

Providing relief in the cost of living crisis

Impact Report 2022/23



Debt Free Advice is a coalition of charities led by Toynee Hall that provides free, impartial advice to individuals with problem debt.

Our partners:



Our mission is to help anyone in financial difficulties at a time and place that fits around them.

We do this by removing stigma associated with debt through a truly accessible and solutions focused service.



Our strategy and work are guided by:

'Integrity',
'Empowerment',
and **'Innovation'.**

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Managing Director's

Introduction

The 2022-23 was a year of unrivalled financial hardship for many people.

As the world emerged from the pandemic, we were hopeful for a return to normality. However, we were soon faced with a new challenge: the cost-of-living crisis.

The price of food and other essentials skyrocketed, putting a strain on household budgets. Alongside this, we've seen a startling 47.4% increase in customer's with gas arrears and a 44.4% increase in those with electricity arrears compared to last January. Energy bills reached record levels, leaving many struggling to make ends meet, with 1 in 5 customers we support now on pre-payment meters, adding further financial strain to their situation.

Demand for debt support soared, with a dramatic 50% increase of inbound calls to Debt Free Advice compared to the previous year.

Many customers reported that they had been living pay check to pay check, but that the recent price increases had made it impossible for them to keep up. Around 12% of our customers cited the cost-of-living increase as the main reason for their problem debt, while the number of customers needing access to a food bank has more than doubled since last year, demonstrating the urgent need for support.

The financial problems faced by our customers are becoming increasingly complex which makes the work of our

advisors even more challenging. And we know they are not immune to the financial pressures that are being felt by millions of people across the UK.

But the perseverance and passion of every single individual across our coalition has meant that we were able to provide high-quality advice to around 18,000 people throughout the year whereby they were £13,147,300 financially better off. Our customers have expressed overwhelming satisfaction with our service, rewarding our relentless commitment with an exceptional rating of 4.8 stars out of a maximum 5 on Trustpilot. This achievement, which we take great pride in, reflects the trust and confidence they place in Debt Free Advice, further motivating us to continue making a profound impact.

It is inspiring to witness the unyielding care, dedication, and commitment exhibited by every member of the Debt Free Advice team, along with our partners and funders. Your tireless efforts to navigate complex debt situations have made a tangible difference in the lives of countless individuals. My heartfelt thanks go to each one of you for your extraordinary contributions. The collaboration between our staff, partners, and those who financially support our mission defines who we are as a coalition. Thank you all for everything that you do.



Matt Dronfield

Managing Director,
Debt Free Advice

A message from the Money and Pensions Service



Our organisation strives for ‘a society where everyone makes the most of the money and pensions’ – and that’s never been more important than right now.

The impact of the rises in the cost of living has left many people across the country struggling with their finances. When people struggle with money, it can have a severe and lasting impact on their health and wellbeing. Therefore, it is important more than ever that they have the right support and advice to manage their debts and financial difficulties.

That is why the work Debt Free Advice and their debt advice partnership do is essential. They have responded to these challenges by developing a multi-channel delivery model that works within a holistic framework, with face to face debt advice services expanded to help those who are vulnerable and most in need. This has enabled those in need of debt advice to access a service that can adapt to their needs.

This service is needed now more than ever. Research has found that over 60% of Londoners are more concerned about their debts now than they have been in the

previous six months, with these concerns being driven by increases in essential expenses such as utility bills, rent and food. The demographic of those accessing the service is widening, with more people who work both part and full time struggling to make ends meet.

Since 2012, we have worked together to develop a service to meet the needs of those with problem debts. The strong commitment of Debt Free Advice to helping those in need, is more apparent than ever.

On behalf of the Money and Pensions Service, I again would like to send my thanks to the Debt Free Advice team as they continue to help tens of thousands of people across London at this challenging time.

Caroline Siarkiewicz

Chief Executive Officer,
Money and Pensions Service

Key achievements

18,100 customers helped.

£13,147,300 financially better off.

4,525 customers (25%) had their income boosted.

2,172 customers (12%) received foodbank vouchers.

3,077 customers (17%) had their debt managed.

After an initial assessment, **36%** advice is given through face to face, **23%** self-help and **14%** phone calls.



Integrity

Our customers rely on our integrity to provide them with legally correct advice that responds to the issues they are dealing with.



