Closing the Loop

Building strong creditor-adviser communications

citizens advice

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Introduction

People who face mounting arrears rely on professional debt advice for support. To help resolve debt problems, advisers must work closely with creditors. Efficient communication between the two is therefore critical. But, too often, this **communication goes wrong or faces unnecessary barriers**.

Advisers encounter **slow response times**, **limited access to key channels** such as email, and difficulty demonstrating **authority to act**. These barriers increase **administrative burden** and divert advisers' time away from supporting clients.

For people in debt, poor communication **delays resolution** and worsens an already-stressful situation. And for creditors these barriers **slow the settlement of debts** and risk leaving vulnerable customers without the support they need.

Good communication between advice providers and creditors "**closes the loop**". It helps information and decisions to flow smoothly, supporting a quick resolution.

This report sets out the key communication problems and recommends **three solutions** for creditors and the advice sector:

1. **Standard checks:** Simple, secure and consistent processes for advisers to show creditors they have permission to act on a client's behalf.
2. **Specialist support:** Wherever possible, dedicated contact routes for advisers to reach the right creditor teams to resolve client issues.
3. **Secure digital channels:** Email or equivalent auditable channels for ongoing communication and supply of documentary evidence.

Many people need help contacting creditors and service providers

When debt advisers contact creditors on someone's behalf, it's often because that person has **vulnerabilities** that make it difficult or impossible for them to make contact themselves. This might include mental health problems, learning disabilities or cognitive impairments, language or literacy barriers, or digital exclusion.

Another key factor is **lack of confidence**. Being in debt is very stressful, and as a result even people who are normally very confident can struggle to deal with creditors directly.

- Nearly **2 in 5** (38%) people in problem debt say they **aren't confident contacting a creditor** to negotiate payments.
- For people with a **mental health condition** it's nearly **3 in 5** (58%).
- Almost **4 in 10** people in problem debt felt overwhelmed by the amount of contact they received from creditors.

Creditors and debt advisers need to have a good working relationship so that they can **support customers in vulnerable situations** and achieve positive outcomes for those in financial difficulty.

Contacting creditors is a significant part of advisers' workload

Nearly **1 in 4 advisers** we surveyed (24%) report **contacting creditors** on their clients' behalf on a **daily basis**. Advisers may need to contact creditors at many **different points in the advice journey**, as shown to the right.

1. **Establishing income**
   Advisers **confirm benefits entitlements** by contacting DWP or the local council.

2. **Income maximisation**
   Advisers **check for social tariffs**, bill support or hardship fund help from utility and telecoms providers.

3. **Establishing spending**
   Advisers **confirm ongoing spending** on energy, water and telecoms to help clients with future budgeting.

4. **Establishing debts**
   Advisers **confirm debt balances**, along with account numbers if applying for a debt solution.

5. **Vulnerability**
   Advisers **make sure providers are aware** of their customer's situation so they can make any necessary adjustments.

6. **Forbearance**
   Advisers **ask for a temporary hold** on action or make a **repayment offer** to creditors**.**

If advisers aren't able to get the information they ask for, it creates **extra administrative work** and **delays a resolution** for the people they support.

Advisers use well-established consent processes

Verbal consent

Sometimes an adviser will contact a creditor while a client is with them in the room or on a three-way call.

In this scenario, clients can speak to the creditor and **give verbal consent to their adviser** accessing information or making decisions on their behalf.

Verbal consent provides **temporary permission**, making it useful for simple one-off issues, but not for more complex situations requiring ongoing support.

Written authority to act

Advisers often require ongoing permission to act on their client's behalf. Known as having "**authority to act**", this allows advisers to contact creditors and manage cases **without their client present**. Clients provide consent for this using a template document which includes:

- The client's personal details
- Details of the advice agency or adviser
- Type of permission the client has given
- Signature of the client and adviser

Advisers call this document a "**form of authority**", or sometimes a "letter of authority". Once signed, it is submitted to a creditor and securely stored by advice providers in line with data protection rules.

