from a pilot project, even if they had not sought advice most clients attempted to manage their debt problems themselves: by juggling repayments to creditors (sometimes over a long period), by borrowing to repay what they owed, or by trying to negotiate reduced repayments or other arrangements with priority and/or non-priority creditors.
- Clients generally only recognised they needed help once these strategies had been tried and failed. This was invariably at a late stage, when they were unable to pay all their creditors and had fallen into arrears, or when they were threatened with further action by creditors, such as court action or bailiffs.
- Some clients and target group respondents who were interviewed expressed a reluctance to seek advice, either because of embarrassment about their debt problems, or because they felt a personal responsibility to sort things out themselves.

For these reasons, clients did not recognise the need to seek advice until their debt problems had become unmanageable – a finding supported by previous research⁴⁵. Moreover, the trigger for seeking advice at this point was simply *becoming aware* of the existence of a pilot project – a service that offered specialist advice to people in their situations. It is notable that most clients were not proactively seeking advice at that point in time.

⁴⁵ Lea et al (2007) op cit

On the whole, the target group respondents who were interviewed were in a very similar situation to the clients who were interviewed. While some had not yet fallen behind with repayments on credit or household commitments, they were clearly struggling to manage. Others were already in arrears. Moreover, a similar combination of factors had prevented them from accessing advice, including:

- lack of awareness of the pilot projects (only three in eight knew of the service),
- scepticism about the potential benefits, and
- a preference to manage for themselves.

It would be fair to say therefore that most of the target group respondents were potential future clients of money advice outreach. Indeed, one respondent expressed an interest in accessing advice from one of the pilot projects and another thought he would seek help from a local advice service if his situation deteriorated.

The findings highlight the crucial role of **partnership working** in facilitating access to money advice provision for people who are financially excluded and have financial difficulties. As noted in chapter three, around seven in ten of all clients had first become aware of the outreach service through contact with one of the pilot projects' partner organisations. While some went on to self-refer for advice, in other cases partner organisations instigated contact with the outreach service on behalf of clients – an approach which served to eliminate any delays in accessing advice at a time when clients desperately needed it.

The key challenge remains, however, of how to encourage people with debt problems to seek advice before their situation becomes unmanageable. Better publicity about the availability and benefits of money advice might go some way to achieving this. A more productive approach, however, would be to promote the benefits of proactive problem noticing, awareness raising and signposting to advice services among partner organisations (and indeed creditors). Enabling and encouraging partner organisations to make 'warm referrals' would also help to ensure that people do not drop out of the process at an early stage.

6.4 The effectiveness of money advice outreach

The snapshot of money advice outreach that emerges from the client interviews is one of a flexible service that, whilst primarily concerned with money issues, also required the advisers to quickly adapt to a variety of different service settings and circumstances. Perhaps a defining feature of the provision is the contrast between;

- the fairly standard types of advice methods in use, which typically entailed a mix of debt casework and income maximisation measures, and

- the huge diversity in clients' wider circumstances that were implicated in their money problems – prior to, during, and following the project intervention.

The Phase 3 qualitative evaluation supports the findings from Phase 2 in this respect, in that clients' circumstances were often complex and multi-faceted. This complexity often derived from the fact that client's debt problems were closely intertwined with other difficulties they faced in their lives, such as poor health or addiction problems. In addition, they tended to have long-standing debt problems that spanned several creditors. The cases were not usually said to involve complex legal arguments, although this might be because court representation was required in only a relatively small number of cases.

6.4.1 Meeting the needs of different communities and target groups

As discussed in section four, few major differences were found between the five main types of outreach locations, with regard to how money advice outreach was structured, and the clients' levels of satisfaction with the provision. Indeed, the client interviews suggest that the 'chronology' of the advice process was largely influenced by factors that were common to most types of outreach locations. These were as follows:

- *provider-side factors* – the mode of advice provision and the conduct of the casework was often found to have been influenced to some extent by the procedures that were in place for individual pilot projects, and the working practices of individual money advisers. This is perhaps reassuring, in that it shows there is scope for much flexibility in how individual advice agencies go about prioritising and apportioning time between clients to suit their local context; and,
- *client-side factors* - the progression of individual cases was commonly found to have been influenced by the level of complexity of the circumstances that surrounded the individual cases, and the behaviour of clients during the course of the case. This included, for example, the extent to which clients provided full disclosure of their debt problems, and whether they adhered to their debt repayments once these had been arranged by the adviser.

Notwithstanding these 'crosscutting' factors, two main areas of difference emerged between the types of outreach locations. These were as follows:

- *prison-based advice* – as highlighted in section four, clients receiving advice in prisons reported a number of barriers that combined to slow the advice process. These related to practical access and communication arrangements, and were compounded by uncertainty over sentencing and clients' lack of income whilst in prison. It is evident that quite specific packages of support are required in this context, which are explored further below in relation to the different stages of the advice process; and,

- *advice by remote access* – only one pilot project delivered money advice outreach by video-link, and just three clients were interviewed as part of the qualitative evaluation carried out at Phase 3. The main difference from other modes of delivery was that the adviser was not physically in the same room as the client during the face-to-face advice. This aside, the advice process was remarkably similar; both in the nature of the casework and clients' levels of satisfaction. It would be fair to say, however, that there was little evidence to indicate that any of these three clients were socially excluded to the same extent as other clients. The report cannot therefore comment fully on the effectiveness of remote advice in such cases.

