



## MAS business plan consultation 2016/17 - Citizens Advice response

### Introduction

Citizens Advice is pleased to respond to the Money Advice Service business plan for 2016-17. We welcome that MAS have listened to feedback from Citizens Advice and the advice sector as a whole in developing this year's business plan. We have grouped some of the questions together below where our responses covered more than one area.

### Consultation questions responses

*1. Do you have any comments on the types of customers we propose to target our efforts towards, as set out in our three-year Corporate Strategy?*

- We welcome the customer segmentation approach and we believe that the proposals around the types of customers are sound. This appears well evidenced from the research available and we agree with the working conclusions, with identified limitations, to frame the programmes of work. We believe that there is good identification of the competing categories of need, the domains of financial actions and behaviours and the gaps in impactful service provision.

*2. Do our six aims cover the right areas for the three-year Corporate Strategy period, and do they set the right level of ambition for the Money Advice Service?*

*7. Do you think the Business Plan sets the right direction for the Service over the period 2016–2019 and specifically 2016/17?*

*8. Is there anything missing from the Business Plan? Are there any specific solutions, partners or techniques that you would expect us to make use of, in relation to the financial capability challenges we aim to tackle?*

*9. What are the key risks and issues you would expect us to address as we deliver the plan?*

- Overall, Citizens Advice agrees with most of the overall strategic aims and next steps in the programmes of work contained in the business plan.

In some areas, in regard to the ambition for the Money Advice Service, we believe it should be considered whether the Money Advice Service should always be the organisation that has or acquires the skills, competence and credibility to carry out the programmes of work, especially the sector co-ordination initiatives. In some cases, it is likely to be more appropriate for

projects to be sector-led and commissioned out to organisations who have a track record of delivery or a recognised brand / profile in a particular area. For example, the Money Advice Trust could administer the Single Financial Statement, and Citizens Advice could be the organisation that co-ordinates the 'what works' in debt and money advice research. There is likely to be significant cost savings in not having to develop expertise or continually draw on sector expertise for MAS to progress. MAS could instead take the role of ensuring this work is delivered, in a similar way to its direct service delivery projects.

*3 Given the intent and scope of our aims, what are your comments on the activities and priorities we have set out in each chapter covering our programme of work against each aim for April 2016–March 2017?*

- We welcome the aim of increasing capacity in debt advice from serving 370k people to 425k people. However, there is no increased budget to achieve this and it appears that there are two ways that this it to be achieved.
  - a. The first is to increase targets for existing MAS funded debt services (which includes the Citizens Advice multichannel debt advice project). We have serious concerns about this approach without further detail as to how this is to be achieved. This large project already offers help at a level tailored to the needs of the individual - from one off signposting to full casework across face to face, telephone, email and webchat. This is identified through the Citizens Advice Common Initial Assessment, which safely and efficiently routes clients to the service which will achieve a good outcome for them.

It is not clear where the increased efficiency in operations is to come after several years of increasing targets. Whilst our approach is always to continually develop and improve our services, we are concerned that this will lead to more clients receiving a less full service than the one they need to achieve a good outcome. There is no evidence in the plan, or as far as we aware within the sector, that would support this approach.

- b. The second is to fund additional telephone helpline capacity. As the MAS funded debt advice projects across the sector include telephone advice, it is not clear whether this in an increase or reallocation of these resources away from other channels of delivery, or a service outside of the existing projects. Again, whilst we are happy to develop and change, without any explanation or evidence of the proposed changes, we are concerned that services to clients will be negatively affected. It is also hard to see why telephone capacity is being prioritised when there are self-sustaining, free-to-client, telephone debt advice services in the sector. It is not clear whether MAS intend to use this funding to deliver something different to existing provision or whether this will be funding

services where this isn't a gap. We have concerns about this development, and would welcome additional clarification.

- We are concerned about the approach in removing face to face services in Money advice. We do, of course, recognise the need to be as efficient as possible and welcome piloting new ways of delivering this service. However, until any new approach has been tested, it seems a high risk to consumers to remove an already successful delivering good outcomes. To close the existing projects in this way, will lose a massive amount of trust and knowledge from established partnerships and ways of working. We believe the face to face channel should only be removed or reduced if the alternative provision is shown to achieve as good outcomes for less funding.
- We welcome the recognition that debt and benefits are the most commonly discussed topics during face-to-face money guidance sessions, and we share this experience across the Citizens Advice network. We believe that benefits advice should be part of the wider debt and money advice offered and, as the leading benefits advice charity, would be happy to support the planned further development of your advice in this area.
- We are cautious about the planned development of the 'Gateway' service, which appears very similar to the Common Point of Entry which had been discussed in previous years. The same issues that prevented this project from proceeding could be rehearsed here, not least that the development of a new MAS-branded service would require substantial promotional spend where money should still be spent on the frontline services. Alongside this, the intent to increase information and tools to support this service, undermines MAS' principle of filling gaps. Existing brands and services are known by consumers in this space, both as a first point of contact and in the delivery of information and tools.
- We agree that combining aspects of financial guidance such as pension and money guidance is likely to be the most effective and efficient service for consumers, service providers and funders.

*4 Do you agree that the performance indicators we have identified effectively capture the intended impact of the Service's work?*

*5 Are there any other ways we could measure our effectiveness?*

- Overall we consider that the performance indicators and measures are useful. However, we have some concern on the level of detail that is not provided on how these are translated into specific measures or the evidence that advice providers are likely to need to provide to the Money Advice Service.

For example: "We will set a baseline for the current percentage of people whose financial capability is improved after receiving our funded debt advice, and propose a percentage increase." To carry this out would require:

- measuring financial capability meaningfully before and after debt advice to understand improvement
- sufficient funded time available to carry out this measurement with the client, alongside the CIA and other data to be captured at this stage without it affecting service delivery
- there always have been sufficient funded time spent during debt advice on financial capability to influence this improvement
- the resource for identifying and recording both stages (especially evidence after advice)

Any activity that diverts funding and staff from direct delivery should be minimised and we are concerned that some performance monitoring could be quite onerous.

*6 Do our plans understand and reflect the distinctive financial capability needs in the devolved countries of the United Kingdom?*

- We welcome the approach of taking into account the needs of the different devolved nations. We are, however, concerned that much of the emphasis in the Welsh plan is around new initiatives and seems to disregard supporting established projects with known effective outcomes. We would urge the Money Advice Service to look again at the many examples of existing effective projects provided by the Citizens Advice Service through the Wales forum, to consider which to continue or begin to support whilst recognising the need to look at piloting new ideas and services. We would also recommend that MAS extend the pilot periods that operate in this area of work to ensure services are evaluated meaningfully and outcomes are measured accurately.

*10 Is the plan clear and easy to understand? If not, please indicate sections that you think should be made clearer.*

We feel that the plan is clear and easy to understand.