StepChange Debt Charity

Paths to Recovery

Understanding client outcomes
15 months after debt advice

March
2020

Foreword

Since 2017, StepChange has been regularly measuring the outcomes experienced by our debt advice clients.

We want to increase our understanding of the value of our service to our clients in terms of key changes we might hope to see in their financial lives in the extended period following advice. This will give us new information on how our debt advice and solutions service are working for clients in different circumstances.

What is a 'client outcome'?

As a debt advice charity, we define a 'client outcome' as the changes, or lack of changes, in a client's situation after receiving debt advice. This includes their financial situation as well as other aspects of their life such as overall wellbeing.

This analysis of the longer-term outcomes reported by different clients may also shed light on the impact of the policies, practices and products of other organisations including private firms, public bodies, regulators and government. This will also help to inform an important debate on improving financial resilience and reducing the risk of people falling into problem debt.

Our first report, published in February 2019, highlighted what was happening to clients at three months after debt advice. This is just at the start of their journey out of problem debt and often when they're still dealing with the emergency. This second report looks closely at what is happening to clients 15 months on from the initial advice session. This is when we would expect clients to be in a more stable position and moving towards recovery. It asks the same key questions about progress with debts, improving financial resilience and subjective wellbeing.

At 15 months after advice, we found that many clients are making good progress and feeling optimistic about their recovery from debt. Our clients highlight the importance of the advice and support we give them, and implicit in this is the forbearance, protection and space to recover that debt advice and solutions can bring.

However, for other clients, progress remains difficult with some evidence of ongoing financial distress. Of all the clients who responded at 15 months, few have the necessary levels of financial resilience required to weather future income or expenditure shocks that may lead them back to financial difficulty. This should give pause for thought for everyone who shares our vision of reducing vulnerability to problem debt within UK households.

John Griffith-Jones
Chair, StepChange Debt Charity

Paths to Recovery

Since our first report, we have continued to collect data, particularly at the nine and 15-month stages of this outcomes measurement project.

We now have an increased sample size and can report on findings with more confidence, and in more detail. Further details of sample sizes and methodology are included on page 19 of this report.

This report focuses on the same three broad themes as the first client outcomes report, all of which are as important as each other and in their own right:

Contents

Our first report: 'Measuring Client Outcomes'

Our first report, 'Measuring Client Outcomes', published in February 2019, predominantly focused on data at three months after debt advice. With more data now available we have been able to confirm findings outlined in this first report:

- At three months after advice, clients with no additional vulnerability to their financial situation* and positive budgets at the time of advice (where their monthly income exceeds monthly expenditure after receiving budgeting advice from StepChange), tended to have better outcomes.

For example, this client group were more likely to say they were satisfied with their life (average wellbeing score of 6.39), compared to all clients (average wellbeing score of 5.81)

- Clients with positive budgets and an additional vulnerability to their financial difficulty were the most likely group to say their debt problem was completely sorted out at the three-month stage. Among this group, 18% said their problem was resolved at three months compared to 13% of all clients
- Clients who show better progress with their debts are also more likely to have improved wellbeing
- For clients with negative budgets (where their monthly expenditure exceeds monthly income after receiving budgeting advice from StepChange), the path to financial recovery looks longer and more difficult. At three months after advice, this is the case particularly for those whose financial situation is compounded by an additional vulnerability.

*For our clients, an 'additional vulnerability' can include a physical health condition, mental health condition, learning disabilities , hearing difficulties, sight loss or impairment or any other condition which makes dealing with debt problems additionally challenging.