These differences have implications for the future development of money advice outreach, which are considered further below in relation to the specific stages of the advice process.

6.4.2 The chronology of money advice outreach provision

As section four served to illustrate, clients rarely placed the main emphasis on case 'closure', but rather described money advice outreach as a series of episodes of advice-seeking. This was especially so for clients who reported leading chaotic lives resulting from social exclusion, and where multiple debt and benefits problems were involved. Continuity in the advice and adviser during this time were routinely valued by these clients, and provided a source of stability in their lives.

Setting aside these perceptual differences about case duration and structure, some of the characteristics of the advice process that emerge from the client interviews are that:

- From the interviews with clients it seems that cases typically lasted several months, although with varying levels of case activity after the initial advice, with longer cases lasting up to six months and a small number of clients opening multiple cases;
- Only two out of 41 clients reported that their cases were resolved at a single session, and both of these involved non-debt problems. Of the remainder, almost all clients who remained engaged with the advice process had gone on to receive at least one further face-to-face advice session, up to a maximum of six; and,
- nearly all cases were said to have been supplemented by some form of ongoing postal, telephone or drop-in contact, as part of the ongoing casework process.

This profile of ongoing advice that involved repeat contact with the adviser is consistent with a predominately casework-based service. It certainly supports the Phase 2 findings,

which showed that casework accounted for 69% of all recorded cases during the monitoring period and that representation was less commonly required⁴⁶.

By further breaking down the advice process into composite stages, it is possible to draw conclusions about the effectiveness of the processes that were involved at each of them. Figure 6.1 (overleaf) draws together the key findings from sections the report, to identify some of the key characteristics of 'effective' outreach money advice, from clients' perspectives. As the diagram shows, clients reported a number of common qualities to the money advice outreach process, which recurred in each of the types of outreach locations.

With regard to the **delivery of money advice outreach**, the client interviews show that a combination of debt and welfare benefits expertise was routinely valued in the money advice outreach adviser. It is perhaps noteworthy that clients often expressed the greatest surprise at the range of entitlements that the adviser was able to unlock on their behalf. Steps to access trust funds and grants on clients' behalfs were found to play an important part in numerous cases, and underline the fact that money advice outreach was about a wider context than debt resolution alone.

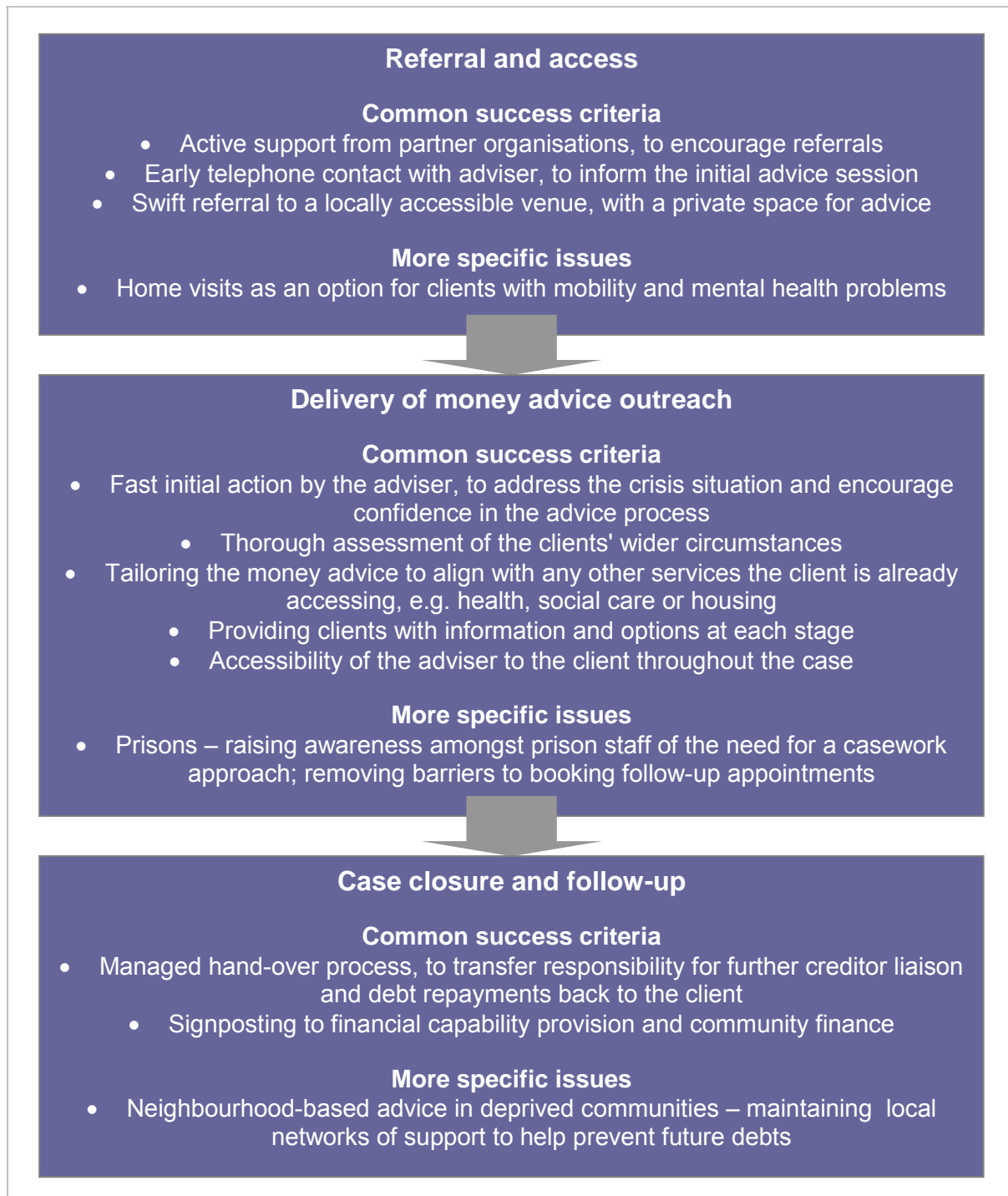
The interviews further suggest that clients' satisfaction with advisers' expertise was sometimes more variable when they were acting outside of this core debt / benefits casework model, although the small number of clients to whom this applied within the interview sample requires some caution with regard to this finding. Whilst there were highly successful examples of advisers representing clients in court, and referring onwards to other specialist services, it was sometimes these types of action that caused cases to stall. The key issues included that;