"Power of Attorney" is also a process that provides a third party **legal status** to manage someone else's property, finances or other private affairs. It is designed for **relatives or others** in cases where a person has **limited capacity to manage their own affairs** - and is not something debt advisers can do for their clients. The Office of the Public Guardian publishes guidance for organisations on the use of Power of Attorney.

But in practice advisers face multiple communication barriers

Based on **panel sessions** with Citizens Advice debt advisers and a **survey of 290 advisers** from a range of free-to-client debt advice agencies, we find **three key communication barriers** that advisers face when communicating with creditors. We explore these problems in more detail on the following pages.

1. Slow response times

3 in 5 advisers (62%) say **slow response times to emails or letters** and **2 in 5 advisers** (40%) say **long phone wait times** are a top barrier

2. Lack of email contact

Nearly 3 in 5 (59%) advisers say a **lack of email address**, or policies meaning **emails are not accepted**, is a top barrier

3. Issues with authorisation

Over 2 in 5 (42%) advisers say **getting authority to act approved** is a top barrier

Advisers say these barriers have a **significant impact on clients**. They stall case progress and **delay debt resolution**. This means cases are left "**open**" for longer, increasing clients' **anxiety** and affecting their **mental health** during an already stressful time, all while pulling adviser resource into administrative "sludge" over support and advice.

Slow response times delay progress

Slow responses affect all channels of contact - phone, email and post. Advisers report **waiting weeks** for replies, even to simple requests such as confirming balances. When contact has to be made by phone, **entire appointments** can be spent waiting on hold, leaving no time for anything else.

Reliance on post as a contact channel brings several specific challenges:

- Many creditors offer **no alternative to post**, so even simple requests can take weeks to resolve.
- **Lost or mislaid letters** are common, requiring advisers to make repeated follow ups.
- Postal communication is **hard to audit**; creditors rarely acknowledge receipt and don't always record previous correspondence, making progress difficult to track.

Another basic difficulty is that some creditors don't publish contact details on their websites. Advisers must **navigate complex organisational structures** to find the right channel, adding administrative time to the representation process.

"HMRC response times are very slow. We have previously waited on hold for over an hour to speak to an adviser, only to have the call terminated unanswered. Correspondence sent to HMRC went unanswered for 6 months despite numerous follow up letters/calls. The client waited 6 months to receive a response, just to be told that the original correspondence that had caused them to panic was sent in error."

- Citizens Advice Adviser, Adviser Survey

Absence of email restricts the way advisers work

Email is a key communication channel for advisers - it is useful for **ongoing queries**, allows advisers to **send supporting documents** to creditors, and creates a verifiable **audit trail**.

But advisers often encounter policies meaning **emails are not accepted**. Even if creditors do offer email as a means of communication, its effectiveness may be limited by several factors:

- Correct email addresses are often **missing from creditor websites**, even where they do exist.
- Systems sometimes **automatically reject emails** from an address that isn't linked to a customer's account, even when authority to act is already in place.
- Some creditors only accept emails via web forms that **don't allow attachments**, preventing advisers from sending essential documents like forms of authority.

"When emailing energy companies, they are often not accepted because the email address isn't listed on the client's account. The client has to 'add' their debt adviser's email to their account in order to communicate via email. This causes undue stress to the client and means that they have to contact the energy company directly, making the debt adviser redundant."