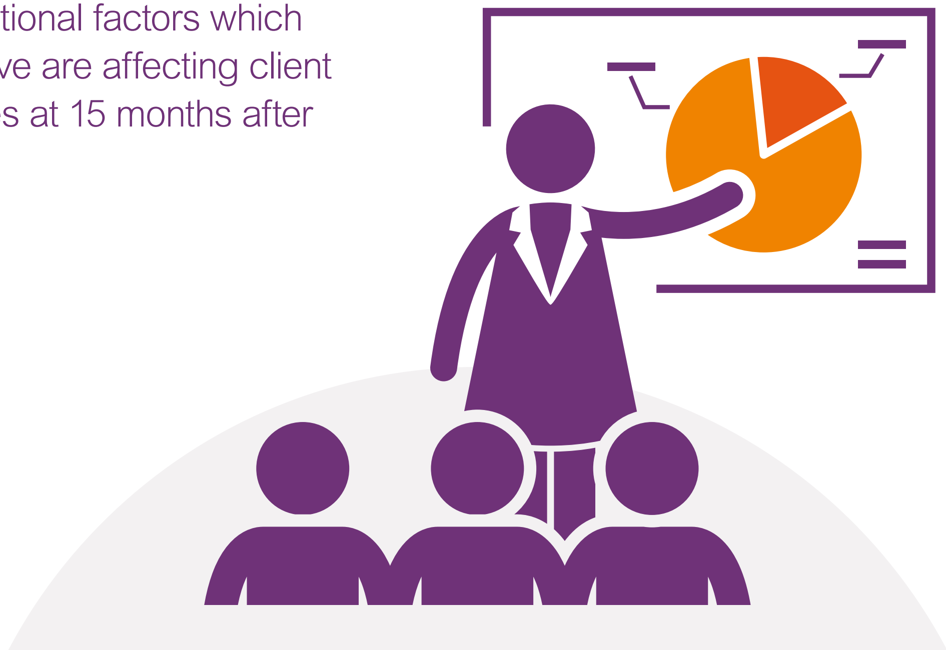
Key drivers

In our first report, we focused on how **client circumstances at the time of advice** were driving positive or negative outcomes.

We looked at how differences **in budget status and additional vulnerabilities** impacted the outcomes that clients reported. In this report, we have added two additional factors which we believe are affecting client outcomes at 15 months after advice:

Progress with debts:

As well as progress being a key outcome in itself, we are also interested in how progress with debts affects other key outcome measures. This is assessed by how close clients are towards becoming debt free at 15 months after debt advice.



Money management capability:

We have introduced the measurement of 'money management capability' into this report. We determine that clients who have money management capability are more likely to say that any of the following have helped rather than hindered their journey towards becoming debt free:

- Keeping a closer eye on spending
- Sticking to a budget; or
- Not using credit.

Conversely, clients who are likely to say they have not been able to keep a closer eye on spending, stick to a budget or use credit - and this has hindered their progress - do not have financial capability.

We find that the majority of clients (85%) have money management capability and less than one in ten (8%) do not have it. Even fewer (5%) find that these things both help and hinder them in equal measure.

Theory of Change

Outlined below is our ‘Theory of Change’.

Clients achieving ‘good’ outcomes represent our idealised expectation of our clients’ progress from debt crisis to stability and then onwards towards financial resilience, financial health and substantially improved wellbeing.

However, this isn’t the case for all clients. As presented below, there are different paths to financial recovery:

Financial problems

Contacts StepChange to get advice

Overcoming crisis

Three months after advice

Client reaches a trigger point, has contacted us for advice and is starting to act upon usable advice.

- Improved wellbeing
- Reduced creditor pressure
- Increased confidence
- Budget coming under control
- Progress with sorting debts
- Arrears not worsening

Stability

Nine months after advice

Client has regained control of finances, chosen a course of action and has stability to pursue it.