- a minority of interviewed clients sometimes thought that the advisers were acting outside their area of expertise, or had taken on cases that were perhaps better suited to other forms of legal aid and,
- referrals onwards to specialist advice (such as immigration, housing, social care) sometimes required the involvement of a third party provider with which the pilot project did not have routine contact, and therefore caused delays or discontinuity in the case. This was usually outside of the control of the pilot projects to address.

As considered shortly, money advice outreach within a more integrated advice model is perhaps one way forward for addressing these issues. Such a model stands to inform the 'boundaries' for non-debt cases that are eligible for money advice outreach, and to provide more direct options for referring onwards for specialist advice "under one roof".

⁴⁶ Ibid, p. 70. Figures based on quantitative monitoring data for the pilot projects, March 06 – November 07.

Figure 6.1 Key characteristics of effective money advice outreach: clients' perspectives



Finally, a number of issues emerge from the client interviews with regard to the last stages of the advice process – **case closure and aftercare**. The client interviews show that cases often involved initial intervention by the adviser on behalf of the client, at a time

when dire financial circumstances and personal stress had diminished clients' abilities to cope for themselves. Clients commonly described some kind of handover process, following the casework – typically on a 'tapered' basis, so that clients were empowered to take back responsibility for managing their financial situations for themselves. It was here that a number of variances emerged between projects and client groups. The key issues were that:

- clients sometimes found that the handover was managed too quickly, due to pressure on the adviser to close down cases. This had occasionally resulted in clients struggling to negotiate the last of the actions with their creditors, or finding it more difficult than anticipated to access their benefits entitlements without support from the adviser; and,
- a number of the more vulnerable and 'hardest to reach' clients reported having greater expectations for continuing support from the adviser – particularly where the advice was delivered at a neighbourhood level, and contact with the adviser during the case was on a fairly routine basis, such as dropping-in to the advice centre each week. In some cases, clients reported having some dependency on the adviser even post-case.

The implications for future money advice outreach provision are essentially two-fold.

- First, there is an issue around developing effective procedures for the majority of clients to manage their repayments competently for themselves, post-project. There were a number of examples where clients reported satisfaction with having received a mix of lighter-touch financial capability work such as help with basic budgeting skills, and copies of specimen letters with instructions for what to do if creditors got in contact again. Such procedures might be adopted more widely.
- Second, there is an issue around duties of care for the most vulnerable clients. The interviews show that having sustained support from an adviser sometimes made a real difference to clients who reported having received no equivalent support in the past. As such, there is evidently a need to have in place networks of support for clients after their case closes. This type of support would not necessarily need to be provided by a specialist caseworker, nor indeed would it be cost effective to do so. The findings suggest, however, that a combination of the lighter-touch financial capability work described above and access to continual support (such as from a casework support worker) is a potential way of strengthening the provision. We return to this point when discussing the mainstreaming of the pilot projects, at the end of this section.

