

Minutes of Debt Advice Steering Group (DASG)

Thursday 19 July 2018: 2-4pm

Attendees

Organisation	Name	Title
Barclays	Gillean Dooney (GD)	Managing Director, Current Accounts, FX and Feature Store
Citizens Advice	Gillian Guy (GG)	Chief Executive Officer
FLA	Fiona Hoyle (FH)	Head of Consumer and Mortgage Finance
Money Advice Service	Andy Briscoe (AB)	Chair
Money Advice Service	Robert Skinner (RS)	Non-Executive Director
Money Advice Trust	Joanna Elson (JE)	Chief Executive Officer
RBS	Neil Taylor (NT)	Industry Liaison Manager
Scotland Forum	Yvonne MacDermid (YM)	Chief Executive Officer
StepChange Debt Charity	Richard Shannon (RSh)	Commercial Director
UK Finance	Eric Leenders (EL)	Head of Personal

Apologies were received from Steve Johnson, Advice UK, Catherine McGrath, Barclays, Damien Conyngham-Hynes, HM Treasury, Moray McDonald, RBS, Phil Andrew, StepChange, and Bob Chapman, Wales Forum.

Money Advice Service attendees

Name	Title
Charles Counsell (CC)	Chief Executive Officer
Caroline Siarkiewicz (CS)	Head of UK Debt Advice
Jonathan Hollow (JH)	Head of Corporate Strategy & Innovation
Richard Sutcliffe (RSu)	Special Adviser
Craig Simmons (CrS)	Sector Co-ordination Manager

The minutes should be read in conjunction with the associated meeting papers.

Welcome

- 1.1 AB welcomed attendees and gave a short update on progress toward the new Single Financial Guidance Body (SFGB). It was noted that Sir Hector Sants and John Govett had been appointed as Chair and Chief Executive Officer respectively. The new body was now due to come into effect in January 2019.

Previous minutes & matters arising

- 2.1 The minutes of the previous meeting were agreed as an accurate record. There were no matters arising not covered otherwise on the agenda.

A new target operating model for the debt advice sector – proposals and next steps

- 3.1 CrS gave a short overview of activity carried out since the previous DASG before JH presented the proposed target operating model (TOM) as set out in the meeting papers.
- 3.2 YM asked how the TOM would additionally help those clients with systematic debt problems and in particular highlighted the increasing problem of clients presenting with deficit budgets. CrS noted that the stronger data gathering proposed would better highlight areas of concern which should increasingly inform policy decisions and the TOM's ongoing development. He went on to state that the proposals also recognised that many clients will not have a clearly defined end to their debt advice journey and maintaining an appropriate level of engagement would be factored into the build of the TOM.
- 3.3 In response to a suggestion by EL, the group recognised that the 'everyone' included in the vision referred to over-indebted people, creditors, debt advice agencies, funders and broader society.
- 3.4 FH noted that the proposed hub and its several functions were going to be a significant and challenging project to deliver and queried whether delivering the

rest of the TOM was dependent on operationalising the hub. Ownership of the data across the hub would also need to be considered, together with data protection/GDPR requirements. Members felt that while the hub was a significant and welcome part of the TOM, many of the other parts of the model could still be delivered without it if necessary. CrS stated that a business case would be built for the hub considering these points and a likely first step would be to 'test and learn' the various aspects of it before a full build. AB noted that there were technology firms in existence who had the capabilities to build the proposed hub.

- 3.5 In response to a question from EL on point 6 of the proposed hub [automated collection, transfer of client financial data (via open banking or creditor sources)], RSh suggested a minimum common data standard would be required which all participants could sign up to. JE added that client choice and consent was absolutely critical in activities involving their data. Members felt the Open Banking components could be seen as aspirational in the short to medium term and not critical to delivering an effective hub.
- 3.6 Members agreed with a suggestion by RSh that a dotted line should be added from the advice stage in the TOM back to the Hub, which would be an enabler of tracking a client's progress through the customer journey.
- 3.7 GG queried whether there was consistent triage across all entry points into debt advice proposed in the TOM, stating that without it there was some risk clients could end up in the wrong channel of advice. JH stated there would be a consistent triage approach in the hub. RS added that there was correctly some degree of flexibility across the other routes into debt advice. However, finding an appropriate method of ensuring people got to the right source of help when entering through other routes needed be factored into the detailed work.
- 3.8 EL stated that in the detailed work to deliver the TOM, the following needed to be considered:
- Recognition that clients' circumstances are fluid and capacity to review their solution / action plan for solving debt problems was required.
 - Clarity on whom clients complain to when things go wrong, which may become more complex with the inclusion of a centralised hub and increased transfer of clients between agencies.
 - What route a client should take if a solution or action plan fails
 - Clarity on the principles agencies involved in the TOM would sign up to.
- 3.9 CrS updated members on feedback that had been received from Steve Johnson (SJ), Advice UK, and Bob Chapman (BC), Wales Forum, who had both been unable to attend the meeting. SJ had indicated his support for the high-level proposals and particularly welcomed that there was not a proposal for one single entry point into debt advice, which would have been a major concern for small independent agencies. BC welcomed the progress with the TOM work and encouraged continued engagement with the devolved administrations. He had noted that developing the principles and processes of

the TOM so they can be applied to other subject areas of advice, such as housing, welfare benefits and other social welfare law areas should be considered in the detailed working up of the TOM.