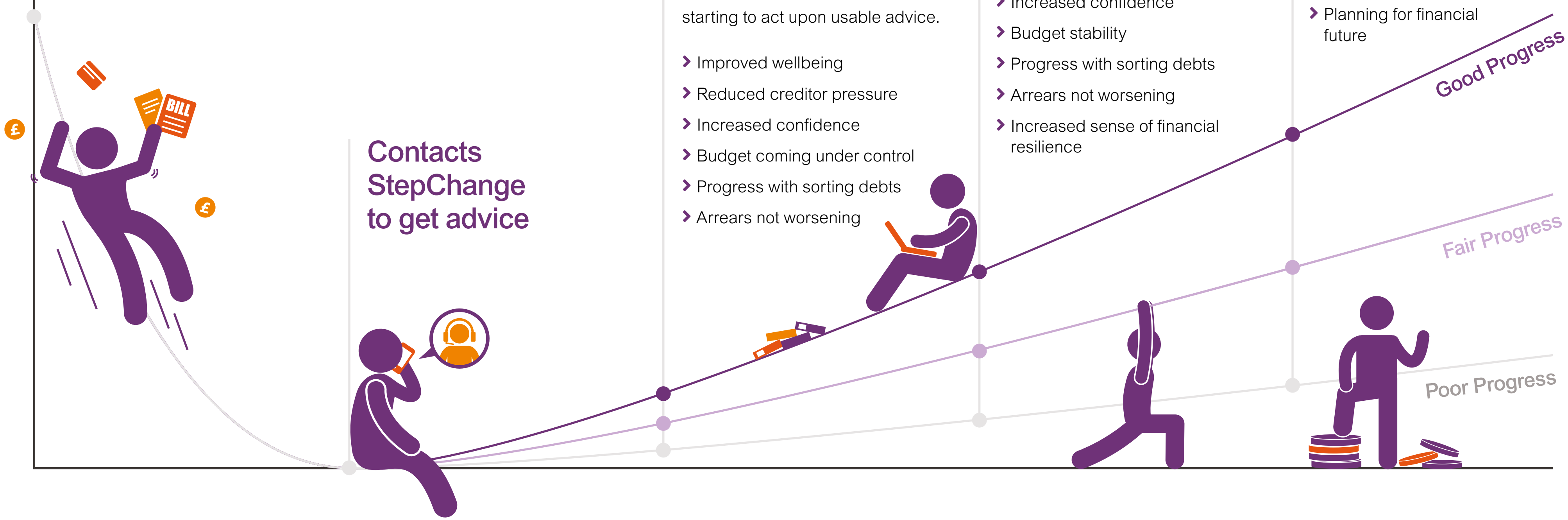
- Continued improvement to wellbeing
- Increased confidence
- Budget stability
- Progress with sorting debts
- Arrears not worsening
- Increased sense of financial resilience

Path to recovery

15 months after advice

Client starting to manage money for the long term and is progressing to financial health.

- Continued improvement to wellbeing
- Increased confidence
- Continued budget stability
- Building resilience
- Planning for financial future



At 15 months we found:

Good outcomes

12%
of clients report they are now debt free

27%
say they have an excellent chance of becoming debt free

74%
can make ends meet most months or some months

46%
of clients report a wellbeing score which is at least in line with the UK average

Fair outcomes

36%
of clients rate their chance of becoming debt free as fair

17%
of clients have been able to make ends meet some months

33%
report reasonable wellbeing scores, however they are below the UK average

Poor outcomes

6%
of clients say they have no chance of becoming debt free

13%
of clients rate their chance of becoming debt free as ‘poor’

9%
of clients have not been able to make ends meet

20%
of clients report a poor wellbeing score

Progress with debts

A key outcome measure concerns how well clients are progressing towards becoming debt free and improving their overall financial situation.

Our survey results show that:

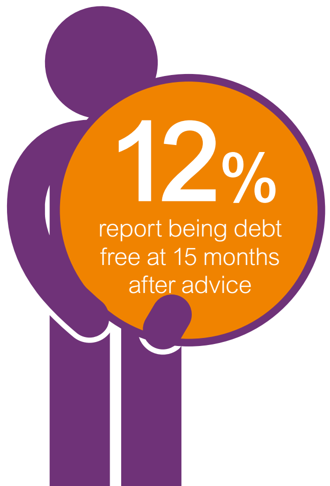
- 12% of clients report being debt free at 15 months after advice which is lower than our theory of change might have expected. However, the majority of clients are generally optimistic about future progress
- Encouragingly, over a quarter of clients report an excellent chance of becoming debt free (27%) and 36% rate their chance of becoming debt free as fair
- Only 6% of clients say they had no chance of becoming debt free and 13% rate their chance as poor
- Budget at the time of debt advice still appears to be a key driver of progress towards dealing with debts. At 15 months after debt advice, 60% of clients with negative budgets say they have at least a fair chance of becoming debt free, compared to 81% of clients with positive budgets. We also found that clients who had followed the recommendation they were advised to take (or re-advised) were far more likely to say they had made at least fair progress towards becoming debt free (79%)
- Comparably, only 39% of those who had stopped following their recommendation (for reasons other than becoming debt free) rated their chances of becoming debt free as at least fair.

Tracking sample*

Our tracking sample is useful in highlighting the different paths clients take towards progress.