- Citizens Advice Adviser, Adviser Survey

Authorisation issues limit what advisers can do

Advisers struggle to demonstrate authority to act, making it difficult to act on their client's behalf. Since every creditor has different rules, policies and requirements, the third party authorisation process can be **inconsistent**, **slow** and **unpredictable**. Creditor practices that are particularly burdensome for advisers include:

Submission	Processing	Approval
• Requiring **forms of authority (FoA)** to be submitted by the customer themselves. • Rejecting **scanned or digital forms of authority** emailed by advisers, forcing submission via slower postal routes. • Imposing security steps for authorisation - such as passwords or wet signatures - that are **impossible for advisers to obtain**, or force clients to travel or rely on post.	• Requesting additional verification, such as **extra verbal consent** from the client via a phone call. • Reporting FoAs as **unreceived**, so advisers have to re-submit and restart the process. • **Lengthy processing times** which leave cases in limbo while advisers wait for confirmation.	• Rejecting an **advice provider's own FoA**, instead requiring a creditor's own template. • Granting authorisation **only to preferred advice providers**, or those with whom they have formal referral pathways. • Failing to **honour authority to act** despite approval by **contacting or responding to clients directly**, or requiring clients are present on calls for decisions.

Advisers say barriers are significant...

*"The process of **waiting for a form of authority to arrive with these creditors by post** (even when sent first class) adds weeks to the length of time I and the client are unable to act, **increasing the client's stress** in the meantime ...*

*Not all clients can make themselves **available for 3-way calls** to give authorisation, and not all creditors **record this correctly**. I've had cases where a client gave permission for me to be added to an account as a 3rd party only to have that exact same creditor say they **couldn't find that permission** as soon as I called them **without the client present**."*

- Citizens Advice Adviser, Adviser Survey

Some creditor sectors are much harder to communicate with

The barriers outlined in this report are experienced across the board, but advisers consistently report that **some creditor sectors are far harder to engage** with than others.

Energy suppliers and public sector organisations such as the **Department for Work and Pensions** (**DWP)** and **HM Revenue & Customs (HMRC)** are seen as the hardest organisations to communicate with, closely followed by **telecoms providers** (*figure 2*).

In fact, more than **half of advisers (58%) say energy suppliers** are hard to communicate with, while over 40% report similar difficulties with the DWP and HMRC.

