Date of DASG meeting	Agenda Item	Paper Number	Paper's Author
24th April 2018	4	1	Craig Simmons

Title of paper:

Wyman Review of Debt Advice Funding: Response & Next Steps

Purpose:
To update DASG on responses to the Wyman Review, agree areas to prioritise from the review and next steps, including a DASG public statement. Additionally, the DASG should also consider alignment of the Wyman Review with other ongoing work, such as the three-charity collaboration and the MAS work on effective customer journeys.

Decision requested from the DASG:
It is recommended that the DASG:

- supports the overall thrust of the Wyman Review and issues a public statement to that effect;
- agrees prioritising the 5 recommendations set out in the paper and associated high-level action plan.
- agrees that MAS (and successor body) should facilitate and coordinate with the relevant stakeholders to drive forward the recommendations.
- receives a regular update at future meetings to monitor progress and, if necessary, amend the action plan.
- considers how Wyman aligns with the DASG's existing priorities and the three charities work and clarifies what work is progressed where, as per the paper. Members are asked to support the principle of providing resource to future work-streams as appropriate.

Summary:

- The Wyman Review produced 20 recommendations which, if implemented, will materially impact upon the funding of, access to and quality of debt advice in the UK. Since its publication on 25th January, a majority of stakeholders have welcomed the review. Almost all acknowledge that the sector needs to increase capacity, including effective use of channel and capital investment in infrastructure to facilitate improved efficiency. Ensuring high quality and increasing collaboration are also common threads running through responses.

- That said, a number of those who responded expressed concern or sought clarification on the detail of some of the recommendations. In particular, this focussed on the 'blunt' channel shift and efficiency calculations linked to recommendations 1 & 2. The limited measures to increase contributions from creditors outside financial services has also caused concern for some stakeholders.

- This paper proposes next steps which take into account the views of the sector as well as the pragmatism and momentum for change provided by the Wyman Review. It recognises the need to focus our limited resources and proposes that recommendations 4, 5, 16, 18 & 19 are prioritised. These focus on achieving 50% additional capacity in the sector, ensuring a broader base of creditors contribute to Fair Share, improved quality, effective use of the levy and increased collaboration. It seeks to deliver on the thrust of the Wyman Review but promotes some flexibility in how this is delivered to ensure we are as sophisticated and nimble as possible.

- Governance around facilitating and coordinating the delivery of the Review was also a common theme from responses and it is proposed MAS (and successor body) leads on this, with strong engagement from DASG.

- Linked to the Wyman work, there is broad agreement in the sector that effective customer journeys are a key priority and the paper attempts to clarify how and where that work is progressed alongside other sector-wide work programmes.

Date: 17th April 2018

Background

1. Peter Wyman published his Independent Review of Debt Advice Funding on 25th January, which was broadly welcomed by those attending the launch event on the same date. Those connected to the Review were invited to give their responses by 10th April and these are summarised throughout this paper and in appendix B.

2. The final scope of the Wyman Review was expanded further than the original commission and covered access to debt advice, quality issues and other related areas. These additions reflected the volume of feedback received from stakeholders during the review and Peter Wyman's judgement that these other topics formed an integral part in the funding arrangements.

3. The recommendations rely on voluntary action by a number of stakeholders, which was a deliberate and pragmatic approach taken by Peter Wyman to enable action to be taken swiftly.

4. On 20th February, the FCA Oversight Committee supported the direction of travel set out in the Wyman Review and approved £8m of the recommended additional £10m in levy funding to support delivery of the review. It also agreed in principle to the additional £2m of funding to support the sector coordination initiatives recommended. However, this was conditional on the development of suitable business cases for expenditure and gaining a clear indication from the sector that it will also take forward the Wyman conclusions. In the meantime, MAS will have discretion to commit a small amount of funding towards initial work to progress recommendations that Wyman has made relating to coordination projects.

Responses

5. 23 responses were received. Given the wide-ranging set of issues and interests the Review tackled, it is encouraging that of the 21 highly engaged organisations 15 were either strongly supportive or mostly supportive. It is possible to conclude from this that the Review has broadly succeeded: it has pleased more stakeholder organisations than it has alienated, and most respondents see it as thoughtful and thorough. The infographic supplied in appendix B shows the range of sentiment and extracts a headline phrase from each response.

6. HMT has indicated its support to us for the review overall, noting the government's desire for increasing the quality and quantity of debt advice available.

