

ABERDEEN CITY COUNCIL

COMMITTEE	Anti-Poverty and Inequality
DATE	12 June 2024
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Accessing Money Advice Services
REPORT NUMBER	CORS/24/149
EXECUTIVE DIRECTOR	Andy MacDonald
CHIEF OFFICER	-
REPORT AUTHOR	Paul Tytler
TERMS OF REFERENCE	1.12

1. PURPOSE OF REPORT

- 1.1 This report presents to the Committee work undertaken to determine issues faced by people in poverty in relation to accessing advice services and financial services, and to make recommendations on how that might be improved.

2. RECOMMENDATIONS

That the Committee:-

- 2.1 Note the recommendations at 3.12 to support the development of access to money advice services in Aberdeen.

3. CURRENT SITUATION

- 3.1 On 30 August 2023, the Committee resolved: to instruct the Chief Officer - Early Intervention and Community Empowerment, in partnership with the External Advisers, to report back to a future meeting of the Committee, no later than summer 2024, on the issues faced by people in poverty in relation to accessing advice services and financial services and the impact this had; on the services available in Aberdeen; on the unmet need; and specific recommendations for council services and other organisations to address this unmet need.
- 3.2 An initial meeting was held on 15 November 2023 with key advice providers in the City – Citizen's Advice Bureau, CFINE's SAFE team, Grampian Housing Association's SMART team and the Council's Financial Inclusion Team. Christians Against Poverty (CAP), a nationally funded advice service but with support staff based in Aberdeen, joined subsequent meetings of the group. The student led legal projects at both universities were invited to participate or contribute but were unable to do so.
- 3.3 The scope of the exercise was determined as:
- City-wide access to advice services
 - Assessing the extent of unmet need

- The potential for developing a place-based approach and working more collaboratively
- The impact of national services
- The role of community services providing first line advice and support

The scope included consideration of data that might be available around caseload levels, demand and waiting lists, targeting of the six priority groups of families at risk of child poverty and people presenting as homeless.

3.4 The initial meeting highlighted the following issues for further development:

- Some providers do have waiting lists, ranging from 2-3 weeks to 5-6 weeks (although initial triage will prioritise urgent need);
- There is a range of community-based outreach delivery that would benefit from being mapped more clearly;
- A number of providers use AdvicePro, which is a web-based case management system developed specifically for advice organisations, capturing client personal and socio-economic details and casework information. It's use is a requirement of bidding for Scottish Government funding. There is scope for improvements among providers including online referral forms and wider use of digital signatures to improve efficiency;
- Develop understanding of the reasons people don't engage and stop engaging with money advice provision;
- Support for first line advice services in use of eg benefit checkers;
- Review promotion of services and engagement with customers;
- Explore opportunities for Scottish Government [debt advice levy funding](#)

Place based approach

3.5 Developing a place-based approach to debt advice provision will involve tailoring debt advice and support services to specific geographical areas or communities. This approach recognises that different locations may have unique socio-economic characteristics, which can influence the types of debt issues individuals face and the resources available to help them. The key elements and benefits of a place-based approach to debt advice provision are:

- **Understanding Local Needs:** By developing better data, money and debt advisors will better understand prevalent debt issues within a community. This understanding helps in developing targeted interventions and support services.
- **Community groups:** Collaborating with community groups and third sector organisations will strengthen the effectiveness of debt advice provision, enabling more comprehensive support networks and outreach work, including financial education
- **Tailored Services:** Customising debt advice services to align with the specific needs and challenges of a community will help increase engagement.

- Community Engagement: Engaging with local residents through outreach work can increase awareness about debt management and available support services. This will help encourage individuals to seek assistance.
- Data: developing better data will help in identifying trends and patterns related to debt issues within a particular area. This information will ensure effective targeting of resources and tailoring of interventions. The development of local data

Access to advice services

- 3.6 There is no readily accessible information on accessing money and advice services in Aberdeen. The mapping of services is in development with an initial list of services on the [ACC Website](#). Providers are further developing the list and this will develop an interactive map. Consideration is being given to integrating this with other available maps for emergency food, free period products and warm spaces.
- 3.7 The Scottish Government have allocated £1.3m funding for the development of [advice in accessible settings](#) managed through Advice UK. The funds were announced on 18 April 2024, with a submission deadline of 30 April. Through the working group, CFINE led a bid with support from the Council's Financial Inclusion Team and Grampian Housing Association for funding to support the development of case management systems and the further development of outreach services. The bid was approved on 10 May 2024 and will deliver the following:
- Health settings will include outreach at the NHS Grampian Vaccination Hub, which CFINE already has a presence at, and build on existing relationships at Royal Aberdeen Children's Hospital where emergency food parcels are provided.
 - Community settings will include outreach sessions at local charities and community organisations including community and family centres. These sessions will focus on the priority areas within Aberdeen, ensuring that disadvantaged and vulnerable individuals can access support locally