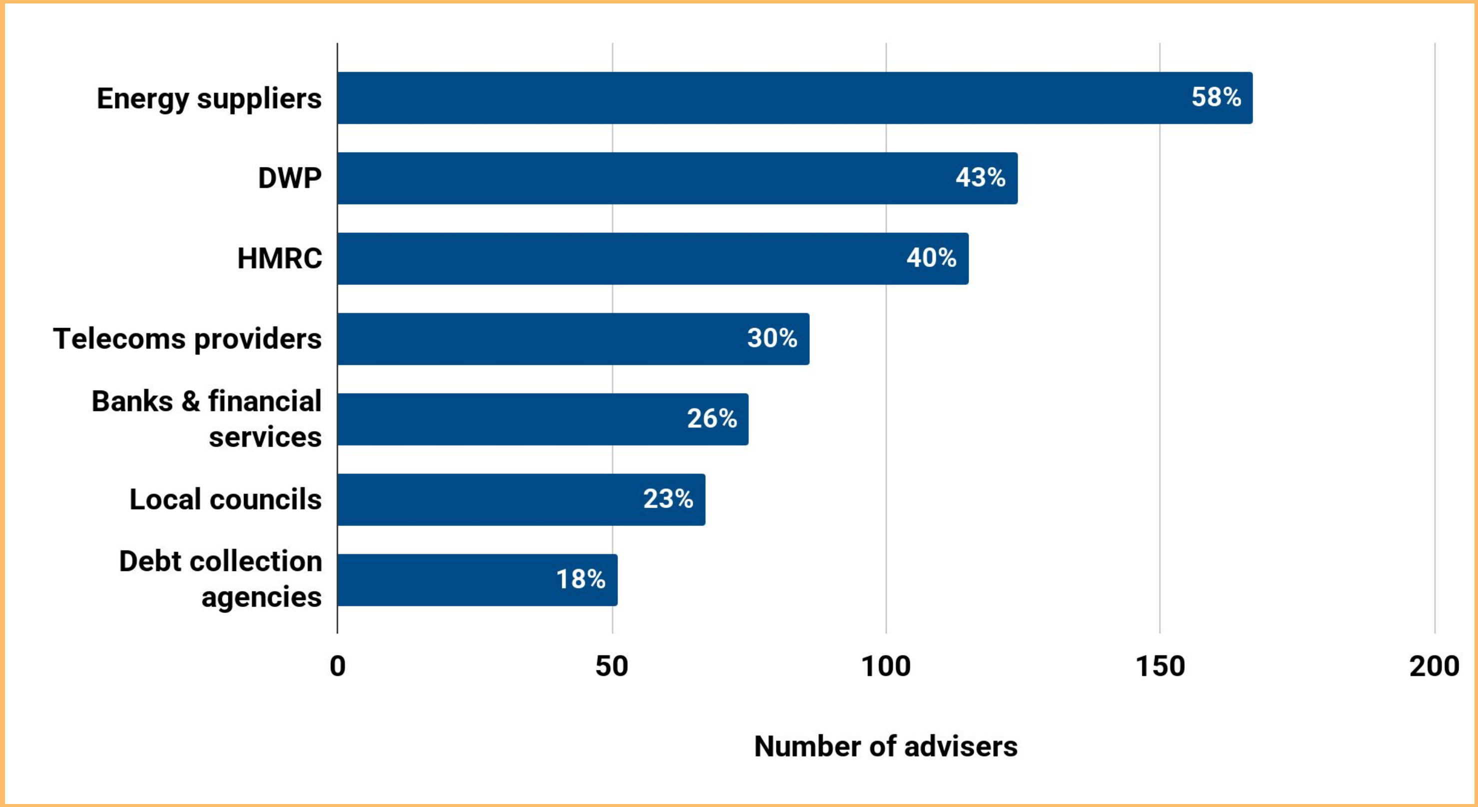

Figure 2 Adviser responses to “Which creditors sectors are hardest to communicate with (select up to 3)?”

Creditors also face operational challenges working with advisers

To understand why communication barriers persist, we spoke with creditors about the challenges they face. This engagement highlighted three key issues that complicate communication with the debt advice sector.

Risk and regulation

Creditors operate in a regulated environment. They must take data protection seriously, and manage high levels of fraud risk.

These obligations shape how creditors handle third-party contact and help explain why some processes may feel cautious or complex.

A complex debt advice sector

Creditors need to be confident that the advice agency contacting them is legitimate. While national providers are easily recognised, staff are often unsure about smaller organisations, local agencies and newer services.

Therefore, they may need extra assurance before sharing customer information.

No sector-wide approach to authorisation

Creditors have no single, trusted framework for third-party authorisation that they can rely on across advice providers. Staff struggle to judge whether a form is valid, what permissions it gives and how long it should apply.

In the absence of clear benchmarks, creditors take a cautious approach in order to protect customer data.

Creditors say certain measures would make adviser contact easier

A trusted way to confirm adviser identity and regulatory status

Creditors would benefit from a simple, central method to confirm that an adviser works for a legitimate and appropriately regulated organisation, including those covered by FCA exemptions.

A clear and standardised authorisation framework

A consistent and recognisable approach to third-party authority would help creditors verify consent more quickly and apply it more reliably.

A shared understanding of typical adviser requests

A defined list of common adviser actions would help creditors design proportionate processes, set clear guidance for staff and respond quickly to standard types of contact.

Structured and secure digital channels

Creditors would benefit from a centralised email or portal-based routes that allow document uploads, confirmations and clear audit trails that improve processing times and reduce uncertainty.

Many creditors already exhibit good practice

Some creditors have taken positive action to build strong communications with the debt advice sector.

Nearly half of advisers report **local councils**, **debt collection agencies** and **water companies** as creditors that handle **adviser communication well** (*figure 3*).

Examples of best practice included creditors that maintain dedicated contact routes, such as **phone lines or email addresses** for use by advisers. **DWP**, for example, offer a "**Third Party Helpline**" which is well regarded by advisers as a quick and easy way to **access essential information** about a client's account and progress a case.