Expert advice you can trust

Our quality of advice is rated as one of the best in the country with an externally assessed score of 81%, based on closed file assessment.

We provide holistic advice which means we:

- Explore all customers' issues surrounding their problem debt.
- Refer them to our trusted partners who can help and support customers with these other issues such as housing, food bank, income maximisation, or mental health.
- Tailor our advice based on customers' circumstances, and work with support workers and family members if customers find themselves in vulnerable circumstances.
- Empower customers so they know how to deal with similar issues in the future.

How are we doing?

We truly care about our customers, and we strive to provide a 5-star experience for them. We regularly ask those that have received our advice to rate us publicly on Trustpilot, one of the world's biggest review websites, and we're delighted to be rated as excellent!

- We scored **4.8** stars out of **5**, higher than the average score of 4 of other debt relief services.
- We ask for reviews from everyone be that positive experience or negative.
- **86%** of our clients gave our service a five-star review.



Read what our customers say about us:



Hazira, Debt Free Advisor at Toynbee Hall

“Hazira helped me with rent arrears worth £8,000 and not only was she professional and efficient she showed empathy and care towards me.

She went above and beyond and done grants and gave me hot drinks when I came. She made me feel warm in the room when it’s so expensive to do that at home, I felt comfortable. She gave exceptional service and made a meaningful impact. She deserves nothing but high praise for her dedication and excellent service.”



Andrew, Debt Free Advisor at South West London Law Centres

“It’s hard to face the reality that life can be harder than you can cope with. Andrew helps me feel confident to takes steps forward. He immediately takes hold of the situation and guides me. I’m glad to have his support and understanding. He is amazing. Thank you.”



Oliver, Debt Free Advisor at Citizens Advice Waltham Forest

“My sister has mental health issues and had received a letter from bailiffs saying they were going to visit her property. She has nothing and was completely unaware that she had debt. We contacted Debt Free Advice and was introduced to an advisor, Oliver. He was amazing and if I could give him 10 stars I would. He spoke to other agencies on our behalf and gave us advice on what help is out there, none of which we were aware of. Without his support I don’t know where we would be. We can’t thank him enough.”



Working at Debt Free Advice

In 2022, we ran a survey to understand the overall wellbeing of our colleagues and to identify any areas to improve.

- Colleagues scored **7 out of 10** on their wellbeing at work.
- On attraction working for the service, **3/4 (76%)** of colleagues said it's a job that makes a difference.

We recognise the challenges faced by colleagues as demand increases and complex debt cases have been made even more difficult by the financial pressures in the past few years.

We are now working to improve colleagues' wellbeing while ensuring we provide the best possible support for customers.



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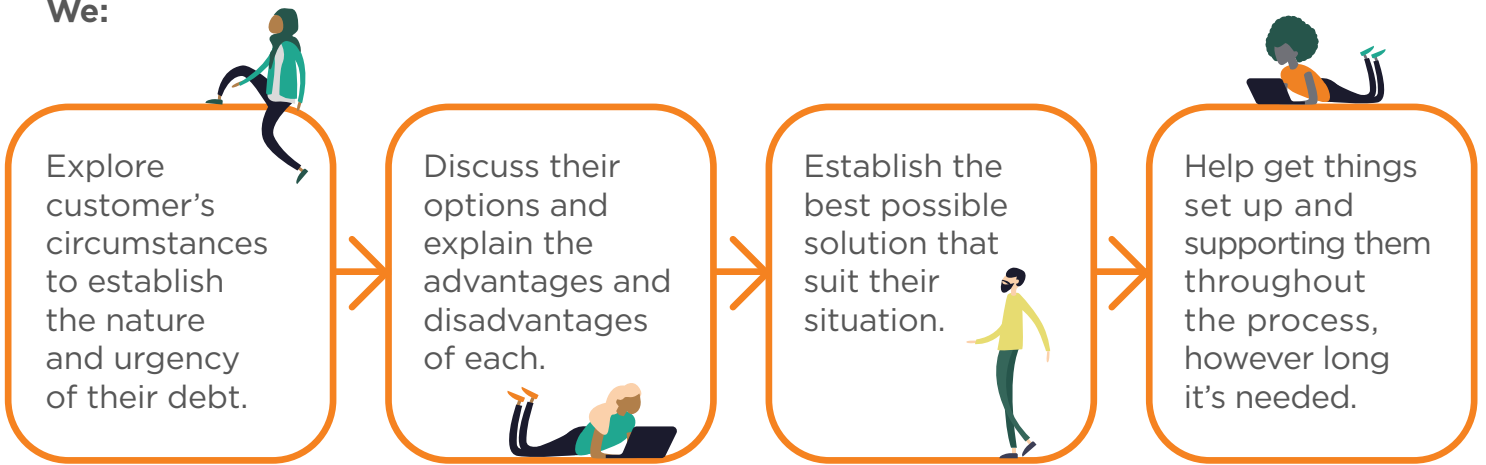
Empowerment