7. The FCA gave its support to the Wyman Review in a speech on 20th March, stating that it echoed the regulators own ambitions for the debt advice sector[1].

8. MAS is strongly supportive of the Review, noting it broadly aligns with the direction of travel set out in the Debt Advice Commissioning Strategy published in December 2017, particularly regarding the need for more effective and efficient customer journeys and a stronger focus on quality.

9. DASG members responses have, in the main, welcomed the thrust of the review but have highlighted a need to clarify or reconsider the detail of some recommendations. The main themes arising from the feedback are considered below.

10. A large number of agencies captured by the recommendations have also responded and, again, themes are considered in the next section.

Key themes and proposed DASG approach

11. Almost all that responded welcomed the direction of travel set out in Wyman and the principle of what the Review was seeking to achieve. A handful of key themes emerged that organisations see as priorities. It is proposed that the delivery of these is taken forward by MAS with support from DASG, rather than attempting to deliver all 20 recommendations immediately. Detailed analysis is available in appendix A, with the key themes set out below:

[1] https://www.fca.org.uk/news/speeches/beyond-regulation-thinking-creatively-about-consumer-credit

Theme / Recommendation	Rationale
Increasing capacity by 50% Recommendation 4: The financial services levy for debt advice should be temporarily increased by £10m per year for 2018/19 and 2019/20. This should facilitate: • a sector-wide goal of increasing debt advice supply from free-to-client providers by 50% by the end of the second year; • improving quality; and • enabling innovation.	It is widely recognised there is a shortfall in supply against demand in the sector and that achieving a 50% increase in capacity is urgently needed. As suggested by Peter Wyman, achieving this will certainly require more effective use of channel and development of initiatives to improve productivity in the sector, including capital investment in sector infrastructure. However, MAS and DASG members have recognised the possible unintended consequences of 'blunt' targets around channel shift and efficiency. It is proposed to follow this direction of travel but be as sophisticated and nimble as possible in its delivery. Actions: MAS to use approximately £7m of the additional levy funding to build additional capacity in the sector, as set out in the MAS 18/19 business plan. MAS to use approximately £1m of the additional levy funding to enhance quality in the sector, as set out in the MAS 18/19 business plan. MAS to continue the 'discovery' exercise it is undertaking in the first half of the financial year to examine the feasibility, impact and priorities of possible centrally coordinated projects. This will lead to a business case for up to £2m of the levy funding agreed in principle. The exercise will be with a view to enabling more effective use of channel and initiatives which make the debt advice process more effective / efficient. MAS to continue its service design development work arising out of last year's commissioning strategy. This is to build a consumer centric service design which can be included in MAS funded services but also shared as good practice to others. Similarly, as set out in the commissioning strategy, MAS will agree a clear strategic position and delivery options for commissioning telephone and digital services during 2018/19. Advice agencies to continue to consider how they can make their own organisations as efficient as possible.
A broader base of creditors contributing to debt advice Recommendation 5: Fair Share should be continued, but made truly fair in that all who benefit from it should pay. A contribution should therefore be made pro rata by	Members recognise that all creditors are 'beneficiaries' of debt advice to varying degrees. Therefore, attempts to increase the base of those contributing to Fair Share is welcomed. While several members would have liked Peter Wyman to go further here, it is proposed, in the interests of pragmatism, that DASG accepts that the levy remains funded solely by financial services for now. This may