- 3.10 Following this discussion, the DASG agreed to the TOM proposals and to the next step of building a detailed project plan. **ACTION: MAS to build a detailed project plan by the end of Autumn, factoring in timelines, costings, resourcing requirements and milestones. ACTION: Set-up and benchmark phase and concurrent activity in phase one, as detailed in the associated paper, to commence immediately.** DASG members agreed in principle to commit resource to delivery of the TOM. MAS will lead on the programme to deliver the TOM.
- 3.11 CrS talked through the six workstreams proposed in the associated meeting paper which were designed to deliver both the TOM and the five priority Wyman recommendations.
- 3.12 YM welcomed the workstream proposals and in particular welcomed the focus on the adviser workforce. This was due to existing problems for agencies in retaining advisers. YM also stressed that creditor referrals and practices needed to incorporate central and local government creditors. AB confirmed this was to be included in the detailed plans. More broadly, members noted the need to engage all creditor types in the rollout of the TOM.
- 3.13 In response to a question from FH, CrS stated that quantifying resource requirements were to be included in the detailed project planning, which was the next step to be undertaken. FH also encouraged inclusion of a broad range of creditors and funders in the funding workstream.
- 3.14 JE welcomed progress with the work and the six proposed workstreams. However, she noted there were five additional workstreams internal to MAS proposed in the governance proposal and encouraged a simplification. JE also encouraged recruitment of a strong project management resource to oversee the work. CS confirmed MAS intended to do this.
- 3.15 JE further noted there would be the need to prioritise work within the workstreams and setting out of an appropriate phasing should be included in the detailed project planning. She encouraged seeking out 'quick wins' and noted some of these could be pursued concurrently with the project planning phase to maintain the strong momentum which had been built.
- 3.16 GG noted the plans would likely result in a heavy resource demand on agencies and that, in terms of impact and MI, the programme should focus on outcomes and not volumes alone. She agreed that prioritisation and strong programme management was required. GG also noted MAS' commissioning should be fully aligned with the TOM work. She noted the inter-relationship between the internal MAS work and the TOM work was not fully defined in the proposed governance structure and felt further clarity was required.

- 3.17 CC added that MAS would shortly be publishing tender documents for London and North West of England commissioning, which would incorporate an approach for alignment with the TOM work. He added in terms of the proposed governance structure, the programme management office would need oversight of all workstreams to ensure coordination and to develop business cases to ensure proposals were feasible.
- 3.18 EL noted the TOM would generate assets and liabilities, such as the proposed hub and MI store. He suggested the TOM could be run by a committee such as the DASG and sit on the MAS balance sheet or be run through a special purpose vehicle separate to MAS (SFGB). He favoured the latter approach and AB agreed that MAS would look into this further. **ACTION: MAS to instruct project management team to consider this proposal.**
- 3.19 RSh highlighted the example of Lloyds of London who were building a hub for commerce and suggested there could be shared learnings for the hub proposed in the TOM.
- 3.20 CS gave an overview of the proposed governance structure to deliver the TOM. Members felt the proposals needed some further work to ensure the governance was streamlined, there was no duplication and that MAS internal workstreams were fully aligned to the TOM workstreams. **ACTION: MAS to review governance framework to ensure a streamlined approach. To be built alongside the detailed project planning work noted in the action in paragraph 3.10.**
- 3.21 JE asked if there was an update on the FCA response to the Wyman Review. RSu noted the FCA was supportive of the Wyman Review but the detail of how recommendations 15 & 16 are delivered by FCA may be different to how the Wyman Review specifically recommended. A working group at the FCA to consider it further had been formed. FH noted it would be useful to understand more about the FCA's work and the likelihood of rule changes. Particularly useful would be the timetable the FCA was working to, which would enable resource planning and better-informed TOM project planning.
- 3.22 EL suggested considering the TOM delivery as the principal response to the Wyman Review and to revisit the other recommendations once delivered. GG responded to this by noting that the DASG had prioritised five of the Wyman recommendations at the previous meeting and that the TOM was the vehicle for delivering them.
- 3.23 NT noted that RBS welcomed the progress made since the previous DASG meeting and encouraged MAS and all agencies involved in the TOM to consider whether to 'stop, start or continue' work in light of the need to deliver the TOM as a priority.
- 3.24 AB agreed and stated that MAS would be reviewing its Business Plan for 2018/19 in light of the emerging detailed work programme for the TOM.

- 3.25 In response to a query from JE, CC noted that the membership of the Wyman and TOM Advisory Group was not yet confirmed. However he expected this would include Citizens Advice, StepChange, Money Advice Trust, Barclays, RBS, MAS and one or two other agencies, which were not yet identified.
- 3.26 Members agreed on the clear need to involve devolved administrations in the development of the TOM, recognising there are different legal considerations in the devolved nations but also several areas of commonality.
- 3.27 CC and RS gave concluding comments on this agenda item recognising the key next steps were to develop and build an effective programme structure and project plan, including business case(s).

AOB

- 4.1 AB noted that Pol Callaghan had stepped down from DASG and Elaine Downey of the Department for Communities in Northern Ireland had been invited to join the group.

Close of meeting

- 5.1 AB thanked members for their attendance and ongoing support of DASG. He closed the meeting at 3.30pm.

Action Log

Action Number	Action
1	MAS to build a detailed project plan by the end of Autumn, factoring in timelines, costings, resourcing requirements and milestones.
2	Set-up and benchmark phase and concurrent activity in phase one, as detailed in the associated paper, to commence immediately.
3	MAS to instruct Wyman / TOM project management team to consider the best vehicle for assets and liabilities arising from TOM. A special purpose vehicle to be one of the considerations.
4	MAS to review governance framework to ensure a streamlined approach. To be built alongside the detailed project planning work noted in action 1.