

DEBT ADVICE HELPLINES OPTIONS

In the coming months the Scottish Government will outline its immediate plans for the use of newly devolved levy funding for the free debt advice sector. Part of this funding currently supports provision of UK-wide debt advice helplines. In line with our new responsibilities, we must review the best way of providing helpline support in the future. In the short term, it is likely that we will continue to use the existing UK system to ensure service continuity. However, beyond April 2020, we must consider what will best meet Scotland's needs.

At present, there are four UK-wide debt lines. During the session, a short presentation will provide details on their operation and financing. However, in general, these are:

- National Debtline, provided by Money Advice Trust
- Business Debtline, provided by Money Advice Trust
- The StepChange debt helpline
- The Debt Foundation Advice helpline

Our starting point is that we will continue to fund a debt helpline in some form, and we must develop a delivery mechanism that offers value for money, supports a smooth user journey, and complements our wider free advice network.

Possible Options for future delivery

Below we have set out the most likely options for future delivery. These are:

1. Scotland agrees to co-commission existing provision with all 4 UK nations, with suitable amendments to meet our needs
2. Scotland agrees to co-commission consolidated number of helplines across all 4 nations
3. Scotland commissions a Scottish only helpline(s) for both individuals and business

These options represent early thinking, and in some cases, also hinge on the decisions of other nations. Nonetheless, the views of the sector will be instrumental in evaluating the best way forward. The Tackling Problem Debt Group are well-placed to evaluate these options and form part of the evidence base. In conducting the analysis, we recommend considering the following:

- Value for money, including likely running/set up costs, user take-up, benefits to Scotland's economy through jobs and future savings, use of existing infrastructure
- Impacts on the wider free debt advice service – duplication, confusion for users, integration with wider debt and other advice provision
- Impacts on user outcomes – accessibility for vulnerable and harder to reach users, ability to support different channel preferences; capacity to offer specialist support when needed.

For each of the options, an analysis of strengths, weaknesses, opportunities and threats offers potential to assess their suitability both now and in the future. The TPDG, with its range of practical experience and expertise, is well-placed to help us consider these. We therefore propose that this session is used to begin the SWOT

analysis process. We have provided some questions to guide you. These are not exhaustive and are only designed to stimulate discussion.

Option 1 – questions for consideration

- What is the current take-up of the helplines in Scotland?
- How do they interact with Scotland-only advice services – both debt and related advice, such as benefits and housing?
- Are Scotland's needs and circumstances adequately reflected in the current commissioning model?
- What are the advantages of the current arrangements?
- What are the disadvantages?
- If it appears that a service co-commissioned by all four UK nations does not adequately reflect Scotland's needs, is there merit in exploring co-commissioning a smaller service with other devolved nations which might have similar drivers for economies of scale and holistic advice provision?

Option 2 – questions for consideration

- Do the existing services offer different products?
- What are the advantages/disadvantages for the user of multiple phonelines?
- What are the advantages/disadvantages for advice providers and funders of multiple phonelines?
- Are multiple phonelines a barrier to intelligence gathering?

Option 3 – questions for consideration

- How would economies of scale be maintained?
- What would we expect a Scottish only advice service to deliver differently to a UK-wide service?
- Would the existence of a separate Scottish advice service while there continues to be a UK service cause confusion for users?
- How would a Scottish debt line best integrate with existing services?
- Would a Scottish single portal improve referral to the most appropriate advice provider?