all who receive payments from a Debt Management Plan within the Fair Share model. That contribution should be the full amount requested by the debt advice organisation (not-for-profit or commercial) requesting it. To this end: • UK Finance should agree with its members a Code of Conduct that sets a clear expectation that all its members will make Fair Share contributions pro rata to debts repaid. • The UK Finance Code of Conduct should require credit institutions selling debts to make it a contractual requirement on sale that the purchaser should contribute to Fair Share in the same proportion as the original creditor. • The Credit Services Association, the Finance and Leasing Association, the Consumer Credit Trade Association, the National Housing Federation (for housing associations), the Telecoms Industry Association, Energy UK, and Water UK, should set out and agree comparable codes of conduct setting clear expectations of paying Fair Share contributions pro rata to debts repaid. • All the above codes of conduct should oblige creditors to agree to a Debt Management Plan, provided that creditors accounting for 75% or more of value of the debts are in favour of the plan. The authorised debt agency recommending the plan should collate the consensus view.	require further review at a future point, which is also recognised by Wyman. It is recognised that focus in the short and medium term should be on delivering the thrust of the Wyman Review but further consideration of sustainable funding models may be required in due course. We anticipate trade associations will set an appropriate cap on the level of Fair Share that can be requested in the codes of conducts as well as establishing a principle that DMPs attracting Fair Share are always free to clients. Clearly there is already a precedent in the form of Payplan for a commercial firm receiving Fair Share, so it is shown this can work. In delivering on this recommendation, it is logical to also incorporate recommendation 12: *All the codes of conduct introduced in response to my other recommendations should commit creditors to do more to draw free debt advice to the attention of all consumers. Where problem debt arises they should commit to using bailiffs or taking legal action only after a debtor has been made aware of the availability of authorised or exempt free advice; the codes of conduct should give creditors a specific responsibility to check that this has been done.* Encouraging more progressive creditor practice through the codes of conduct aligns to an existing DASG priority to engender broader and better creditor practice. Actions: Trade bodies to progress codes with their members. MAS to work in partnership with Fair Share providers to promote take up of the codes, support their development and monitor progress.
Higher quality debt advice and stronger career progression for advisers Recommendation 16 (also to incorporate recommendation 15) All authorised debt advisers should have a debt advice qualification before they can offer debt advice unassisted, and should be required each year to undergo proportionate continuing professional development that	High quality debt advice is a fundamental in the services members seek to fund / deliver. Responses to the Review have welcomed these measures but note a degree of caution around proportionality, ensuring existing work on quality is not dismissed and questioning how this will be funded. Considering, in a proportionate fashion, the key role of volunteers in some agencies was also stressed by several who responded. Linked to this, it was noted qualifications alone are not the only effective route to ensuring competence.

includes updating for changes in law and reviewing the latest evidence of effective practice. The requirement for, and syllabus of, the debt advice qualification, and the requirement for continuing professional development, should be set out by the FCA. There should be a phased transition for existing advisers, where they have a window of three years to obtain an approved qualification to enable them to continue to work in the sector.	This recommendation is for the FCA. If it is accepted, implementing change will require consultation and a cost vs benefit analysis in order for FCA to make amendments to its Handbook. This should help ensure that any measures are proportionate. The Money Advice Service is already working closely with the FCA on the quality agenda and the DASG is encouraged to continue to feed-in to this work. DASG has been clear that quality of advice is a priority and it is clear that this should not be compromised in order to deliver efficiency savings. A key focus, however, of the investment in technology / infrastructure should be to identify if there are more efficient ways of assuring quality and providing qualifications and CPD to advisers. It is also clear this work should take into account the various qualifications / training / CPD already in place. It is proposed to also incorporate elements of recommendation 15 here also. That said, it is recognised that, historically, approving specific quality assurance processes has not been within the FCA risk appetite. The FCA is considering both the letter and spirit of this recommendation. Clearly there are links to recommendation 17 here but in order to focus resources it is proposed this is pursued at a later point. This comes with the added benefit of having clarity around what exempt agencies are being asked to support once recommendations 15 & 16 are delivered. Actions: FCA to consider this recommendation. MAS, DASG and broader sector to feed into this work's development.
Use of the debt advice levy to build coordinated infrastructure Recommendation 18: MAS should focus its debt advice activities and expenditure on: • Providing coordination, infrastructure and training that will increase capacity and quality in the debt advice sector. • Enabling targeted innovation that benefits the not-for-profit providers, especially: - the use of technology to import customer spending and income data into the debt advice process; - developing digitally assisted services for debt clients; and	During the time the Money Advice Service has administered the debt advice levy, it has directed the vast majority of the funding to providing advice provision. However, in light of the Wyman Review, the MAS Board agreed in March 2018 to the principle of increased funding and resource being dedicated to centrally coordinated infrastructure and initiatives. This is seen as core to delivering the efficiency / productivity gains referenced in the Wyman Review. It is clear the additional capacity must be built before measures to increase access to advice are fully implemented. Several responses to the Review were concerned by the final bullet point on this recommendation, citing the potential for this to create a two-tier system. It is proposed that DASG continue to support the principle that free debt advice should be available to all. Actions: MAS to continue the 'discovery' exercise it is undertaking in the first half of the financial year to examine the feasibility, impact and priorities of possible centrally coordinated