Many advisers also highlighted the best practice demonstrated by debt purchasers and debt collection agencies. One adviser said:

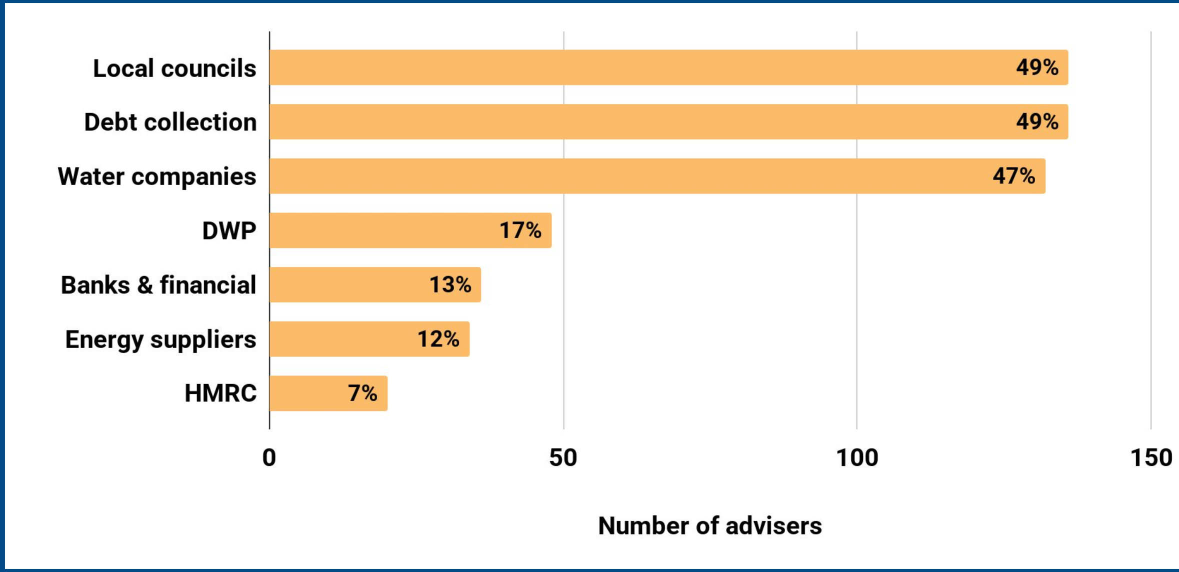

Figure 3 Responses to "Which creditors sectors handle adviser contact well (select up to 3)?"

"Lowell usually reply to emails within a week, accept written consent from us (rather then insisting on their specific form). Their letters are also very clear... Their telephone advisers are very polite, even if speaking only with the client. I've never had a request for a hold denied."

- Citizens Advice Adviser

Efforts to improve joint working already exist

The communication barriers highlighted in this report are part of a bigger set of challenges for creditors and advice providers working together. These challenges include:

- Improving mutual understanding between advice and creditor sectors,
- embedding consistent approaches to affordability, and
- making it easier for creditors to refer people into debt advice early.

There are already strong examples of collaboration to address these challenges. For instance, the **Government Debt Management Function's (GDMF) Fairness Group** builds shared understanding between government departments and the debt advice sector. **Ofgem** has used its regulatory role to bring suppliers and advice providers together to focus on these challenges, improving outcomes for vulnerable people seeking debt advice. And the **Money and Pensions Service (MaPS)** publishes a strategic Creditor Toolkit, sharing best practice on how creditors and debt advice can collectively ensure good outcomes for its customers.

These existing workstreams offer a good starting point to address the communication barriers identified in this report. **MaPS is well-placed to play a central coordinating role**, given its responsibility for commissioning debt advice in England, ownership of the Standard Financial Statement and its operation of the Money Adviser Network.

Three key solutions for change

We have identified three solutions that would have the greatest impact on improving adviser-creditor communication:

1. **Standard authorisation checks:** A simple, secure and consistent process for advisers to show creditors that they're authorised to act on a client's behalf.