We empower customers to take control of their personal finances to lead them to a debt free world, while also empowering our colleagues to develop their careers through a high-performance culture.



Our debt advice journey

We:



What we're seeing

1. Debts and arrears

- Most common debt type: rent arrears **(43.6%)**, council tax arrears **(42.9%)** and credit card **(34.4%)**.
- **3.9** average number of debts.
- Customers with arrears in energy bills **42% in 2022** from **37% in 2021**.
- **One in five** customers were on pre-payment meters.

2. Reasons for debt

Low income	39.5%
Cost of living increase	12.6%
Long term illness	6.7%

3. Demographics

- **Three in five (58.9%)** customers were women.
- **Two in five (35.6%)** customers were aged 35-49.
- **One quarter (24%)** of customers were in some form of employment.
- Customers on Universal Credit **32% in 2022** from **28% in 2021**.



What does debt advice mean to you?

1. Kalpamayee's story

Debt Advisor, Nucleus

'Debt advice can save lives'

"I have seen first-hand how debt can ruin lives. Debt can be very overwhelming; a lot of people feel quite nervous when they contact us. And my job is to reassure them that there is a positive way forward.



Getting debt advice is not a sign of weakness, it's a sign of strength. It happens to all sorts of people, for many, many reasons – reasons that are often out of their control.

I am so proud of the work that I do, and I know that I am making a difference in people's lives. I am grateful for the opportunity to help people get out of debt and start living their lives again."

2. Simon's story

Customer, Toynbee Hall

'Debt advice is a way to financial freedom'.

"When I ended up with over £2,000 debt with my utility company, I was really worried. I try to sort the issue, but I was just getting nowhere. Then I got stressed when I receive a letter from the County Court.

Someone told me that Debt Free Advice can help with this situation. So, I got in touch and based on their advice, we secured a reduction in the original charge from £2,000 to £800. We also came to an agreement to pay back the rest of the debt in an affordable monthly sum, which allowing me to clear my debt over a fixed period of time.

This gave me a massive relief. I was finally on my way out of my debt to financial freedom.

I want people to know that there's help out there, however hard you think it is."



How can we help you?

To meet the increasing demand of our service, we created a Customer Care team in October 2022. They are the first point of contact for our potential customers who reach us via telephone, WhatsApp, web chat and video call. They assess customers' needs and support them, from booking appointments to signposting to other services.

- **600** more calls per month were handled since October 2022.
- Our helpline is extended to 7 days a week, 8am to 8pm.
- **50.7%** increase of handled inbound conversations.
- Video calls **9.3% in 2022** from **8.5% in 2021**.



Teamwork makes the dream work

Thanks to the 15 partners in our coalition, we were able to provide our expert debt advice via telephone, video and in person at advice centres across London.

Our biggest challenges and proudest wins of 2022:

Citizens Advice Brent

“Our team’s unwavering commitment to a cash-first approach and exceptional support for vulnerable service users sets us apart. We take pride in finding workable debt solutions and helping our residents and wider service users to regain control of their finances and achieve money wellness.”

Citizens Advice Bromley

“We were proud to achieve excellent quality outcomes for our customers and have our debt advisor shortlisted for Money Advisor of the Year.”

Citizens Advice Hammersmith & Fulham

“We had some challenging staffing issues at the start of 2022, but we bounced back as two experienced advisors joined to help our trainee staff to be a qualified Debt Advisor. As a result, we managed to end the year exceeding our targets.



We also struggled to support clients from outside London, so this meant we could only help them through telephone and video calls. But we introduced a monthly debt drop-in day to support local customers through face-to-face sessions.”

