

## Agenda 4i Appendix A: Money Advice Trust's Funding Principles (New)

Since 1991 the Money Advice Trust has been helping people across the UK to deal with their debts and manage their money with confidence. We could not do this work without the support of our funders for which we are extremely grateful.

We believe that debt advice should be provided free for people and small businesses that need it. We support people and small businesses in financial difficulty by:

- **Giving advice** through National Debtline and Business Debtline
- **Training debt advisers in free-to-client debt advice agencies** under our 'Wiseradviser' brand.
- **Improving the credit and debt environment** through new money advice tools; research and policy; and by raising awareness of debt issues amongst key decision makers and the general public and providing creditors with our training and consultancy.

Our frontline services are free and provided on an independent and confidential basis. These qualities are the cornerstone of the Trust's services and give people the confidence to know that they will be able to seek impartial advice from services such as National Debtline and Business Debtline. Our activity is regulated by the Financial Conduct Authority and our charitable status is governed by the Charity Commission.

Funding to support this work can broadly be categorised into four income streams:

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| <b>Charitable donations -</b>  | The Trust receives charitable income guided by our Case for Support funding model, which sets out the benefits of our work to specific contributing organisations. We also receive donations for specific projects associated with the delivery of free debt advice. Additionally the Trust receives ad-hoc donations in support of its wider work.                                                                                                                        |
| <b>Commissioned services -</b> | Specific funding to help support the provision of free-to-client debt advice via our front-line services, largely from the debt advice levy administered by the Money and Pensions Service                                                                                                                                                                                                                                                                                 |
| <b>Contact centre -</b>        | Income derived from the referral of appropriate clients to providers of debt management solutions                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Commercial revenue -</b>    | The Trust provides training and consultancy to creditors and other stakeholders, with the aim of improving support for customers in potentially vulnerable circumstances. This work builds on our experience of providing advice services, and aims to reach people either before or in the early stages of financial difficulty. Any funds generated from the provision of training and consultancy services are invested back into the Trust to help fund our wider work |

## Funding principles:

In 2012 we developed a Funding Model, largely focussed on our charitable donations income, which is based on the amount of demand generated by organisations to the Trust's frontline services. Our overall annual donation requests for existing and potential funders' are ratified by our Funders' Forum (see appendix one for current membership). In 2014 we created a separate Funding Model for the Business Debtline service. In common with the Trust's main forum, the Business Debtline Funders' Forum ratifies our overall donation requests for Business Debtline. Both Funding Models have evolved over time to account for new and growing funding sources such as commissioned funding and commercial revenue.

The following principles underpin our relationships with funders:

- Our acceptance of funding does not mean we endorse an organisation, any of its brands or any projects or practices which that organisation is undertaking.
- Our independence and impartiality are crucial to both our service to clients and status as a charitable organisation. Funding cannot be considered where the independence of any of the Trust's services, our impartiality or client confidentiality would be compromised. While we collect data on clients and use it on an anonymous basis to help illustrate and identify trends in money advice and to help the evaluation of the Trust's impact, we do not provide information identifying individual service users or detailed information relating to the clients/customers of a particular donor organisation.
- We will alert funders where we are aware of intelligence on either good or poor practice related to that organisation. If the intelligence is about poor practice, we reserve the right to be publically critical of the organisation if its practices are not improved. This is only ever done as a last resort, following direct engagement with the organisation.
- We will include, at our discretion, acknowledgment to all organisations making a charitable donation on written materials and our websites – unless anonymity is specifically requested by a donor organisation.
- While we welcome organisations signposting to our services, organisations will need our approval to use their support of the Trust in their marketing materials, including using the Trust's brand names or logos.

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