Unmet Need

- 3.8 The assessment of unmet need is challenging, as [research](#) by the Scottish Government in 2018 highlighted. The UK [Money and Pensions Service](#) publish an annual [Need for Debt Advice](#) survey at local authority level. The 2022 survey, published in October 2023, showed that 16.47% of people in Aberdeen had a need for debt advice.
- 3.9 Some local providers do have waiting lists, at times ranging up to six weeks. However, initial triage of applications prioritises urgent cases. There are opportunities to improve this through the development of a place-based approach explained above.

National Providers

- 3.10 In addition, the Scottish Government allocates [debt advice levy funding](#) to national providers for the free debt advice sector in Scotland. The levy is applied to the financial services industry by the Financial Conduct Authority, based on the proportion of adults in each of the nations of the UK who are indebted in the previous year. The amount of funding available varies from year to year and there Scottish Government are currently exploring the availability of data at local authority level.

Community Providers

- 3.11 There are many community and third sector organisations that provide initial advice and support on benefits and money matters, but relatively few organisations are able to provide regulated debt advice.

Key Recommendations

- 3.12 It is proposed that the working group established to develop this report continues with the developments already started:
- Mapping of community money and benefits advice services. Consideration of development of an 'Aberdeen Hub' to improve access for people, improve efficiency of direct referrals to services
 - Continued development of outreach services following the success of the funding bid led by CFINE;
 - Development of consistent data to help quantify unmet need and the impact of services, including:
 - improved engagement with people and understand the reasons for non-engagement with services. This will include questions through Citizen's Voice and engagement with lived experience groups; and
 - measure the impact of financial gains in lifting people out of relative poverty.
 - Develop capacity of community organisations, building on work of [North East Scotland Advice Forum](#) (led by ACC FIT team) to build capability around use of online benefit checker, referrals to regulated money advice and possible development of [money guiders](#) training and standards, for first line advice.

The working group will continue to develop these action areas with a view to a further funding bid to the Advice in Accessible Settings fund in 2025/26 should the funding be available.

4. FINANCIAL IMPLICATIONS

4.1 There are no financial implications arising from this report

5. LEGAL IMPLICATIONS

5.1 There are no legal implications arising from this report

6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no environmental implications arising from this report

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) <small>*taking into account controls/control actions</small>	*Does Target Risk Level Match Appetite Set?
Strategic Risk	Failure to deliver address increasing levels of debt	The proposals in the paper will help improve engagement and efficiency of delivery of services to meet people needs	L	Yes
Compliance Operational	n/a	n/a	n/a	Yes
Operational	Insufficient resources allocated to tackle debt levels	Improved efficiency of services and further development of outreach provision	L	Yes
Financial	Increasing levels of debts to the Council	The proposals in the paper will help improve engagement and efficiency of delivery of services to meet people needs		Yes
Reputational	Failure to deliver address increasing levels of debt	The proposals in the paper will help improve engagement and efficiency of delivery of services to meet people needs		Yes
Environment / Climate	n/a	n/a	n/a	Yes

8. OUTCOMES

Council Delivery Plan 2024	
	Impact of Report
Aberdeen City Council Policy Statement <u>Working in Partnership for Aberdeen</u>	The proposals within this report contribute to the delivery of the following aspects of the policy statement:- Investigate how Aberdeen City Council could support the provision of fair and affordable banking, insurance and financial services, and the expansion of credit unions and advice services.
<u>Local Outcome Improvement Plan</u>	
Prosperous Economy Stretch Outcomes	The proposals within this report contribute to the delivery of stretch outcome 1: 20% reduction in the percentage of people who report they have been worried they would not have enough food to eat and/ or not be able to heat their home by 2026.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	No assessment required. I confirm this has been discussed and agreed with Andy MacDonald, Executive Director Corporate Services 13 May 2024.
Data Protection Impact Assessment	Not required
Other	n/a

10. BACKGROUND PAPERS

10.1 None

11. APPENDICES

11.1 None

12. REPORT AUTHOR CONTACT DETAILS

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