Citizens Advice Lewisham

“We successfully reached targets while maintaining a high standard of quality amid many setbacks last year. Our service was in high demand, and we had to deal with complex cases. There was also lack of customer engagement and inaccurate referrals where customers without debt were referred to us. But, we achieved our goals successfully through effective teamwork, strong communication, and a commitment to excellence.”



Citizens Advice Southwark

“We are very proud of the work we have been able to do for vulnerable customers in Southwark in 2022. Emerging from the pandemic and followed by the energy and cost-of-living crisis, the team have been dedicated to helping as many customers as possible especially through the face-to-face channel as this has been much needed, given the particular issues with digital exclusion. As well as dealing with debt issues, they have been maximising income by helping with applying for benefits, challenging the benefits decisions, and improving the quality of their living spaces by assisting with housing (including disrepair and homelessness).”



Citizens Advice Sutton

“In 2022, with the effort of our debt team and 2 DRO Intermediaries, we assisted 94 clients in putting applications for DRO resulting in over £1.2 million worth of debts being written-off in addition to other financial gains through other debt solutions.”

Citizens Advice Waltham Forest

“Our proudest achievement would be helping residents to manage challenges caused by the cost-of-living crisis and the ensuing difficulties in paying bills and debt. We have worked closely with our local authority in the past year distributing Household Support Funds to some of our most vulnerable residents as well as other charities such as the Glasspool Trust. Our team also consistently receives outstanding feedback on Trustpilot reviews as well as excellent file reviews.”



Citizens Advice Richmond

“One of the things we are most proud of achieving in the last year is being able to untangle multiple debts for customers. We helped them to see the situation that caused them stress and was impacting their health, could be managed. When we see that weight lifted off a person’s shoulders, we know we have done our job.”



Citizens Advice Westminster

“One of the things that we are proud of is when we recruited Shivani



as a Trainee Debt Advisor. Working very hard through an intense job training and supported by our team, she developed into a highly efficient and effective Debt Advisor.

An example is when Shivani helped a vulnerable client with debts of over £13,000. Over 10 months of difficult casework, she successfully obtained utility grants, and managed to write off client’s credit card and broadband debts.”

Mary Ward Legal Centre

“We have been at the frontline, advising the most vulnerable customers facing financial difficulties due to the cost of living and energy crisis. We are most proud of advising a large number of customers overcome their financial hardships, particularly after a surge in demand. Ensuring that our customers keep a roof over their head, keep their bodies warm and stomach fed are basic human rights that are non-negotiable. In doing so, we moved to establish and create new links with local organisations and build on additional services and provisions, such as applying for cost-of-living grants, foodbank vouchers, energy grants and attending numerous advice surgeries to see customers at suitable local venues.”

Nucleus

“A couple of challenges from last year were having to deal with customers



who are not local as it took us longer to find the details of other supportive agencies and to address the difficulties with customers who refuse to engage in video calls.

But we are proud as one member of our team has achieved the status of DRO Intermediary, and another completed her CeMAP qualification. Both are passionate debt advisors who want to continue providing good quality advice and assist customers to find solutions to their debt problems.”

South West London Law Centres

“We are proud of the many lives we change for the better from work under the Debt Free Advice grant and not to mention the dedication and determination of our team. We are proud that we could attract additional funding beyond this grant so that we can provide wrap around and holistic support to our customers which makes their lives demonstrably better. We are proud of the results we achieve with the paucity of resources we have.”

Toynee Hall at Tower Hamlets & Greenwich



“Two of my advisors who began as Trainee Debt Advisors and developed into DRO intermediaries, together, have written off over £200k of debt. Whilst completing their own DRO applications, they have also been assisting their colleagues by submitting applications for those who aren’t intermediaries.

It’s a very big responsibility and lengthy process so I’m proud of the intermediaries for taking this challenge on and being successful. I’m also proud of the advisors who aren’t intermediaries, having to go through the same DRO process before passing it on to an intermediary to submit.”

Toynee Hall at Barking & Newham



“We take great pride in our successful expansion of services into the Barking and Newham area. Through a robust network of local agencies, we have facilitated seamless referrals among these stakeholders and significantly increase our capacity to help customers facing a spectrum of financial challenges. The number of people we helped has also doubled from the previous year.

