

# DUNDEE CITY COUNCIL

**REPORT TO:** Social Work Committee - 20 June 2005  
Personnel Committee - 20 June 2005

**REPORT ON:** Review of Money Advice Partnership and Additional Funding for Money Advice Provision

**REPORT BY:** Director of Social Work and Assistant Chief Executive (Management)

**REPORT NO:** 322-2005

## 1.0 PURPOSE OF THE REPORT

1.1 This report advises elected members of the outcomes of the review of the Money Advice Partnership and outlines proposals for the use of continued and improved funding from the Scottish Executive to Dundee City Council for the provision of money advice.

## 2.0 RECOMMENDATIONS

2.1 It is recommended that the Social Work Committee approves the following:

2.1.1 The contracts for money advice & debt counselling currently in place with Citizens Advice Bureau & the Money Advice Support Team are renewed for a further three year period.

2.1.2 All money advice workers employed via the Scottish Executive funding achieve "Approved Adviser" status from the Accountant in Bankruptcy. They will also be expected to work towards or already have achieved SVQ Level 4 in Advice & Guidance.

2.1.3 Continued development and implementation of a common statistical recording platform and joint working towards nationally agreed quality standards with which all agencies must comply.

2.2 It is recommended that the Personnel Committee approves the following:

2.2.1 the establishment for a period of three years of one post of Welfare Rights Officer (Minority Ethnic Communities) graded AP4, £20,807- £23,033;

- 2.2.2 the establishment for a period of three years of one post of Welfare Rights Officer (Housing/Council Tax) graded AP4, £20,807 - £23,033;
- 2.2.3 the establishment of the existing temporary post of Welfare Rights Officer (Money Advice) graded AP4, £20,807 - £23,033;
- 2.2.4 the redesignation and re-grading of the existing post of Senior Clerical Assistant graded GS3, £14,466 - £15,063, to Administrative Assistant, graded AP3, £18,381 - £20,169.

### **3.0 FINANCIAL IMPLICATIONS**

- 3.1 As shown in Appendix 1, the cost of these proposals will be £168,000 in a full financial year, which is fully inclusive of employer's costs. The costs will be met in full by monies allocated to Dundee City Council by the Scottish Executive to provide local money advice services.

### **4.0 LOCAL AGENDA 21 IMPLICATIONS**

- 4.1 The proposed actions will have a direct impact on the alleviation of poverty across the city. Income will be maximised as a part of the debt advice process. Assistance will be provided, which, coupled with negotiated reduced payments, will reduce the stress and pressure experienced by over-indebted individuals and families.

### **5.0 EQUAL OPPORTUNITIES IMPLICATIONS**

- 5.1 The proposals will ensure that all citizens across Dundee have improved access to quality local advice services.

### **6.0 MAIN TEXT**

- 6.1 The provision of additional money advice services is central to the approach taken by the Scottish Executive to ensure that all citizens have access to justice. Key to this approach is the recent primary legislation Debt Arrangement and Attachment (Scotland) Act 2002, and the accompanying delegated legislation, The Debt Arrangement Scheme (Scotland) Regulations 2004. This legislation provides that a debtor may apply for a Debt Payment Programme but this can only be done by an 'approved money adviser'. From 2005/06, the Scottish Executive has awarded Dundee City Council £168,000 per annum for the provision of money advice services, an increase of £62,000 on previous years' funding.
- 6.2 These resources are specifically intended to enhance and increase the provision of front line money advice/debt counselling. Dundee City Council is a key funder of existing money advice provision through their own Welfare Rights Service and through support for independent agencies: Citizens Advice Bureau (CAB) and Money Advice Support Team (MAST).