For example, clients who were progressing at three months were more likely to still be progressing at 15 months:

- 83% of clients who reported some progress at three months also reported progress towards becoming debt free at 15 months after debt advice
- In comparison, some clients reported little or no progress at three months after advice, however by 15 months were able to make at least fair amounts of progress. Almost two thirds of clients (64%) who had made little or no progress at three months after advice say this
- However, we also found 14% of clients who reported significant progress or said their debts were sorted out at three months, reported that they had a poor chance or no chance at all of becoming debt free at 15 months
- Additionally, 32% of clients who said they had made little or no progress at three months after advice report continued poor progress at 15 months after advice.



Debt solutions

At 15 months after advice, we also tested whether any recommendations were easier for clients to act upon than others, which could be a possible contributing factor towards becoming debt free. We found limited patterning between solutions here:

- 85% of clients who had been recommended either a Debt Management Plan (DMP) or Token Payment Plan (TPP), and said they had acted upon the recommended solution reported that their problem was sorted, or they were still following the recommendation
- Similarly, 85% of those who had acted upon their recommended insolvency solution such as a Debt Relief Order (DRO), Bankruptcy, or an Individual Voluntary Arrangement (IVA) reported that their problem was sorted or they were still following the recommended solution.

*For further details please see methodology note on page 19

What's helping and hindering progress?

At 15 months after advice, we asked clients what has both helped and hindered their progress towards becoming debt free:

Helped

Helpful advice and support from StepChange Debt Charity	86%
Keeping a closer eye on spending	63%
Not using credit as much / at all	59%
Sticking to a budget	58%
Support from family/friends	40%

Hindered

High cost of living e.g. food, petrol, rent	49%
Unexpected costs or expenses e.g. car repairs, house repairs	38%
A drop in income e.g. losing a job, a pay cut, benefit cuts	28%
Poor health	26%
Using credit	14%

What has hindered progress

In terms of what has hindered progress, clients who have been recommended managed payment solutions such as DMPs, IVAs or TPPs are more likely to point to life events such as experiencing poor health or a drop in income as key hindrances towards progress with debts or a drop in income as key hindrances towards progress with debts. This mention of life events emphasises the reality of the tightrope that clients on payment solutions are walking towards financial recovery, even at 15 months after the initial debt advice session.

Additionally, these clients are most likely to also say that a high cost of living had been a key hindrance. For example, over half of clients recommended an IVA (53%), 46% of clients recommended a DMP and 39% of clients recommended a TPP said this. This is in comparison to 17% of clients recommended a DRO and 30% of clients recommended bankruptcy.

Credit use

The survey results at 15 months indicate that some clients are still relying on credit. Although 14% of clients say using credit had hindered progress, more than a quarter of clients (27%) reported using credit at some point between nine and 15 months after advice. This is an increase compared with results at three months (16% report credit use) and nine months (23% report credit use).

The most common reason for using credit was to pay for unexpected or urgent expenses like car repairs, children's clothes or shoes (9%).

There is limited patterning here between circumstances such as budget and vulnerability, which suggests coping with unexpected and urgent larger expenses remains difficult for a wide range of clients. A similar proportion of clients (8%) say they were having to use credit for day-to-day living expenses such as food and groceries, but this was more likely for clients reporting an additional vulnerability or negative budgets at the time of advice.

Subjective wellbeing and financial health

There is a well-established link between problem debt and detriment in areas of life such as relationships, mental and physical health and even reduced ability to make informed financial decisions. Helping improve our clients' subjective sense of wellbeing is therefore an important aim of debt advice.

At three, nine and 15 months after debt advice we asked a series of questions from the Office for National Statistics (ONS) wellbeing measures. These questions were developed by ONS to help provide estimates of life satisfaction, how worthwhile life feels, happiness and anxiety among the UK adult population. These measures are also widely used in other evaluation projects across many industries and sectors.