- in the medium term, using machine learning to improve referrals and provide automated or semi-automated advice to debtors. • Contributing to the provision of debt advice for people who are unlikely to be viable clients of Fair Share or commercial providers. This funding should be directed, through good procurement practice, to any authorised provider.	projects. This will include consideration of the ongoing work being carried out in the DAOG working group looking at improved customer journeys from creditors to debt advice and the proposed B2B 'Hub'. MAS to seek input from the sector on this and report back to DASG on findings.
Increasing collaboration in the not-for-profit sector Recommendation 19: The not-for-profit debt advice providers across the UK should commit to reducing duplicated effort and increasing mutually complementary specialisation and cross-referral. They should use the MAS Debt Advice Steering Group, and the Debt Advice Operational Group, as forums and means to achieve their commitments, but should not rely on MAS solely to propose, deliver or fund change.	This links to increased efficiency in the sector and enhanced customer journeys. Actions: DASG to consider alignment of Wyman Review, three-charity collaboration and the DAOG's Customer Journey Working Group. It is proposed DASG supports MAS and DAOG owning and taking forward the work on better transfer of client data between free-to-client agencies and creditors and smoother customer journeys from creditors to debt advice. Members to agree to the principle of committing resource to significant sector wide projects.

DASG public statement of support

12. Maintaining and building momentum behind the Wyman Review has a central role in ensuring stakeholders support and deliver on its contents. Additionally, the release of the additional £2m of levy funding is, in part, dependent on sector buy-in to delivering on the recommendations. To encourage this, it is proposed DASG make this public statement on the Wyman Review:

    In January, Peter Wyman published his review of debt advice funding in the UK. We support the vision he sets out for the sector; ensuring people get high quality debt advice when they need it is absolutely vital and finding innovative and effective ways of reaching, advising and serving consumers is at the heart of what we do.

    The review makes clear that demand for debt advice exceeds supply, leading to the recommendation that provision should be increased by 50%. We will need to look at things differently to achieve this, including how best to engage with people who most need to access debt advice, exploring the opportunities presented by technological innovation, co-ordinated infrastructure and efficient use of channels, all whilst maintaining a focus on quality.

    No single organisation can deliver this change on its own. It will take all of us and the other organisations included in the Wyman Review working together to make sure that we can respond to the challenges set out.

13. If this is agreed by DASG, the statement will be published on the MAS website, on behalf of DASG and:

    - Shared on the MAS FinCap Twitter and LinkedIn, on behalf of DASG
    - Shared with key trade media, on behalf of DASG
    - Shared in next MAS stakeholder newsletters: to MAS funded debt advice organisations (26/04) and the DAOG (end April).

Governance arrangements for delivering on the Wyman Review

14. A common theme arising from responses was that clear governance arrangements must be in place around the delivery of the Wyman Review. This should incorporate promoting take-up of the recommendations, monitoring progress and coordinating and facilitating resources to support delivery and accountability. Several who responded expressed concern that governance may become blurred between Money Advice Service (and successor body) and the Debt Advice Steering Group.

15. Given the current remit of the Money Advice Service and the remit of the Single Financial Guidance Body to act as a strategic coordinator, it is considered that these bodies should be charged with coordinating and facilitating the delivery of the Wyman Review. Clearly this cannot be done in isolation, so it is proposed the DASG and DAOG are also engaged and regularly updated on progress. It is proposed DASG receive a quarterly update as a minimum.

16. If DASG agree to the proposed priority recommendations, MAS will design a governance framework for the streams of work, engaging relevant industry players as appropriate.

Alignment with existing work programmes

17. The Wyman Review adds impetus to a number of existing priorities the sector has highlighted. Given the significance of the Review, the ongoing three-charity collaboration and the DASG's / DAOG's existing work programme, it is timely to clarify which work is progressed where and what its remit is.

18. DASG is particularly asked to consider work on effective customer journeys, which is currently a large part of the DAOG's work programme and the three-charity collaboration. It is proposed the following is agreed on remit:

Work stream	Proposed Owner
Standardised literature to support the debt advice process and inform clients Reduced duplication in adviser training	Three charities project, with support from MAS
Enabling better transfer of client data between free-to-client agencies and creditors and smoother customer journeys from creditors to debt advice.	MAS in conjunction with DASG & DAOG – the first steps to take this work forward is to properly scope it and develop a business case

19. Given the Wyman Review's recommendation for MAS to increase its central coordination and the potential additional levy funding for infrastructure, it seems appropriate projects likely to involve infrastructure build sit squarely with MAS, delivered in collaboration with the DASG / DAOG.