6.5 The outcomes from money advice outreach

The Phase 2 evaluation showed that the providers anticipated money advice outreach to have reduced clients' levels of personal stress, improved their financial situation as a result

of aggregate improvements to levels of income and savings, and reduced the risk of their incurring debts in future.

The client interviews largely validate providers' viewpoints, in this respect. As considered in section four, the main outcomes from clients' perspectives were that:

- clients consistently reported that advice had alleviated personal stress levels, which often had a positive knock-on effect for clients with other health problems;
- clients receiving advice in prisons sometimes also reported improvements to their families' levels of stress;
- clients who received advice in community settings routinely said that their levels of personal finance had improved as a result of the project casework, compared with their financial situation prior to the advice;
- clients routinely said they were more aware of their rights and responsibilities regarding creditors, and reported being more confident to prioritise their debts and resist pressure to take-on further credit as a result; and,
- almost all of the clients reported being more aware of what advice could do for them as a result of the project, and said they would be more likely to seek advice at an earlier stage in future.

This snapshot of client outcomes - whilst a relatively short-term one - clearly attests to the quite rapid and substantial benefits from money advice outreach. In the main, the provision was found to have resolved a real crisis situation for clients; many of whom lacked any other options at the point of intervention. Clients sometimes identified eviction, homelessness, family breakdown, or loss of custody of their child as potential alternative scenarios, had money advice outreach not been available. For these clients, the social costs of not receiving advice were potentially very significant indeed.

Furthermore, the client interviews support the views of providers and partners at stage two of the evaluation – that the pilot projects sometimes removed financial barriers preventing clients' from moving on with other aspects of their lives. As considered in section four, there were a few examples of the following:

- clients who reported feeling better able to focus on job-seeking as a result of their debt problems being under control, and
- prisoners who were more optimistic about returning to the community without their debt problems posing a major risk to their chances of effective resettlement.

In this respect, the client interviews underline the importance of potential debt management in helping people to break out of cycles of debt and poverty, and as part of an overall approach to increasing social inclusion.

There were, however, a number of areas where the outcomes were more disappointing and suggest that further steps are required to maximise the impact of the advice. The main ones are as follows:

- Whilst clients generally experienced relative improvements to their financial situation as a result of receiving advice, most of them continued to struggle on a day-to-day basis. This was usually due to a combination of low income and other difficult personal circumstances, which fell outside the remit of the pilot programme. A few had fallen behind with their repayments, since receiving advice;
- Although clients who received advice in prisons commonly reported success with freezing levels of debt and preventing their problems from escalating further, their financial situation overall had rarely improved. This was due to the fact that advisers were unable to arrange debt repayments if the client did not have an income;
- Clients less commonly reported having improved money management skills, despite having more confidence in their rights. It appears that this was due mainly to the relatively infrequent provision of financial capability work as part of the advice process. It should be noted that the pilot projects received very limited funding for this type of work and none at all to provide money management skills training; and
- Clients were rarely signposted onwards to other forms of community finance or savings, such as credit union membership⁴⁷.

Whilst some of these issues, such as clients' continuing financial difficulties, are reflective of social exclusion more widely, others provide greater scope for action. The limited joining-up between money advice and financial capability work does appear to have largely reflected the criteria of the pilot projects⁴⁸, and there should be an opportunity to develop these links at a local level as money advice outreach is rolled out more widely.

6.6 Policy implications - the wider rollout of Money Advice Outreach

At the time of writing the Phase 3 qualitative report, the Financial Inclusion Action Plan had identified the requirement for the BERR projects to incorporate a money advice outreach element, drawing on best practice from the LSC's money advice outreach programme. Furthermore, a new £5m joint initiative had been announced to develop prison-focussed outreach, whilst the LSC had commenced the rollout of CLACs and CLANs to provide integrated social and welfare service provision.

⁴⁷ Although, of course, it is possible that this was sometimes because there was no provision to signpost them to within the local area, or that a decision was made by the adviser not to refer clients to access more credit if this was inappropriate for their particular case. Clients would not necessarily have been aware of these factors, when interviewed.

⁴⁸ Limits were placed on the proportion of advisers' time that could be allotted to financial capability work. Furthermore, pressure to secure throughout of cases and limited adviser capacity are likely to have been factors, as explored in further detail within the report at Phase 2.

Based on the findings from the Phase 3 qualitative evaluation, money advice outreach has an important role to play within these developments.

Taking first the BERR projects, the client interviews reinforce the evidence from Phase 2, that money advice outreach stands to benefit from being more closely integrated with other forms of support for the client groups. If adequately resourced, this type of model has the potential to address some of the perceived shortcomings of outreach money advice as a 'stand alone' pilot. The specific benefits might include:

- stronger networks of support and resources for money advice outreach advisers to draw upon, as a result of being located within a larger team of advisers; and,
- more capacity to provide aftercare for the most vulnerable clients, through lighter-touch advice and financial capability work.