As presented below, despite a dip in terms of life satisfaction and clients feeling the things they do in their life are worthwhile at 9 months, on average clients are feeling progressively happier and less anxious at three, nine and 15 months after debt advice. However, the overall client average is still below the UK population average, which is where we would hope clients to be at 15 months after debt advice:

ONS wellbeing measures

	Average score at 3 months:	age score at 9 months:	Average score at 15 months:	Average score of UK adult population:
Overall, how satisfied are you with your life nowadays?	5.81	5.40	5.70	7.71
Overall, to what extent to you think the things you do in your life are worthwhile?	6.24	5.96	6.40	7.89
Overall, how happy did you feel yesterday?	4.66	5.52	5.8	7.55
Overall, how anxious did you feel yesterday?	4.82	4.58	4.4	2.90*

*Latest ONS scores published November 2019:
https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/datasets/headlineestimatesofpersonalwellbeing

As presented in our first report, there is a strong link between progress with debts and wellbeing:

- Clients who say they are already debt free at 15 months are most likely to say they are more satisfied with their life nowadays and those who say they have an excellent chance of becoming debt free have an average life satisfaction score of 7.1
- In comparison, those who say that their chances of becoming debt free is poor have an average score of 3.5. Those who say they have no chance of becoming debt free have an average score of 2.3.

Clients with negative budgets and additional vulnerabilities also tend to have worse wellbeing scores:

- For example, at 15 months after advice, clients with a negative budget and vulnerability at the time of advice had an anxiety score of 5.2
- This is in comparison to clients with a positive budget and no additional vulnerability who had an average score of 4.2.

Mental wellbeing

Alongside the ONS measures, we also measure our clients' mental wellbeing through the Short Warwick-Edinburgh Mental Wellbeing Scale. This scale is widely used in other evaluation projects and initiatives*.

We used this scale to better understand the wellbeing of our clients at nine and 15 months after debt advice. Encouragingly, we found that:

- Between 9 and 15 months, the overall client mental wellbeing average had slightly increased (from an average score of 20.7 to 21.8)
- However, at 15 months after debt advice the overall average mental wellbeing score including all clients surveyed (21.8) is still lower than the mean UK average (23.6).

* Short Warwick Edinburgh Mental Well-Being Scale (SWEMWBS) © NHS Health Scotland, University of Warwick and University of Edinburgh, 2008, all rights reserved. https://hqlo.biomedcentral.com/articles/10.1186/1477-7525-5-63

Subjective wellbeing and financial health

How clients are generally feeling in terms of their financial security is also a contributing factor towards their financial health and wellbeing:

On average, how financially secure or insecure do you feel at the moment?

I'm already debt free	7.3
Excellent	6.2
Fair	4.8
Poor	2.5
No chance of becoming debt free	2.2
Don't know	3.5
Average clients at 15 months	4.9

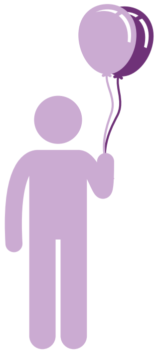
Answers on a scale of 1 to 10 where 1 = not at all financially secure and 10 = very financially secure

Existing research shows that problem debt can leave people feeling socially excluded.

Therefore, an important indicator concerns whether clients can take part in activities and events that matter to themselves, their families and friends.

It's encouraging that at 15 months after debt advice, many clients say they are in a better position to take part in social activities:

64% are in a better position to spend more time with friends and family compared with 6 months before



31% are in a better position to take part in special occasions or events such as weddings or birthday parties compared with 6 months before; and

34% are in a better position to take part in hobbies or interests compared with 6 months before

Financial resilience

At 15 months after debt advice, a ‘good’ outcome would mean clients are making steps towards achieving effective financial resilience. Currently, we define this as:

“The ability to cope with income or expenditure shocks caused by life events, and to re-adjust to any longer-term change to their financial circumstances, without experiencing hardship or falling into problem debt.”

Using this definition, at 15 months after debt advice we would hope that clients would be coping after having adjusted to the financial impact of their problem debt, for example being able to make ends meet and not falling into further financial hardship. We would also hope that clients would be able to start building a level of savings which would partly provide a safety net in order to help cope financially with any future income and expenditure shocks.

Budget stability

In terms of a ‘good’ outcome for financial resilience, we would expect to see budget stability at 15 months after debt advice. We would also hope to see no or limited patterning amongst client demographic groups. However, the results of this survey show many clients are still struggling and circumstances at the time of advice are key drivers behind this:

- It’s encouraging to note that three quarters of clients say they had been able to make ends meet every month (40%) or most months (34%)

Three quarters of clients said they had been able to make ends meet most or every month.

- However, this does mean that a quarter of clients (26%) are struggling to make ends meet only some months, or not at all.