20. This infrastructure development could be potentially significant and will require expertise and resource beyond that MAS (and successor body) can provide. In light of this, DASG members are asked to agree the principle of providing resource to projects arising out of this work. This is most likely to be seconded staff or input from specialist teams within organisations to support projects. Clearly the detail of these potential requirements will only emerge as project plans are further developed.

Recommendations

21. It is recommended that the DASG:

- supports the overall thrust of the Wyman Review and issues a public statement to that effect;
- agrees prioritising the 5 recommendations set out in the paper and associated high-level action plan
- agrees that MAS (and successor body) should facilitate and coordinate with the relevant stakeholders to drive forward the recommendations.

- receives a regular update at future meetings to monitor progress and, if necessary, amend the action plan.
- considers how Wyman aligns with the DASG's existing priorities and the three charities work and clarifies what work is progressed where as per the paper. Members are asked to support, in principle, providing resource to future work-streams as appropriate.

Appendix A: Assessment of Recommendations

Prioritised recommendations

Recommendations	Owner(s)	DASG priority?	Additional Notes	Actions
Recommendation 4: The financial services levy for debt advice should be increased by £10m in each of the two years following the start of the implementation of my recommendations. This should facilitate: ▪ a sector-wide goal of increasing debt advice supply from free-to-client providers by 50% by the end of the second year; ▪ improving quality; and ▪ enabling innovation.	FCA & MAS	Yes	£8m of this additional funding has been agreed. However, £2m remains subject to further conditions. Several responses to the Review noted the setting of the levy should be linked to the level of need for debt advice.	Actions: MAS to continue the 'discovery' exercise it is undertaking in the first half of the financial year to examine the feasibility, impact and priorities of possible centrally coordinated projects. MAS to develop, in consultation with the sector, business cases for the additional £2m spend, which requires approval by the FCA Oversight Committee and sector support. MAS to use approximately £7m of the additional levy funding to build additional capacity in the sector. MAS to use approximately £1m of the additional levy funding to enhance quality in the sector. MAS to continue its service design development work arising out of last year's commissioning strategy. This is to build a consumer centric service design which can be included in MAS funded services but also shared as good practice to others. Similarly, as set out in the commissioning strategy, MAS to agree a clear strategic position and delivery options for commissioning telephone and digital services during 2018/19. Advice agencies to continue to consider how they can make their own organisations as efficient as possible.
Recommendation 5: Fair Share should be continued, but made truly fair in that all who benefit from it should pay. A contribution should therefore be made pro rata by all who receive payments from a debt management plan within the Fair Share model. That contribution should be the full amount requested by the debt advice organisation (not-for-profit or commercial) requesting it.	Named trade bodies Fair Share providers	Yes	It is envisaged trade associations will set an appropriate cap on the level of Fair Share that can be requested in the codes of conducts as well as establishing	Trade bodies to progress codes with their members. MAS to work in partnership with Fair Share providers to promote take up of the codes, support their development and monitor progress.

To this end: ▪ UK Finance should agree with its members a Code of Conduct that sets a clear expectation that all its members will make Fair Share contributions pro rata to debts repaid. ▪ The UK Finance Code of Conduct should require credit institutions selling debts to make it a contractual requirement on sale that the purchaser should contribute to Fair Share in the same proportion as the original creditor. ▪ The Credit Services Association, the Finance and Leasing Association, the Consumer Credit Trade Association, the National Housing Federation (for housing associations), the Telecoms Industry Association, Energy UK, and Water UK, should set out and agree comparable codes of conduct setting clear expectations of paying Fair Share contributions pro rata to debts repaid. ▪ All the above codes of conduct should oblige creditors to agree to a debt management plan, provided that creditors accounting for 75% or more of value of the debts are in favour of the plan. The authorised debt agency recommending the plan should collate the consensus view.	and MAS to support		a principle that DMPs attracting Fair Share are always free to clients. It is logical to incorporate recommendation 12 in this also.	
Recommendation 16: All authorised debt advisers should have a debt advice qualification before they can offer debt advice unassisted, and should be required each year to undergo proportionate continuing professional development that includes updating for changes in law and reviewing the latest evidence of effective practice. The requirement for, and syllabus of, the debt advice qualification, and the requirement for continuing professional development, should be set out by the FCA. There should be a phased transition for existing advisers, where they have a window of three years to obtain an approved qualification to enable them to continue to work in the sector.	FCA	Yes	Peter Wyman called for parity with financial advice standards. Many in the sector have called for this for many years. This will potentially require changes to the FCA Handbook, which likely require policy development, cost benefit analysis and consultation.	FCA to consider the taking forward of this recommendation. MAS, DASG and broader sector to feed into this work's development.