Furthermore, by securing money advice outreach as part of the service provision offered by CLACs and CLANs in the future, the potential benefits for the provision might include;

- reduced pressure to take on unsuitable cases, such as those requiring immigration or housing expertise, as a result of being able to refer to suitable expertise in-house or among partner agencies – and thereby enabling the advisers to focus on debt casework; and,
- a framework for professionals to share a variety of expertise that might benefit financially excluded groups.

With regard to prison-focussed outreach, the Phase 3 report strongly reinforces the findings from the Phase 1 report, in that prisoners routinely identified having particularly difficult financial circumstances. Indeed, some of clients' money problems were found to have directly *resulted from* their imprisonment. Key messages for the Ministry of Justice and LSC, to take forward when setting up new prison-based work are:

- the priority to raise awareness of clients' available options for money advice, given that their prior levels of awareness were the lowest of all client groups;
- clarity around the best timing for money advice in relation to sentencing arrangements, given that the outcome of sentencing could have a direct impact on prisoners' advice needs – and the needs of their families;
- attention to the processes through which prisoners are able to arrange subsequent advice sessions as part of a casework approach, given that the client interviews showed this could be slowed down considerably if prison officers did not see the need; and,
- attention to how prison-based advice is best linked with subsequent advice upon resettlement – especially given that advisers were sometimes limited in their actions to freezing prisoners' debts, and that any renewal of employment or benefits once back in the community was anticipated to trigger action by creditors.

The model developed by one of the two prisons at stage three appears to be a promising one for some types of resettlement prisons where prisoners have access to paid work in helping them to prepare for returning to the community. By linking money advice to pre-release employment opportunities for prisoners, it was possible for money advisers to negotiate a repayment plan based on this source of income. This is unlikely to be an option for most types of sentences and prisons, however, and the research suggests a need to develop a wider range of models for meeting prisoners' money advice needs.

For all of the potential models that might be used to reconfigure money advice outreach, it is possible to identify three crosscutting issues that emerged from the client interviews.

The first crosscutting issue is about the ***importance of partnership work***.

The Phase 2 evaluation showed how the pilot projects were consistently able to raise awareness of money advice outreach amongst partner organisations, and to demonstrate the benefits of advice casework to the services they already provided for their clients. It also showed how, by pro-actively raising partners awareness of money advice, it was possible to access new target groups for whom specialist money advice was not previously available.

The client interviews at Phase 3 further demonstrate the added value of partnership work that was genuinely collaborative and did not simply extend existing money advice services. Clients routinely identified becoming aware of advice at a time when it was most needed, as a direct result of partners spotting their money issues and encouraging a referral. There is a clear message for future providers of money advice outreach to allocate sufficient resources to partnership work. The evidence suggests that;

- a proactive role for partner organisations in problem-noticing, awareness raising and signposting to advice services is an important method of engaging financially excluded individuals; in conjunction with
- more prominent publicity about the availability of debt and welfare benefits advice.

The second crosscutting issue is about ***local capacity***.

As section four highlighted, in the small number of cases where clients expressed dissatisfaction with the advice process, this was where the level of contact with the adviser fell off considerably, or where cases were thought to have been wound-down too quickly. It is revealing that in most of these instances, the clients had awareness of advisers' time being over-stretched, or of the project coming to an end. These factors are reflective of pilot projects operating at full capacity, and sometimes (as documented in the Phase 2 evaluation report) of pilot projects falling victim to their own success; where the level of demand for advice was found to out-strip supply.

There is a clear message for the mainstreaming of money advice outreach, in this respect. Any local projects that seek to develop a money advice outreach component should;

- first, as far as possible take into account local patterns of supply and likely need for money advice outreach, and tailor the level of resource accordingly; and,
- second, avoid the scenario of lone money advice outreach advisers operating beyond their capacity, to the detriment of the quality of the service offered to clients.

The third crosscutting issue is about the role of **home visits**.

The Phase 2 evaluation showed that providers' opinions were divided on this issue, with some using home visits fairly routinely and others considering that they were simply too costly to be effective, or that they acted as a disincentive to clients engaging in the advice process. The Phase 3 qualitative evaluation provides a slightly different angle on this issue, from clients' perspectives. It is noteworthy that a handful of clients (and target group) – even within a relatively small sample of 49 individuals – identified home visiting as a major factor in overcoming barriers to their advice-seeking. This was the case for some clients reporting severe mobility difficulties, but also those for whom a chronic lack of self-confidence or mental health problems such as agoraphobia were issues.

Although this is not sufficient to warrant recommending an entirely new model of home-based advice provision, and clearly has *cost implications*, it is clear that:

- any local projects that seek to develop a money advice outreach component should consider home visits as an option for reaching some of the most vulnerable clients; and,
- at a more strategic level, measures to raise awareness of money advice outreach through community care providers and networks is a method of widening access to these groups, who – as a result of their immobility or mental health problems – might not otherwise be frequenting the outreach venues where project publicity was located. Indeed, it is evident from the Phase 2 evaluation and the Phase 3 qualitative evaluation that some of the pilot projects were already doing this to some extent. One pilot project had linked with British Red Cross⁴⁹ support workers to access the client groups, for example. This would seem to be a viable way forward.

