



## **Moderator's Assignment Feedback – General Money and Debt Advice Principles and Practice**

After each series, we ask our moderators to provide a report on each assignment-based unit to identify:

- any questions which were usually answered particularly well, including main points and qualities that characterised good answers.
- any questions which were usually answered badly and main weaknesses in candidates' answers.
- common errors or misconceptions made by candidates.

We hope that this will be of assistance when completing your General Money and Debt Advice assignment.

### **General feedback to candidates**

Assignments were generally well answered although some answers clearly came more from a background of collections activity rather than money and debt advice.

### **Feedback for each assignment question**

#### **Part A Principles**

#### **Q1. Assess the extent and common causes of personal debt in the UK. Include the common myths associated with the consequences of personal debt in your answer**

Q1 – Most answers showed research and provided relevant statistics to explain the extent of debt in the UK and were able to give several examples of causes of personal debt. Stronger answers showed some reflection on these rather than simple statements. Candidates should ensure that common myths are thoroughly answered too.

#### **Q2. Explain how and why it is important to establish the cause and extent of debt before you give advice. Consider appropriate strategies and techniques for doing so in your answer:**

Q2 – Most candidates did not consider the impact that a client's total level of debt has upon agreeing on a debt solution, Many candidates were able to give good reasons as to why the cause of debt is important and to explain the techniques they use to establish cause and extent. More reflection on the soft skills would benefit many candidates' answers.

#### **Q3. Explain the meaning of the terms 'priority' and 'non priority' debt, giving appropriate examples of each**

Q3 - The better answers were able to give a clear definition of a non-priority debt and priority debts. Lots of good examples were provided to back up explanations.

**Q4. With reference to organisational policy, where relevant, explain how to handle an initial debt advice enquiry to help your clients decide whether to use your service, including:**

- **Details of any information which you would provide.**
- **Advice on potential conflicts of interest and confidentiality.**
- **Reference to equal opportunities and discrimination issues where appropriate.**

Q4 – All parts of the question were rarely answered with awareness shown of what “conflicts of interest” are. Many candidates actively contact clients who have fallen into arrears in their role rather than receive initial debt advice enquiries.

Few references were made to equal opportunities policy, e.g. provision of information in different languages/formats or help for clients with mobility or other health problems.

**Q5. Explain the importance of maintaining contact with creditors when experiencing financial difficulties**

Q5 – Some candidates had clearly misinterpreted this question or only considered why the client should stay in touch with their organisation. It would be useful for candidates to answer this more broadly and to consider generally why clients should keep in touch with the creditors and what might happen if they do not do this.

**Q6. Explain the key components of an effective personal budget. Include in your answer an explanation of why client expenditure may sometimes be below or above average**

Q6 – Most answers considered only income and expenditure within their response as to the key components of a personal budget. Stronger answers also considered the household make-up and impact of this along with other key information that is gathered at the same time.

Some candidates misinterpreted the second half of the question and gave examples of when clients may have high expenditure with no good reason. It would be useful to consider situations which might result in high expenditure/low expenditure where this is well justified.

**Q7. Assess potential ways that clients may be able to**

- a) Maximise their income**
- b) Reduce their expenditure**

Q7 - More marks were awarded where the candidate showed understanding of the wider context by considering the impact of changes on the client.

The best answers explained in detail how to go about gaining a type of income increase or specially how to reduce expenditure areas by giving string examples.

**Q8. Explain potential liability issues in relation to personal debt and the importance of confirming your client’s liability for debt when giving money and debt advice**

Q8 -.Few reasons tended to be given as to why it is important to establish liability for debt. The best answers followed this up by covering each of the liability areas covered within the mark scheme in detail.

**Q9. Briefly explain the meaning of the following documentation and what the consequence is of ignoring these emergency situations**

- a) warrant of control
- b) warrant of control
- c) summons for possession
- d) warrant of possession
- e) liability order
- f) statutory demand
- g) disconnection notice
- h) controlled goods agreement

Q9 – Good descriptions of the paperwork. However, very few candidates specifically stated in each case why the situation was an emergency, the consequence of ignoring the paperwork and what action the client should take.

**Q10. Briefly explain the key debt solutions available to clients**

Q10 - Many answers only covered the most obvious statutory debt solutions and did not consider DMPs, Token Payments, Full and final settlements etc. So were unable to achieve the highest marks available in the mark scheme.

### **Section B Practice**

This section of your assignment aims to demonstrate that you can deliver effective money and debt advice based on reflective practice.

**Q11. Demonstrate how you have given different clients effective and appropriate money and debt advice. Include evidence of your dealings with 8 past clients and in each case:**

- explain your general approach to the client's problems
- outline the information provided
- outline the content of various records, communications and contact with or on behalf of the client
- Summarise the outcome

Q11 – Many answers suffered due to little variety in the type of advice provided. In some cases the examples provided were more geared towards collections activity rather than detail of advice provided. Some good budgeting tips exemplified and referrals for benefit checks. A wider range of advice would have benefitted many of the assignments..

**Q12. Identify, from the 8 cases above, a range of successful contacts and discuss the techniques or strategies that you used, which in your opinion contributed to a successful outcome**

Q12 - Whilst most candidates were able to pick out successful calls, few reflected on what techniques/soft skills they had used which lead to the success of the call, and focused instead on what method of contact they would use, such as persistently calling, emailing, and visiting clients. Answers seemed more relevant to debt collection at times than debt advice.

Stronger answers specially referred back to cases provided in Q11 and explained why their techniques were effective. Weaker answers focused on success being based on recoupling payment from a client rather than providing money and debt advice.

**Q13. Working with your line manager but answering in your own words:**

- a) Use a range of evidence to assess your overall performance in relation to general money and debt advice**
- b) Produce an action plan to address areas for development**

**Refer to any organisational or legal requirements, where relevant**

Q13 - Most candidates did not concentrate on the Money and Debt Advice aspect of their work and areas for training and development within that context. Lots of copies of appraisals and information about rents collected were included. It would be useful for candidates to include an action plan within their answer rather than to simply attach 1-1s in their appendices with no explanation.

The strongest answers provided an action plan in part b with areas of development alongside how they intended to improve in each area, including attending training courses etc.