Circumstances are key drivers to this:

- A quarter (24%) of clients who have a negative budget and an additional vulnerability at the time they sought advice say they had not been able to make ends at all between nine and 15 months after debt advice
- This is compared to just 6% of clients who had positive budgets and no vulnerability at the time of advice.

Tracking sample

Our tracking sample found that clients’ optimism is often not misplaced.
For example, of those clients who at nine months were confident in making end meet, 93% reported that they were able to do this at 15 months. Our findings from this sample also showed those who say they would not be able to make ends meet at nine months were also not able to at 15 months.

Financial resilience

Falling behind on essential bills

Our theory of change predicts that at 15 months after advice we would not expect to see clients falling behind on bills. However, our findings show that this proportion rises over time:

- Our latest Statistics Mid-Year Update* shows 40% of clients are behind on at least one essential bill at the time of advice
- Encouragingly, at three months after advice this has decreased to 20%, however this then rises to 25% at 15 months, which suggests some unresolved financial vulnerabilities among our clients.

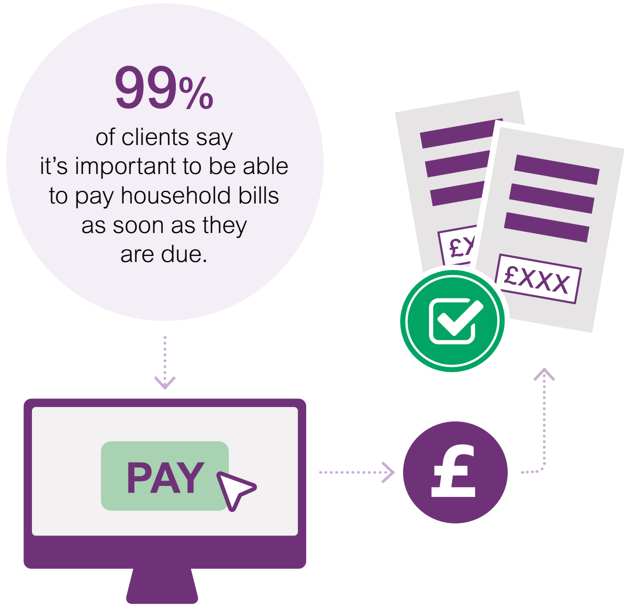
The split between clients with a negative and positive budget at the time of advice is also concerning here:

- 15 months on, 43% of negative budget clients had fallen behind on at least one essential bill in the previous six months
- This is compared to just 18% clients who had a positive budget. This is despite almost all clients (99%) saying that being able to pay household bills as soon as they become due was very important (85%), or fairly important (14%).

Further advice

At 15 months after debt advice, a 'good outcome' would also see clients considering their futures and putting measures in place to be able to effectively deal with any future financial hardship:

- More than half of clients (54%) say they are very or quite likely to require further advice from an organisation like StepChange in the future
- This includes many clients who say they are making good progress towards sorting out their debts. Of those who rated their chance of becoming debt free as excellent, or say they are already debt free, 31% say they were very or quite likely to need advice from an organisation like StepChange
- This could imply that clients who are considered as doing 'well' or have become debt free may not be on a path to financial resilience. Many clients are still on a knife edge.



Most common reasons why clients may require further advice

A big change in your financial situation such as a drop in income, a rise in your living costs, cuts in benefits	60%
Letters or phone calls from creditors asking for higher debt payments	42%
Onset of health problems or existing health problems getting worse	37%
Problems sticking to the arrangements you made to sort out your debts	29%
New debts that you are worried about	17%

*Statistics Mid-Year Update (2019), StepChange Debt Charity
https://www.stepchange.org/policy-and-research/2019-personal-debt-statistics-mid-year-update.aspx

It is positive that many clients say they may require further debt advice. This suggests improved confidence in seeking help early should they experience further debt problems and indicates that clients now see advice as a coping strategy for income shocks or changes in circumstances. Other research highlights the benefits that seeking earlier debt advice can bring.*

However, the proportion of clients anticipating needing further advice is perhaps a more worrying indicator of their low financial resilience, as well as a lack of confidence in the available safety nets to support them through a future shock.

Tracking sample

In our tracking sample, we have identified a group of clients who were reporting very good levels of progress at three months after advice, however at 15 months were indicating that they were not progressing as effectively: 14% of clients who reported a lot of progress or said their debts were sorted out at three months reported that they had a poor chance or no chance at all of becoming debt free.