⁴⁹ The British Red Cross provides support services to vulnerable people.

6.7 Lessons for the future

Based on the findings from the Phase 3 qualitative evaluation, the following lessons are presented for all potential funders, planners, and providers of money advice outreach.

- to ensure that the future funding criteria for money advice outreach provision are designed to accommodate clients' diverse and often complex circumstances.
- for local pilot projects or providers who are considering to introduce a money advice outreach provision, such as the BERR projects, to undertake a thorough assessment of supply and need for money advice outreach at a local level, prior to allocating resources and adviser capacity.
- to prioritise further training and awareness-raising for a range of different partner organisations who work with financially excluded groups, to build their capacity as 'awareness-raisers', 'problem noticers' and 'sign-posters' and to intervene at an earlier stage on behalf of clients. Wherever possible, partner organisations should be enabled and encouraged to make 'warm referrals' on behalf of people with debt problems.
- to consider more prominent and clearer publicity about the availability of debt advice offered by existing providers, such as CABx, alongside this new partnership work.
- to review the use of home visiting within money advice outreach, as a method for reaching a greater number of clients for whom illness or disability present a barrier to travelling any distance for advice, whilst taking into account the likely cost implications of doing so.
- to further develop and extend existing models of prison-based advice, with attention to effective communication between provider and prison, quicker systems for booking follow-up advice sessions, and arrangements for clients to receive advice upon resettlement.
- to ensure that money advice outreach is developed as part of other integrated models of advice provision, including CLACs and CLANs, to ensure a range of options for referring clients rapidly to specialist or non-debt related advice,
- to explore different options for linking money advice outreach more closely with financial capability provision, and securing access to community finance for clients where it is appropriate to do so.

- to disseminate the evidence from the money advice outreach programme at a policy level, reinforcing the role for debt management in helping people to break out of cycles of debt and financial difficulty, and as part of an overall approach to increasing social inclusion.

Annex One: Money advice outreach: client case studies

Client case study:
St Ann's Welfare Rights Advice Centre

Background

Angie (31) began to get into debt soon after leaving college when she took out store credit at a department store where she worked. Over the next few years Angie acquired more store cards and the debt began to mount up. Angie didn't acknowledge the seriousness of her debt until she became ill whilst pregnant and had to give up work. She fell behind on payments and went into arrears on rent and council tax. Threatening letters were sent to her home and bailiffs were knocking on her door. With a baby on it's way, the reality of her debt started to get Angie down:

"I thought 'what have I done this is really stupid, like unnecessary debt' and now I've got a little baby coming along... it bugged me every day."

Referral

Angie saw an advert for the St Ann's Welfare Rights Advice Centre at a local baby clinic, just after she had her daughter. Angie was reluctant to call at first. She had never discussed her money issues with anyone. She was also worried about being given a hard time or that this was just another debt reduction scheme that she had received adverts for. After the first phone call, Angie felt instantly at ease - *'straightaway I put the phone down and I felt better'*. She was given an appointment for that week and told not to open the door to bailiffs.

Advice process

On her first appointment the adviser showed her how to identify priority debts. Forms were then drawn up to halt the bailiffs, and to outline to the courts what she could reasonably afford to pay her creditors. Within the next four visits Angie had a repayment plan for her debts, and some of the interest was frozen on her store cards. The adviser also managed to secure a grant on her water bill, and to negotiate small weekly repayments for the remaining balance.

Angie described the accessibility of the Advice Centre and the personalised approach as significant factors that helped her deal with her debt. She had previously sought help from another independent advice provider whilst she was heavily pregnant and described having to stand in a queue for up to 2 hours just to get an appointment.

Outcomes

Angie now has a structured payment plan for all her debts and utilities. She hopes to start work next year when her daughter begins nursery so that she pay off all her debts in full. Angie now feels more confident about dealing with her debt and is not embarrassed to ask for help.

Client case study: East Yorkshire and Boothferry CAB

Background

Andy (46), a father of two and home-owner from East Yorkshire fell into debt after his construction business ceased trading in July 2007. Andy, who up until then had always been debt free, quickly found himself with no income to pay the monthly household bills. Furthermore, some previous customers were refusing to pay him for work he had completed.

Referral

Andy decided that he needed some advice on accessing Legal Aid to take non-paying customers to court, so he rang the local CAB. The adviser quickly arranged an appointment with a Money Advice Outreach Adviser. The appointment was made via Citizenlink - a local authority funded service, which delivers public services to rural areas via a video booth system.

Advice process

Over the next 2 appointments, Andy received advice on Legal Aid and was told that he was entitled to further benefits which would help his current situation:

'They pointed out that I was eligible to a further allowance that [the Government] weren't giving me, and so I saw an increase in my JSA'.