			This will incorporate recommendation 15 to an extent.	
Recommendation 18: MAS should focus its debt advice activities and expenditure on: ▪ Providing coordination, infrastructure and training that will increase capacity and quality in the debt advice sector. ▪ Enabling targeted innovation that benefits the not-for-profit providers, especially: - the use of technology to import customer spending and income data into the debt advice process; - developing digitally assisted services for debt clients; and - in the medium term, using machine learning to improve referrals and provide automated or semi-automated advice to debtors. ▪ Contributing to the provision of debt advice for people who are unlikely to be viable clients of Fair Share or commercial providers. This funding should be directed, through good procurement practice, to any authorised provider.	MAS	Yes	This is not dis-similar to the direction of travel set out in the MAS commissioning strategy.	MAS to continue the 'discovery' exercise it is undertaking in the first half of the financial year to examine the feasibility, impact and priorities of possible centrally coordinated projects. This will include consideration of the ongoing work being carried out in the DAOG working group looking at improved customer journeys from creditors to debt advice and the proposed B2B 'Hub'. MAS to seek input from the sector on this and report back to DASG on findings.
Recommendation 19: The not-for-profit debt advice providers across the UK should commit to reducing duplicated effort and increasing mutually complementary specialisation and cross-referral. They should use the MAS Debt Advice Steering Group, and the Debt Advice Operational Group, as forums and means to achieve their commitments, but should not rely on MAS solely to propose, deliver or fund change.	Not for profit debt advice agencies MAS	Yes		DASG to consider alignment of Wyman Review, three-charity collaboration and the DAOG's Customer Journey Working Group. It is proposed DASG supports MAS and DAOG taking forward the ownership of enabling better transfer of client data between free-to-client agencies and creditors and smoother customer journeys from creditors to debt advice. Members to agree to the principle of committing resource to significant sector wide projects.

Not prioritised but enable where possible

Recommendations	Owner(s)	DASG priority?	Additional Notes	Actions
Recommendation 9: The Ministry of Justice should ensure prisoners can access free debt advice and act on it if they need to.	Government	No		MAS & DASG to be open to supporting MoJ in this endeavour.

Recommendation 10: Employer organisations including the CBI, the IoD and the Federation of Small Businesses (FSB) should bring the availability of free debt advice to the attention of their members. Large employers should be encouraged to consider the benefits from providing debt advice within employee assistance programmes. Smaller employers without a dedicated employee assistance programme should signpost employees to the MAS Debt Advice Locator tool.	Employers MAS to support	No		MAS & DASG to be open to supporting employers in this endeavour.
Recommendation 12: All the codes of conduct introduced in my (Peter Wyman's) other recommendations should commit creditors to do more to draw free debt advice to the attention of all consumers. Where problem debt arises they should commit to using bailiffs or taking legal action only after a debtor has been made aware of the availability of authorised or exempt free advice; the codes of conduct should give creditors a duty of care to check that this has been done.	Trade bodies	Included with Rec. 5		Taken forward in recommendation 5
Recommendation 14: The Local Government Association and the National Housing Federation (in respect of Housing Associations) should develop codes of conduct which commit their respective members to draw the availability of free debt advice to users of their services and to commit them to using bailiffs or taking legal action only after a debtor has been offered authorised or exempt free advice and should have a duty of care to ensure this has happened first.	LGA & NHF	No		MAS to support LGA in development of a code from May 2018.
Recommendation 15: The quality assurance processes of organisations that offer debt advice should be monitored and transparently reported. To this end:	FCA	Included with Rec. 16	Historically, approving specific quality assurance processes has not been within the FCA risk appetite.	While this is FCA led, MAS will continue to deliver extensive work to improve quality, for example: Current initiatives: a) DAPA (MAS funded organisations) b) Training (MAS funded organisations) c) Good Practice Toolkit