2. **Specialist support:** Wherever possible, dedicated contact routes so advisers can reach the right creditor teams to resolve client issues.

3. **Secure digital channels:** Email or equivalent channels that enable ongoing, auditable communication and supply of documentary evidence.

These solutions reflect the **top changes** advisers told us would make the **biggest difference to them**:

Over 2 in 5 advisers (42%) say a **standard third party authority process** that creditors reliably accept.

Over half (55%) say **email contact routes** more widely available.

3 in 4 (77%) say **dedicated contact points** for advisers to use.

Implementing solutions and next steps

1. Standard authorisation checks

We recommend:

- Advice providers and creditors co-design a **standardised framework for third-party authorisation**, including common verification principles.

- The framework should be led and owned by **MaPS**, similar to its role in maintaining the Standard Financial Statement (SFS).

- **Regulators** and **trade associations** should encourage cross-sector creditors to adopt this framework through **industry commitments and rules**.

2. Specialist support

We recommend:

- Creditors develop **dedicated adviser contact points** that connect advisers directly with specialist teams trained in handling requests from third-party debt advisers.

- Where dedicated routes aren't viable, creditors should **clearly publish existing contact points and expected response times**, ensuring advisers understand the most effective ways to resolve their request.

Implementing solutions and next steps

3. Secure digital channels

We recommend:

- Creditors implement **secure digital channels (e.g. email and/or web portals)** as a standard method of adviser communication, while maintaining alternative routes such as post or phone for accessibility.

- Creditors ensure these systems are designed to balance efficiency with **verification and data security**, and the ability to upload necessary documentation.

- Creditors ensure systems allow advisers to clearly **track communication** and responses, and can be reliably **recorded to a customer casefile**.

Resources

Checking advisers and permissions

- **Financial Conduct Authority (FCA) Financial Services Register** – check whether a debt advice provider is authorised or operating under an FCA exemption.
- **Insolvency Service register of insolvency practitioners** – confirm whether an individual is authorised to act as an insolvency practitioner.

Signposting and referrals

- **MoneyHelper** – free, impartial debt advice and money guidance.
- **MaPS debt advice locator** – find free, regulated debt advice services.
- **Citizens Advice debt and money pages** – accessible guidance on managing debt.

Good practice guidance and toolkits

- **UK Regulators Network joint statement** on supporting customers in financial difficulty.
- **MaPS Creditor Toolkit** – guidance on working effectively with debt advisers.
- **Debt management communications toolkit** - resource for public sector bodies provided by the Government Debt Management Function (GDMF) Functional Centre.

Research methodology

1. Polling data (page 3)

Citizens Advice commissioned Opinium to survey 2,000 adults in England & Wales in problem debt, based on the definition used for people needing debt advice in the Money and Pensions Service (MaPS) Debt Needs Survey 2023. We focused on those who are expected to definitely need debt advice, based on the MaPS definition. This includes people who are behind on at least one priority bill, facing early or late-stage creditor action, or are using credit to pay for essentials. Fieldwork took place between 26 September and 15 October 2025. Results were weighted to be representative of adults in problem debt according to targets from the Money and Pension Service 'Debt Need Survey 2023' on gender, age, region, home tenure, and ethnicity.

2. Survey data and adviser forum

2 adviser panel sessions with were convened in April 2025 to refine our understanding of creditor-adviser communication barriers and shape the adviser survey.

An online survey was shared across Citizens Advice and other advice organisations to explore debt advisers' experiences of communicating with creditors. The survey ran from 07/05/2025 - 12/06/2025. 290 responses were received. Most respondents (59%) worked in local Citizens Advice offices, though over 30 different organisations were represented. The majority of respondents identified as Specialist Debt Advisers (50%) and/or Debt Caseworkers (53%). Survey questions asked respondents about the frequency of creditor contact, common barriers to communication, experiences across sectors, preferred solutions and examples of how communication impacts the client experience.

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