Around this time, Andy was also receiving advice over the phone from the Consumer Credit Counselling Service (CCCS) regarding his debts. He was happy with this advice, but commented that the 'face to face' service provided for money advice outreach made him feel more comfortable than speaking to an adviser over the phone. He also rated the holistic service, and specifically that they were able to advise him on benefits as well as providing legal advice.

Outcomes

Andy is still unemployed, and although he still struggles financially, his money situation has improved as a result of the increase to his benefits. The legal dispute over outstanding payments is still on going, but after receiving advice, he feels that he can now *'put [his] mind at rest'*.

Client case study: Leicester Money Advice

Background

Gary (35) is currently serving a sentence at Leicestershire prison. Although Gary has held several previous jobs, including his own business, sustaining work has proved hard whilst moving in and out of prison. Gary's debt problems started back in 2001 when he unexpectedly received a large tax bill after he had lost one of his businesses. He initially made attempts to repay the tax using money that he was earning as a doorman, but fell behind on payments. Around this time, he also began to accumulate other debt through hire purchase, consumer credit and unpaid utility bills.

Gary found it difficult to engage with debt advisory services. He first obtained help from a charitable advice agency, who wrote to his creditors on his behalf offering to repay the debt at £1 a week. Whilst he was appreciative of the help, he did not feel that this was the best solution.

Referral

Gary heard about the money advice project from the Probation Service in HMP Leicestershire who put him in touch with a money advice outreach worker. Gary missed his first appointment, due to illness, but managed to see the adviser the next time she was in.

Advice process

Gary had two meetings in total. During this time, the adviser provided him with information and relevant literature on debt, and contacted his creditors and the Inland Revenue to inform them of his situation. He was kept informed at all stages of the process and felt very comfortable talking to the adviser. He was impressed at the speed at which his situation was dealt with.

"Things have gone pretty quick, to be fair, there was no mucking about really...the advice was much more practical, it made a lot more sense. She [adviser] knew what she had to do and she got on with it".

Outcomes

The interest has now been stopped on all Gary's debts and he is currently waiting for a decision from the Inland Revenue on whether he is to repay his tax bill. The client now feels that he will be about to manage his debt when he is released, and commented that he would not hesitate to make the Money Advice Centre his first port of call if he ever needed debt advice again.

Annex Two: Method statement

Method statement

This phase of the money advice outreach pilot programme evaluation comprised 49 qualitative in-depth interviews. Of these, 41 interviews were conducted with clients of money advice outreach services provided by pilot projects. The remaining eight interviews were with target group respondents, defined as people who used an outreach venue, self-identified as having debt problems, but had not accessed advice from a pilot project.

All interviews were conducted within the ethical guidelines for ECOTEC and the PFRC, including informed consent and confidentiality, and storage of information in accordance with the Data Protection Act. The interviews were recorded and transcribed with the participant's permission and participants were fully informed of the intended use of the transcription data.

All respondents received £25 in shopping vouchers as a thank you for taking part in the research.

Clients of money advice outreach services

Sampling

Clients were sampled from the following six of the 22 pilot projects, selected to provide good coverage of the five main types of outreach settings (housing support services, family support services, organisations in the justice system, community finance organisations and other community settings):

Sample of pilot projects from which clients were drawn		
Pilot project	Number of clients interviewed	Type of outreach setting
Action for Employment (A4E)	6	<ul style="list-style-type: none">Housing support servicesOther community-based venues
Citizens Advice Offender Support Services	4	<ul style="list-style-type: none">Organisations in the justice system (prison)
East Yorkshire CAB	3	<ul style="list-style-type: none">Videolink booths
Fulham CAB	5	<ul style="list-style-type: none">Housing support services
Leicester Money Advice	14	<ul style="list-style-type: none">Community finance organisationsHousing support servicesOrganisations in the justice system (prison)
St Ann's Welfare Rights Advice Group	9	<ul style="list-style-type: none">Housing support servicesOrganisations in the justice systemOther community-based venues

Although none of the clients had accessed advice at a family support service (such as a Children's Centre), some had initially become aware of a pilot project through Children's Centres and gone on to receive advice at another location.

The six pilot projects were asked to select a random sample of clients who had used the money advice outreach service, to include open and closed cases. The projects then contacted the selected clients, to gain permission to pass their contact details on to the research team. In some cases, pilot projects telephoned clients to do this, in other cases they sent out letters asking clients to opt-in to the research.