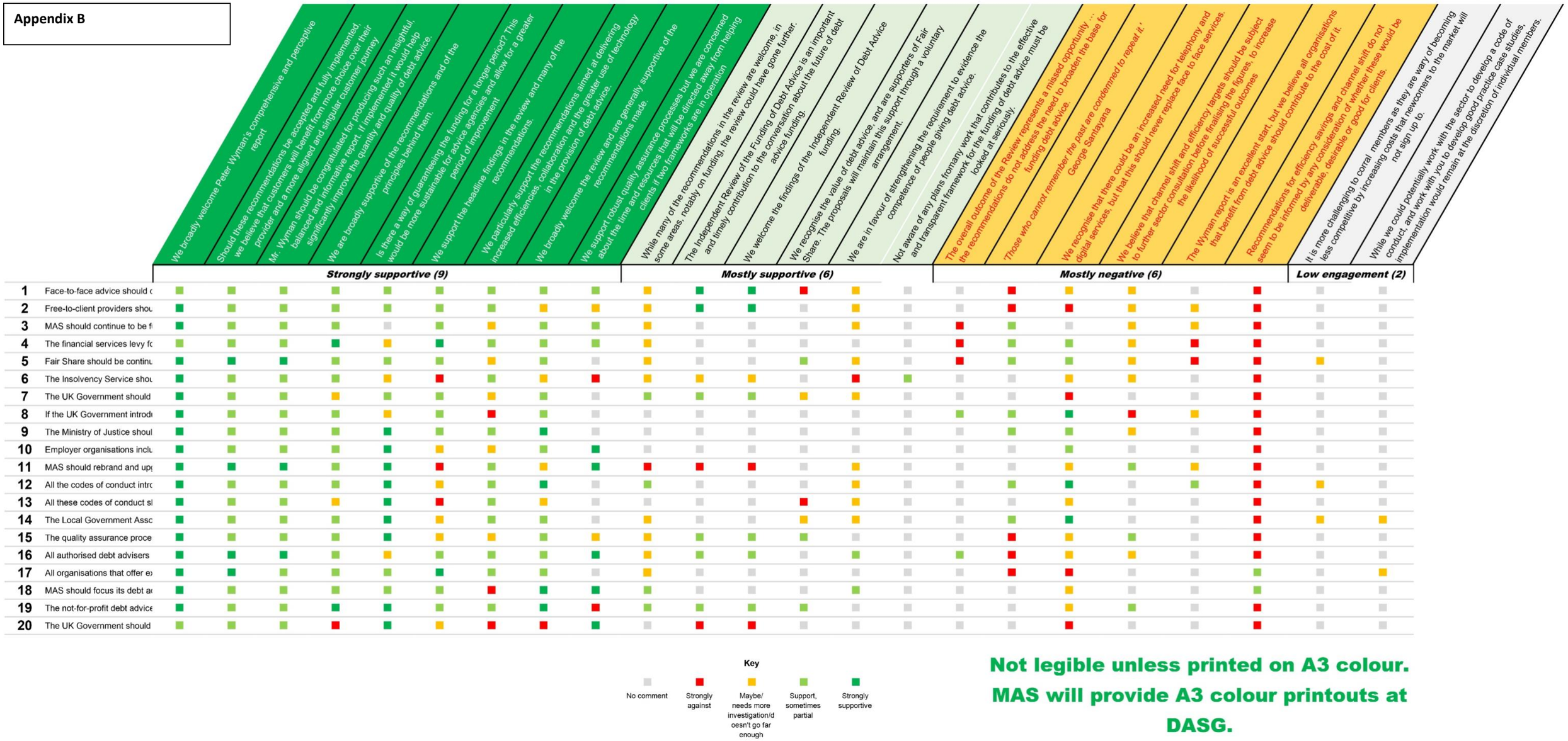
▪ All organisations that offer authorised debt advice, including commercial providers and charities alike, should have a quality assurance process authorised by the FCA, and annually report headline data from this process to the FCA. The headline results should then be publicly available. ▪ MAS should develop a quality management process (to be authorised by the FCA), enhanced by inexpensive software, that can be used by smaller debt advice organisations to fulfil the obligations set out in this recommendation.				d) Specialist Support e) Networking and Information Sharing f) MAS Organisational and Individual Frameworks It is clear that MAS will play an increasingly important role in improving quality but cannot enforce this without the FCA taking overall responsibility in making it happen.
Recommendation 17: All organisations that offer exempt debt advice should adhere to a code of conduct (see recommendation 5 above) that commits them to using an authorised quality management process, and accreditation of advisers using one of the authorised schemes.	Local Authorities Housing Associations	No		MAS to work with LGA to examine this issue further from May 2018. To be taken forward with greater vigour once there is clarity on what is being delivered under recs. 15 &16.
Recommendation 20: The UK Government should appoint a 'Debt Advice Tsar' for England (independent of government, MAS, or the FCA) as a coordinator across these recommendations, on a five-year time-limited term. I also recommend that the devolved governments should consider making similar appointments. This highly senior and influential person should be able to challenge government and industry to ensure that these recommendations are implemented, should be able to advise on regulatory measures where they are not, and should be expected to continue to challenge the sector where appropriate. The Debt Advice Tsar should report annually on progress.	Governments	No		Governments in the UK may wish to pursue debt zsars if appropriate.