I’m also proud of the exceptional contribution of our advisors. Their expertise has played a pivotal role in guiding our customers to reclaim their financial freedom, deftly negotiating significant debt write off and therefore making a profound difference in the community.”

Rooted Finance



“We were proud to launch as a new independent Charity and rebrand to Rooted Finance over the last year. Our new name and brand refresh allows us to present ourselves more clearly for who we are, a pioneering debt and financial inclusion Charity rooted in our communities with a laser commitment to improving the financial lives of our clients. We were also very proud to help our clients manage over £7million of problem debt during this period.”



Customer Care Team

“We’re proud to live up to the challenges of what we are facing through our customers’ journeys and needs. Our quality of service was proven excellent as reflected in our 5* Trustpilot reviews. We also won Debt Team of the Year Award in 2022, as being a neurodiverse team, we work very well together. We worked hard in a challenging and demanding environment, delivering the service with empathy and whole heartedness.”



Citizens Advice Islington/ RCJ Advice

“We are most proud to help our client with severe mental health issues who had a debt of £95,000 written off informally when our client became ill, following our communication it was agreed not to pursue the debt and absolve our client of any liability to pay amounts outstanding under signed contractual terms of agreement.”



Better together

Our referral partnership is vital in ensuring we can reach as many people as possible. With 31 organisations onboarded, we were able to reach new customers who need debt advice.

- Abbey Community Centre
- Barking & Dagenham Library
- Bet Know More
- Citizens Advice Barking and East End
- Community Links
- Engie
- Ethstat
- Newham Council
- Hyde Housing
- Ingeus
- Job Centre Plus Greenwich, Redbridge, and Seven Kings
- Lewisham Homes
- Maximus
- Metropolitan Thames Valley
- Notting Hill Genesis
- One Source Welfare
- Pay Link
- Pay Plan
- Reed
- Reventus
- Royal Borough of Greenwich
- Sharan Project
- Skills Enterprise
- Solace Women's Aid
- The Trussel Trust
- Three Rivers District Council
- Tower Hamlets Resident Hub
- Vision Redbridge Culture and Leisure



Bringing our advice to you

We launched our Cost of Living Bus, in partnership with the Mayor of London, for a second time from November 2022 to March 2023.

Acting as a mobile advice centre, Londoners could hop aboard the bus for free debt and benefit advice as well as signposting to other cost of living support.

- The bus travelled for **50** days to **26** London boroughs, visiting **13** community centres, **8** town squares, **7** markets, **2** libraries, and **2** hospitals.
- **547** total number of conversations held with Londoners.
- **305** total number of Londoners received debt advice.
- **137** total number of Londoners received benefit advice.
- **10** webinars delivered on cost-of-living support.
- **60%** increase in inbound calls to the service in the period compared to last year.



A message from City Hall

“When the cost-of-living crisis was hitting Londoners hard and as Christmas brought more financial strain, many Londoners were worrying about how they would make ends meet.

No-one should have to face these difficulties on their own. We sent this bus all over London, with expert advisors on board to give convenient debt advice, benefit entitlement advice, and additional support available through our Cost of Living Hub. I wanted every Londoner to know that free, expert advice was available in their local area, and they could speak to someone face to face in their own community”.

Sadiq Khan, Mayor of London



Partnering with EE

It's best to seek help as early as possible when you're worried about your debts. That's why we partnered with the mobile network operator, EE. They referred their struggling customers to us through the Money Adviser Network, brought by the Money and Pensions Service. We produced a guidance video for EE staff to help them understand the referral process.



What EE are saying

"We recognise that the cost-of-living crisis is having a big impact on our customers, and as a business we want to be able to support them to manage their finances and prioritise their most important bill first, such as telecommunications.

I'm also proud that we're the first company to partner with Money Helper and Debt Free Advice using the Money Adviser network. This partnership helps us to direct customers to someone who can help them. And what I'm also really pleased about, that it's not only helping our customers, but also our colleagues as they always know they got something to offer for customers even in the most extreme of circumstances."



Innovation

We challenge complacency, leading with a 'solutions focused' mindset to bring about meaningful change.



With a touch of a button

Our video advice was a solution for an accessible service. With a touch of a button, everyone can access near face-to-face advice from the comfort of their own home.