Topic guide

A qualitative depth interview topic guide was designed for the purpose of the client interviews. It comprised the following core topics:

The reasons why clients sought advice from the money advice outreach project;

- How they recognised they had debt problems, just before contacting the project
- How they felt about this at the time / levels of priority
- Previous strategies for coping with these problems; help sought
- Awareness / experience of other advice services in the past; outcomes from this

The process by which they received advice;

- How and when they first heard about the project; first impressions
- How long it took them to first make contact; reasons for this
- Who (if anyone) referred them, and how this came about
- First contact with the project; experiences of getting an appointment
- Comparison with past experiences of advice, if applicable

The delivery mechanisms that were used and how well these worked;

- How and where they initially accessed advice; suitability of location
- Views on skills of the adviser, and their overall approach
- Nature of first advice session; action taken; outcomes; how they felt
- Nature of subsequent contact; how / when / where / why; outcomes
- General progression of the case; issues arising; risks of dropping out
- Own role played in the advice process, and how they felt about this
- Comparison with previous experiences of receiving advice, if applicable
- What they would have done, if they had not found the project when they did

Early impacts and outcomes of the advice received.

- Status of their debt / money problems, since contacting the project
- How well they feel they are coping, compared with previous financial situation
- Role of the project in bringing about these changes to their situation
- Any wider benefits of the advice process; health; employment; family, etc
- Any changes to knowledge of what advice can do; where to go; who can help
- Views on what they can do to avoid future debt problems; types of support needed
- Propensity towards accessing advice in future; how / when / why; compare to before

Piloting

A pilot exercise was conducted in November 2007 to establish the degree of fit for purpose of the client interview topic guides. In total, 13 pilot interviews were conducted: nine with clients who were not in prison, four with clients in prison. Following the pilot, minor changes were made to the topic guide and a separate topic guide was developed for use with prison clients. The pilot interviews counted towards the final number of interviews, and were analysed alongside the main-stage interviews.

Fieldwork

The main fieldwork stage comprised 36 interviews with clients, which took place between December 2007 and February 2008. Like the pilot interviews, the main-stage interviews were conducted face-to-face, either in the clients' home, at an outreach venue or other neutral location, or in prison.

Interview lengths ranged from about 30 minutes to around 90 minutes. The variation in interview lengths was largely accounted for by the extent and nature of the problems that people had sought advice about. So where clients had sought advice for a relatively straightforward or one-off matter, there were fewer issues to discuss. Most interviews, however, lasted about an hour.

Target group respondents

Sampling

Target group respondents were recruited from two outreach locations: a JobCentre Plus office and an employment and training organisation. They were sampled according to the following criteria:

- Use of the outreach venue

- Self-identified as having debt problems. This was defined as being behind with household bills and/or credit commitments, or having outstanding debts that they were worried about.
- They had not accessed free-to-client advice about these debt problems, either from a pilot project or another advice service.

In order to achieve a mix of outreach venues, recruitment was also attempted at a local authority housing office. However, of the 22 tenants who visited the housing office on the day that the researcher was there, two refused to take part in an interview and the other 20 did not qualify for an interview because they said they did not have any debt problems.

Topic guide

A qualitative depth interview topic guide was designed for the purpose of the target group interviews. It comprised the following core topics:

Recognising debt problems;

- When and how they recognised they had debt problems
- How they felt about this at the time
- How high a priority they give to sorting out debt problems

Responding to debt problems;

- Strategies for coping with these problems
- Contact with creditors
- Help sought e.g. from family, GP, housing officer, advice service
- Awareness / experience of advice services now and in past; outcomes from advice

Awareness of money advice outreach project

- Aware of project or not? Views and how informed
- Any contact with project? If yes, views and experiences? If not, why?

Looking forward

- Consider contacting the project in future?
- What would help them avoid debt problems in future?
- Views about future financial situation

Fieldwork

The target group interviews took place in March 2008, at the outreach venues where respondents were recruited. The interview lengths ranged from about 15 minutes to about

40 minutes; most took about 30 minutes. Like the client interviews, variations in length were largely related to the extent and nature of people's debt problems.

Profile of achieved sample

The following table provides a profile of the clients and target group respondents who were interviewed during the pilot and main-stage fieldwork.

	Clients (41)	Target group (8)	Total (49)
Sex of respondent			
Male	18	6	24
Female	22	2	24
Couple	1	0	1
Age of respondent			
Under 30	9	3	12
30-39	16	3	19
40-49	10	2	12
50-59	2	0	2
60+	4	0	4
Family circumstances			
Single parent	17	2	19
Single, no dependent children *	16	4	20
Couple with children	6	2	8
Couple no children	2	0	2
Employment status			
Not in work	35	8	43
In work	6 **	0	6
Housing tenure			
Social tenant	17	3	20
Other tenant	5	3	8
In prison	11	0	11
Owens home with mortgage	4	2	6
Other arrangement	4	0	4

* This includes several men who were separated or divorced, whose children live with their mother

** This includes three resettlement prisoners who were working full-time

Analysis and interpretation

The evaluation report is based on the interpretation and analysis of the client and target group interviews. The interviews were fully transcribed. Information from the transcripts was then transferred to thematic grids, forming the basis of the analysis. This approach allows for the rigorous interpretation of qualitative data. Second tier analytical grids were then produced, to structure the key themes for reporting. This information was used to write the report. Where relevant, the report also draws on the findings from the first two phases of the evaluation and previous research studies.



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