Not prioritised

Recommendations	Owner(s)	DASG priority?	Additional Notes
Recommendation 1: Face-to-face advice should continue to be widely available, but the free-to-client providers should commit, as a whole, to shifting 15% of face-to-face demand to telephone advice, and 20% of telephone demand to webchat-assisted advice, over the next two financial years, with a further and corresponding channel shift over the following three financial years.	Free to client debt advice agencies Funders of debt advice	No	There is a general move to a more 'omni-channel' approach Therefore, it is increasingly less common to categorise a client as specifically a 'face-to-face client', a 'telephone client' or an 'online client', as these are becoming increasingly blended. More effective use of channel to be taken forward under the prioritised recommendation 4.
Recommendation 2: Free-to-client providers should commit to 20% efficiency savings over the next two financial years, achieved by greater use of technology and greater sector collaboration.	Free-to-client debt advice providers. MAS in facilitating enhanced infrastructure and coordination	No	Increased efficiency and productivity to be taken forward under the prioritised recommendation 4.
Recommendation 3: MAS should continue to be funded solely by the FCA levy, under the new arrangements proposed in the FCA's consultation document CP 17/38.	FCA, HMT and DWP	No	Nil
Recommendation 6: The Insolvency Service should be funded so that it is able to pass the full fee it collects from each Debt Relief Order (currently £90) back to the adviser (who currently receives only £10 from the fee). Equivalent arrangements should be made for Northern Ireland and Scotland.	The Department for Business, Energy and Industrial Strategy (BEIS) Devolved administrations	No	The Review placed the onus on government to fund this, which will cost approximately £2.4m per year. In January 2018, MAS published its Debt Solutions in the UK report, which recommended a review into fees for debtor-application bankruptcy in England, Wales and Northern Ireland.
Recommendation 7: The Minister for Financial Inclusion should consider how best to deliver a one-off awareness campaign targeted at intermediaries to encourage them to refer people to free debt advice through the MAS Debt Advice Locator tool. This campaign should reach, for example, health workers, teachers, social workers, prison and probation officers	Government	No	

Recommendations	Owner(s)	DASG priority?	Additional Notes
and counsellors. The decision on the campaign should be made after a decision has been made by the Government on 'breathing space' as per its consultation of 24 October 2017. If 'breathing space' goes ahead, the campaign should use the launch as an opportunity to make referral partners aware of the importance of free debt advice to take advantage of the breathing space.			
Recommendation 8: If the UK Government introduces 'breathing space', only authorised (or exempt) advisers should be able to make the application on behalf of the person requiring it.	Government Primary lead is government but the SFGB is set to recommend to the Secretary of State on what Breathing Space should look like, if the legislation going through Parliament remains unchanged.	No	This requirement already exists in Scotland for certain solutions, so the precedent exists. However, a drive for more 'self-service' may contradict with the recommendation. This would need to be addressed in the detail of the proposal.
Recommendation 11: MAS should rebrand and upgrade its Debt Advice Locator tool. The tool should allow consumers to choose the most appropriate delivery channel and to select from a comprehensive list of authorised and exempt advisers, including commercial providers. The tool should be maximally optimised to draw search engine traffic.	MAS	No	
Recommendation 13: All these codes of conduct should commit creditors that, when a person is identified as having trouble with debt, they should signpost that person to the MAS Debt Advice Locator tool.	Trade bodies	No	

Appendix B



Not legible unless printed on A3 colour. MAS will provide A3 colour printouts at DASG.