Savings as a buffer towards financial resilience

At each stage of outcomes measurement, clients said they found it difficult to build up savings. For example, at three months after debt advice, only 18% of clients say they have been able to save up any money for future costs that they might need to budget for. Clients present similar results at 15 months after advice. For example only 8% of clients say they already have money put aside in case their income drops.

However:

- Over half of clients (59%) have started putting some money aside in case their income drops
- At 15 months after advice, almost eight in ten clients (78%) say having enough money put by to replace the fridge or washing machine in an emergency is very or fairly important to them
- However, at 15 months very few clients have enough savings in order to deal with a substantial expenditure shock. Only 9% have enough money put by to replace the fridge or washing machine in an emergency, and 20% are close to achieving this

There is some very limited patterning here. For example, at 15 months, fewer clients without money management capability have been able to save to replace a white good in an emergency (3%), than those with money management capability (9%) (see page 5 for further details on 'money management capability' measure).

*Safe Harbours report (2015), StepChange Debt Charity
https://www.stepchange.org/Portals/0/documents/Reports/safe-harbours-report.pdf

Summary

As presented in this report, subjective wellbeing, progress with debts and financial resilience are key areas of interest in our outcomes measurements project, and they all carry equal amounts of importance in terms of impact on a client's life.

The table opposite illustrates the proportion of clients at 15 months after debt advice who had a 'poor', 'fair', or 'good' outcome for each topic area. We have used a question from each topic area to represent a key outcomes measure:

9% of clients have all three poor outcomes

17% of clients have all three good outcomes

Percentage of clients achieving each key outcomes measure

	Poor outcomes	Fair outcomes	Good outcomes
Wellbeing: Life satisfaction wellbeing score	A life satisfaction score of 0-3	A life satisfaction score of 4-6	A life satisfaction score of 7-10
Proportion of clients at 15 months:	20%	33%	46%
Progress with debts: How do clients rate their chances of becoming debt free	Those saying poor or no chance of becoming debt free	Say a fair chance of becoming debt free	Report already debt free or excellent chance of becoming debt free
Proportion of clients at 15 months:	19%	36%	39%
Financial resilience: How close are clients to having enough money put by to replace the fridge or washing machine in an emergency	Not at all close to achieving this	Fairly close to achieving this	Already have this, or close to achieving this
Proportion of clients at 15 months:	36%	34%	30%

At 15 months after debt advice, our summary findings show:

17% **of clients**

achieve good outcomes on all three key measures

9% **of clients**

have poor outcomes on all three key measures

75% **of clients**

are achieving fair outcomes on at least one of the three key measures

- Clients who have money management capability (17%) were more likely than those without money management capability (3%) to score good outcomes for all three indicators
- 20% of clients with positive budgets and 15% of negative budget clients report good outcomes on all three key measures
- This perhaps indicates that a client's budget situation at a first debt advice session is not necessarily a key driver among the 17% of clients who are achieving good outcomes.

- Clients without money management capability (22%) were more likely than those who have money management capability (6%) to report poor outcomes on all three key indicators
- Clients with negative budgets are far more likely to report poor outcomes on all three key indicators (17%) than positive budget clients (3%)
- A client's starting position in terms of budget appears to be a key driver of poor outcomes. This suggests that there would be significant implications on a client's longer term situation and livelihood.

Most clients achieve at least a fair outcome on one but not all key outcomes measures. This highlights the many different paths towards financial recovery and the difficulty clients face on making progress with debts, resilience and wellbeing at the same time.

*Breaking the Link (2018), StepChange Debt Charity
https://www.stepchange.org/policy-and-research/debt-and-vulnerability.aspx

Money management capability

Money management capability appears to play an important part in driving results among clients achieving both the best and worst outcomes at 15 months. We found that 85% of clients report having money management capability at 15 months, so capability to manage spending, budget and cope without credit is fairly widespread and well embedded among clients at 15 months.

It is notable that:

- Clients in vulnerable situations at the time of advice (85%), and clients with no additional vulnerability (85%) are both equally likely to have money management capability at 15 months after debt advice
- However, vulnerable clients appear more likely to have poor outcomes (24% compared to 9% of clients with no additional vulnerability) and less likely to have good outcomes (12% compared to 18%).

