Supporting debt advice clients through strong referral partnerships – early findings

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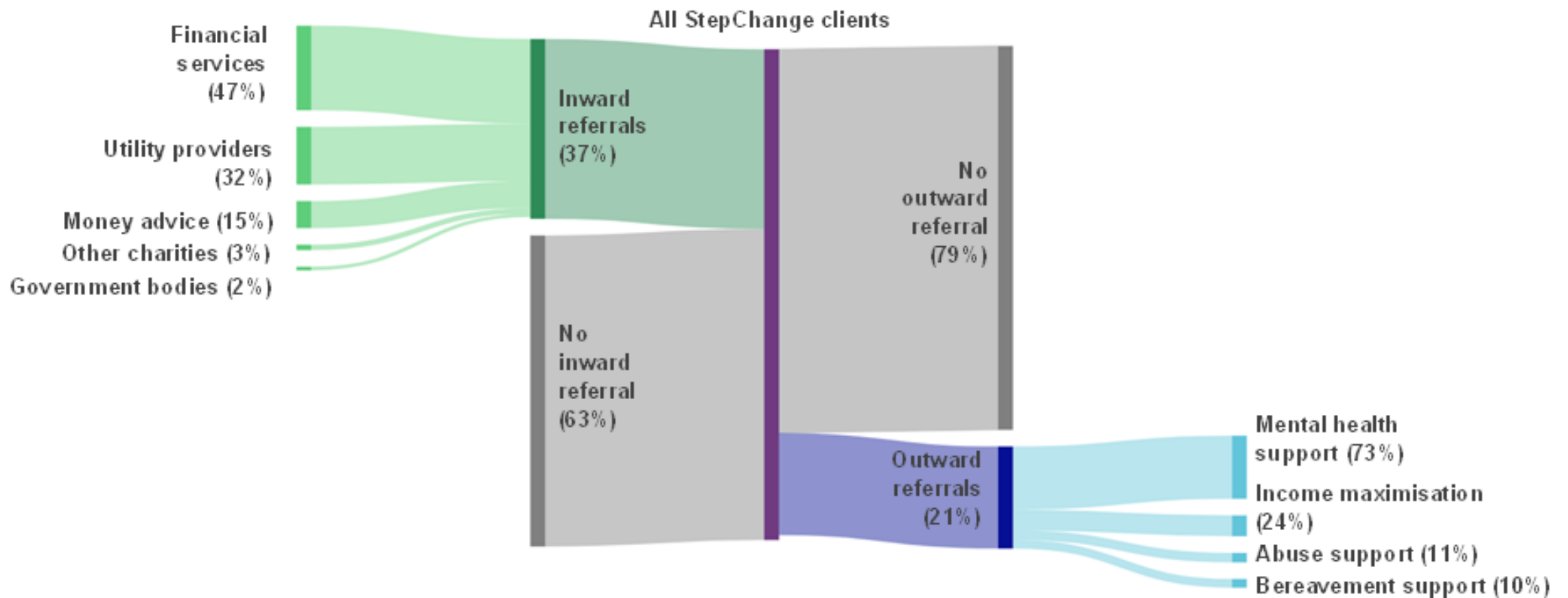
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StepChange Debt Charity

University of BRISTOL

Personal Finance Research Centre

Origin and destinations of clients who were inwardly and/or outwardly referred to and from StepChange

All StepChange clients

Financial services (47%)
Utility providers (32%)
Money advice (15%)
Other charities (3%)
Government bodies (2%)

Inward referrals (37%)

No inward referral (63%)

No outward referral (79%)

Outward referrals (21%)

Mental health support (73%)
Income maximisation (24%)
Abuse support (11%)
Bereavement support (10%)

Based on analysis of data for 187,000 StepChange debt advice clients in 2022.
Percentages on the outer left represent the percentage of inward referrals that came from each source, while the percentages on the outer right represent the percentage of outward referrals that were to each source. Clients could be referred outward to more than one type of organisation. Only the four most common forms of outward referral are shown.

A suggested agenda for change

#1 Identifying clients' referral needs:	1. Develop messaging for (potential) debt advice clients to ensure they understand that disclosing information about their situation can lead to extra support. 2. Further research to explore: a) whether the rate of vulnerability detection for various sub-groups (in particular, among men and minoritised ethnic groups) match the 'true' rate of vulnerability for that population; and b) whether referrals made via different channels achieve different or similar outcomes for clients.
#2 Client understanding of referrals:	3. Providing information for clients that provides an overview of the support ecosystem. 4. Developing templates for common referral pathways that organisations can easily adapt for their service, e.g. a referral information sheet for income maximisation services, help with food, mental health services.
#3 Timing and order of referrals:	5. Including how and when clients might seek extra support in all referral conversations, whether online or in-person. 6. Exploring the use of technologies such as natural language processing to help ensure that external referrals happen at the right time for online clients.
#4 Smooth and efficient referrals:	7. Influencing funders to ensure that debt advice funding models take into account the time required for advisors to make effective referrals to other support organisations. 8. Encouraging sector-wide exploration of what is needed to embed data-sharing infrastructure in debt advice services. 9. Further analysis to understand the extent to which client outcomes vary depending on the type of referral mechanism used.
#5 Referring to relevant organisations:	10. Exploring the sector-wide potential for debt advice organisations to use technology solutions (e.g. that use open data standards or AI) to signpost or refer clients to the most relevant external support.
#6 Using feedback loops to improve referrals:	11. Influencing local government associations to establish referral partner networks in order to improve referral practices and outcomes and promote efficiencies. 12. Exploring the potential for a debt advice sector 'Data First' programme to facilitate better data linkage of individuals across different support organisations and enable debt advice services to see a whole ecosystem picture of client referrals and outcomes and understand 'what works' in debt advice referrals.