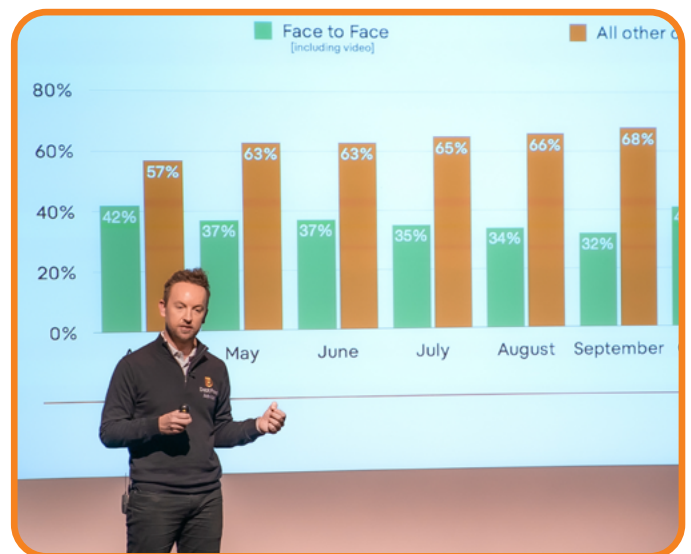
But not everybody has a smart device or the confidence to engage with a service like that. Which is why we've been deploying video advice kiosks with high-resolution cameras and cutting-edge technology in libraries, community centres, financial hubs, and job centres across London.



Numbers don't lie

Without good data, you're flying blind. We brought in a data dashboard to interpret the data in our online management system which can be accessed anytime and by everyone across the partnership.

We're now able to build an understanding around our service and customers. This allows us to demonstrate our work and enhance our offerings.



Investing in people

Empowering our colleagues and developing their skills are keys to our success. We launched Debt Free Academy to help them reach their full potential and to improve efficiency.

This online learning management system allows advisors to access training and resources, and to monitor their Continuing Professional Development (CPD) points.

- All advisors met their CPD points requirement in 2022.
- 14 training sessions delivered.
- 622.5 CPD points out of total 1336 accrued by colleagues from the courses provided through the academy.



Debt Free Academy



Money Coaching

Our work doesn't just stop on providing debt advice. We also want to make sure that everyone's financial health is in good shape. We have joined forces with a variety of UK lenders to present a Money Coaching programme for their customers.

How we do it:

- Success plan - we offer practical strategies designed to help you make the most of your income.
- Tailored coaching - we customise one-on-one, hour-long sessions with a selection of financial topics to suit your needs.
- Safety net - we encourage setting aside a regular, affordable sum to build an emergency fund.
- Your goals, our support - we assist you in crafting a tailored, sustainable financial plan, helping you to confidently manage your finances.



Macmillan Benefits Advice

In the midst of life's challenges, especially when confronted with a cancer diagnosis, understanding and accessing your welfare benefits should be the least of your worries. This is why we have also partnered with Macmillan Cancer Support to provide free, clear, and comprehensive welfare benefits advice specifically for those who have been diagnosed with cancer.

We offer financial guidance to:

- Residents of Tower Hamlets, Newham, Hackney, or the City of London
- Patients at St Bartholomew's Hospital, The Royal London Hospital, Homerton University Hospital, Newham University Hospital, or Whipps Cross University Hospital

**WE ARE
MACMILLAN.
CANCER SUPPORT**



Debt Free Advice

Toynbee Hall

Toynbee Hall was created in 1884 as a place for future leaders to live and work in London's East End and come face-to-face with the social issues of the day. Today, Toynbee Hall continues to strive for social change and works alongside people facing poverty and injustice to build a fairer and happier East London.

As well as leading the Debt Free Advice coalition, Toynbee Hall provides vital advice and community services, and works in partnership with local communities to tackle unfairness and ensure everyone has an equal chance to thrive.



Access our advice 8am-8pm 7 days a week:

Webchat



Telephone



WhatsApp



Video chat



Face to face



 Debt Free Advice

[debtfreeadvice.com](https://www.debtfreeadvice.com)

 @DebtFreeAdvice_

 0800 808 5700

Debt Free Advice is a unique partnership led by Toynbee Hall and funded by the Money and Pensions Service.

Toynbee Hall is a registered charity (211850) and a company limited by guarantee (20080).

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