- 6.3 Over the last two years the Social Work Department have made best use of the available funding by contracting with CAB and MAST to provide additional money advice services. Social Work has also employed a dedicated Welfare Rights Officer (Money Advice) within the Welfare Rights Service. This was achieved by entering into two year contracts with both external agencies, and as outlined in the Personnel & Management Services Committee Report No 691-2002 the approval for the employment of a temporary Welfare Rights Officer (Money Advice) for a two year period.
- 6.4 There was a commitment to review the temporary re-grading of the post of Senior Clerical Assistant to Administrative Assistant as approved in the Personnel and Management Services Committee Report No 189 - 2003. There will continue to be an ongoing requirement for the post holder to carry out the additional responsibilities associated with the higher graded post.
- 6.5 The approach taken has allowed for service delivery to be enhanced, with all areas of the city having easy access to money advice/debt counselling services. All service providers now have improved IT resources and are using specially developed debt counselling software which also provides a common statistical platform acceptable to the Scottish Executive.
- 6.6 The three agencies have agreed a standardised statistical recording system, with quality standards and performance measures. The lead officer has completed contract compliance checks which included quality standards and performance verification. As a result of these compliance checks there were some concerns about one agency but as a result of a full and frank discussion, it has been decided to renew their contract but to impose stricter compliance clauses and additional checks.
- 6.7 The statistical recording platform is being used to, approximately, half of its full potential and reports drawn from the system highlight this fact. However, the statistics shown at Appendix 2 demonstrate the need for these posts in terms of demand for services, whilst also showing the types of information that can be provided if the system is used to its full potential.
- 6.8 There is a lack of specialist money advice services available to minority ethnic communities across the city and it is proposed that the additional funds provided by the Scottish Executive will be utilised to remedy this situation by employing a Welfare Rights Officer (Minority Ethnic Communities) within the Welfare Rights Service.
- 6.9 The Social Work Department and Welfare Rights Service are seeing an increased number of cases related to rent arrears and council tax debt and are implementing a more pro-active approach to prevent evictions for rent arrears and legal action leading to sequestration for council tax debt. In order to facilitate this pro-active approach and to deal with the complex issues surrounding this area of work it is proposed that a Welfare Rights Officer (Housing/Council Tax) be employed within the Welfare Rights Service. This approach will not only assist the debtors but also the Housing and Finance Departments of the City Council and support the anti-poverty strategy.

- 6.10 To ensure that service provision is continued, with equality of access, across the city and that quality standards, performance measures and common statistical recording are in place it is proposed that all money advice workers employed via the Scottish Executive funding achieve "Approved Adviser" status from the Accountant in Bankruptcy. They will also be expected to work towards or already have achieved SVQ Level 4 in Advice & Guidance. It is also proposed that there is continued development and implementation of a common statistical recording and casework platform alongside joint working towards nationally agreed quality standards with which all agencies must comply.
- 6.11 The need for debt counselling is growing significantly and the Welfare Rights Service have seen and experienced an increased demand from all sectors of the community over recent months. The proposals in this report will serve to ensure that the Dundee community are able to access welfare rights and money advice of a recognised standard across the city. The common statistical recording and casework platform will ensure that accurate statistics can be collated and that service users with complex debt counselling requirements will receive the benefit of a common standard of advice and assistance that can be verified and monitored.

## **7.0 CONSULTATION**

- 7.1 The Chief Executive, Depute Chief Executive (Finance), Depute Chief Executive (Support Services) and the relevant trade unions have been consulted in the preparation of this report.

## **8.0 BACKGROUND PAPERS**

- 8.1 None.

Alan G Baird  
Director of Social Work

10 June 2005

J.C. Petrie  
Assistant Chief Executive (Management)

10 June 2005

**Appendix 1****Money Advice Provision - Financial Breakdown**

<b>Staff Costs</b>	<b>No of Posts/Grade</b>	<b>Full Year £000</b>
New Welfare Rights Officers (Minority Ethnic Communities & Housing /Council Tax)	2 FTE AP4	52
Existing Welfare Rights Officer (Money Advice)	1 FTE AP4	26
Regrading of Senior Clerical Assistant	1 FTE AP3	<u>5</u>
		83
<b>Payments to Partners</b>		
MAST	To employ 1FTE AP4	26
CAB	To employ 1FTE AP4	<u>26</u>
		52
<b>Other Project Costs</b>		
Property costs		10
Other costs		<u>23</u>
		33
<b>Grand total</b>		<b>£168k</b>

**Statistics drawn from the Money Advice Casework System (Jan 03 - Jan 05)****Welfare Rights**

Number of complex multiple debt cases	99 (worker in post for 24months)
Total amount of debt rescheduled	£605,926

**Money Advice Support Team**

Number of complex multiple debt cases	63 (worker in post for 17months)
Total amount of debt rescheduled	£407,474

**Citizens Advice Bureau**

Number of complex multiple debt cases	53 (worker in post for 19 months)
Total amount of debt rescheduled	£232,708

<b>Total number of complex multiple debt cases</b>	<b>215</b>
<b>Total amount of debt rescheduled</b>	<b>£1,246,108</b>