This suggests the relationship between money management capability and good outcomes is mediated by other factors. For instance, clients with money management capability are more likely to have positive budgets (62%) at the debt advice stage compared with negative budget clients (52%). We know from previous research that clients with additional vulnerabilities are more likely to have negative budgets at the time they seek advice.*

This highlights that the sense of money management used in this report is about the practical capability to employ skills, attitudes and resources to deliver good financial health outcomes. The great majority of clients understood the importance of money management and told us they were planning for bills and adjusting spending when their income changed. But where this understanding was not enough to keep up with bills or avoid using credit to get by, clients were much more likely to report poor outcomes.

Conclusion

Crucially, the findings highlight how debt advice is helping clients progress towards becoming debt free.

At 15 months after advice:

- Four in five clients (79%) say they were making at least fair progress, including 12% who had become debt free
- Additionally, 85% of clients who had received a recommendation had either followed it and say it had sorted their debt problem out or are still following the recommendation
- It is also hugely encouraging for the charity that 86% of clients mentioned helpful advice and support from StepChange as something that had particularly helped them.

This project also highlights the positive impact that debt advice can have on many people's lives. It's encouraging that:

- Overall, on average our clients' happiness, levels of anxiety and overall wellbeing showed improvement three, nine and 15 months after debt advice
- Although perhaps unsurprisingly, those who are making better progress towards their debts also report better wellbeing scores.

Although this paints a positive picture, the report also highlights a number of barriers that stand between debt advice and positive lasting change for our clients. StepChange clients cited the cost of living and unexpected income shocks or life events as key hindrances to progress. Our research shows how:

- Outcomes 15 months after advice are still being driven by circumstances reported at the time of advice, such as vulnerable circumstances
- While clients often describe a capability to plan ahead and manage money effectively, they often lack the resources required in order to make better progress with their debts. The long road to financial recovery can be long and difficult.

While some clients say they're making good progress towards becoming debt free, many more are still on a financial knife edge. For example:

- Clients are clear that having adequate savings is important, however only a minority have enough to replace white goods in an emergency without having to borrow.

This includes clients who say they are making excellent progress or who are already debt free.

- Additionally, the fact many of these clients also say they are likely to contact StepChange again in the future suggests that becoming debt free does not automatically equate to financial resilience.

Therefore, there are questions for the debt advice sector, financial services, firms, regulatory bodies and government about what can be done to ensure people have effective financial resilience to weather future income shocks. This applies even when they have recovered from their initial debt problem.

Methodology note

Client data for this project is captured through an online survey software tool. Invitations were sent to a random sample of our clients via email.

We sampled our clients in two different ways:

01

Some of our clients, referred to in this report as our 'tracking sample', completed a survey at each stage of the outcomes measurement: three, nine and 15-month after debt advice.

The tracking sample is based on a sample of 150 clients. The average response rate for our nine and 15 month tracking sample surveys is 30% on average. Results based from our tracking sample should be treated with caution

as sample sizes are small in places.

02

Most of the data in this report is made of amalgamated 'cold' samples, where, for example, we may have not sampled clients at three and nine months however we may have sampled them at the 15-month point.

In the future, we would expect that most client data would be generated through 'tracking samples' as discussed .

However as this is our first report focused on the nine and 15 month stages, we wanted to include all data we had collected so far to ensure we were representing as many clients views as possible. The average response rate of our 'cold' samples, including all three-month surveys, is between 5 and 10%.

Our total responses for each stage are, and included in this report are:

- **Three months**
  1,764 clients
- **Nine months**
  678 clients
- **15 months**
  557 clients

What next?

This report only skims the surface of the data and insight that the client outcomes project can provide. Therefore, throughout the year we hope to publish more insight generated by the findings, with a focus on demographics which have not been explored.

We are also hoping to provide a fuller analysis of our 'tracking sample', which will uncover more about what drives change in clients' circumstances and financial situation over time.

Editor: Josie Warner

For more information, visit the
StepChange Debt Charity website.

For help and advice with problem debts call (Freephone) 0800 138 1111 Monday to Friday 8am to 8pm and Saturday 8am to 4pm, or use our **online debt advice tool.**

Get in touch:

0800 138 1111 (Freephone)

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