

Minutes of Debt Advice Steering Group (DASG)

Thursday 6 December 2018: 2-4pm

Attendees

Organisation	Name	Title
Barclays	Catherine McGrath (CM)	Managing Director, Transaction, Insurance and Mass Market
Citizens Advice	Anna Hall (AH)	Head of Money Advice
FLA	Fiona Hoyle (FH)	Head of Consumer and Mortgage Finance
HM Treasury	Damien Conyngham-Hynes	Head of Consumer Debt
Money Advice Service	Andy Briscoe (AB)	Chair
Money Advice Service	Robert Skinner (RS)	Non-Executive Director & DAOG Chair
RBS	Brian Holland (BH)	Head of Commercial Planning, Personal Products
Scotland Forum	Yvonne MacDermid (YM)	Chief Executive Officer
StepChange Debt Charity	Phil Andrew (PA)	Chief Executive Officer
UK Finance	Eric Leenders (EL)	Managing Director, Personal Finance

Apologies were received from Steve Johnson, Advice UK, Elaine Downey, NI Forum, Bob Chapman, Wales Forum, Gillian Guy, Citizens Advice and Joanna Elson, Money Advice Trust.

Money Advice Service attendees

Name	Title
Charles Counsell (CC)	Chief Executive Officer
Caroline Siarkiewicz (CZ)	Head of UK Debt Advice
Craig Simmons (CS)	Sector Co-ordination Manager
Clare Ratnavira (CR)	Programme Consultant
Richard Sutcliffe (RSu)	Special Adviser
Francis McGee (FM)	Stakeholder Strategy 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 would be the Chair of DASG going forward and John Govett had indicated the Target Operating Model (TOM) would be a key priority for SFGB.
- 1.2 RS advised that he had recently joined the Board of a Totemic, which ran PayPlan, as a NED.

Previous minutes & matters arising

- 2.1 The minutes of the previous meeting were agreed as an accurate record.
- 2.2 As matters arising, YM asked about the current FCA position on the TOM work and the membership of the Transformation Delivery Group (TDG). CS noted that FCA remained supportive and was currently considering its plans for 2019/20. CS noted the membership of the TDG as set out in the meeting paper. CZ added that a mechanism to incorporate devolved administrations (DAs) strategically and operationally would be a part of the work going forward.

A new target operating model for the debt advice sector – update on progress and proposed workplans

- 3.1 CZ gave an update on progress and in particular noted that the TOM would feature in the forthcoming SFGB Business Plan.
- 3.2 PA was pleased that SFGB was fully supportive and suggested it should prioritise 'low hanging fruit' in the programme plans. CZ noted while she could not speak for SFGB, she was aware it would seek to increase the pace of delivery and that the Hub was central to its plans. FH asked whether a smooth

transition to SFGB was expected. AB noted that the MAS team leading the work were transferring into the new body which would aid a smooth transition.

- 3.3 In response to a query from FH, CZ noted that communication and engagement around the work was key and that a stakeholder manager was in place to drive development and delivery of that. **ACTION: MAS to build a stakeholder plan for communicating the TOM work effectively and to broaden out support for it. This will include a monthly update to interested stakeholders.**
- 3.4 Collectively, DASG highlighted the risk of possible economic challenges from April 2019, which had strong potential to lead to a further spike in debt advice demand in mid-2019, on top of the already significant under-capacity in the sector. Agencies were stepping up contingency planning for this eventuality. Connected to this, while all members noted their ongoing full commitment to the TOM, there were concerns raised that resource constraints were slowing the pace of mobilising and delivering the work. Debt advice agencies stated this was caused by the challenge of balancing ongoing BAU activities, internal transformation programmes and the sector-wide transformation programme. MAS also noted the challenge of having the same internal resources allocated to BAU and the TOM work.
- 3.5 Members felt that the Hub proposed in the TOM would help with increasing capacity, as would increasing the availability of digital debt advice, possibly through a 'white-labelled' service. However, having those things ready for any spike in demand in 2019 would be a challenge. The value of separating out the resources focussed on delivering business as usual work and those delivering TOM was noted. Dedicated resource to sector transformation (in MAS and in external stakeholders) was critical and while additional debt sector expertise was lacking the market, transformation expertise was not. **ACTION: Chair to notify Hector Sants of DASG's concerns around a spike in demand in 2019, the need for dedicated resource to sector transformation and bringing forward timelines for delivering on a hub and enhanced digital debt advice.**
- 3.6 During the course of this discussion, PA noted that scaling up debt advice provision normally takes 25-28 weeks considering recruitment, training and induction. AH also noted the need for the commissioning of services to be fully aligned with the TOM. BH added that funding arrangements should not be a barrier to channel shift. **ACTION: CZ and AH to meet to discuss fuller alignment of TOM delivery and commissioned services.**
- 3.7 CR talked through the exercise that was taking place to build the detailed project plan for delivering on the TOM and highlighted the 90 days plans for each of the six workstreams. In response to a question from EL, CR explained that the RAID log was not yet complete but noted that fuller alignment with commissioning and balancing collaboration against competition would feature. BH noted the outstanding action to fully develop strategic KPIs for the TOM. Members agreed they should include an indicator regarding increasing capacity by 50%, a measure to monitor increasing quality and a cost per client measure.

ACTION: MAS to develop a range of strategic KPIs for the TOM in partnership with the Data, Evidence and Measures Champion, Neil Taylor.

- 3.8 BH welcomed there now being a MAS lead on the Data, Evidence and Measures workstream but felt that this part of the programme was rated 'red' rather than 'amber' as listed in the slide pack. Members agreed. **ACTION: MAS to amend the RAG status of Data, Evidence and Measures to red.**
- 3.9 CZ acknowledged that there was no external 'champion' for the funding workstream as there were particularly strong potential conflicts of interests in this area. RS added that it was important the 'champions' could dedicate adequate resource to the programme.
- 3.10 CZ noted that the hub was expected to feature in the SFGB business plan. However, a key next step would be fully defining / designing what the hub would provide, along with a business case. This would develop an understanding of what resources are needed, along with the timeframes, to deliver it.
- 3.11 YM stated that building support for the programme in a much broader range of stakeholders, including devolved administrations and DAOG, was key to its success. It had to be genuinely sector-wide to be effective.
- 3.12 CM considered that a deadline for delivering on the TOM may provide additional focus to the work and that further re-prioritisation may be required to ensure faster delivery. Members agreed that using both 'carrots' and 'sticks' to enable and incentivise sector transformation was the correct approach. **ACTION: Chair to share DASG's view with Hector Sants that incentivising TOM delivery within the sector would assist in making it highest priority.**
- 3.13 FM presented the section of the slide pack relating to the funding workstream. DASG agreed with the Transformation Delivery Group's conclusion that to achieve sector transformation objectives, the work should adopt a broader approach than simply pursuing the priority Wyman objective around Fair Share.
- 3.14 Members welcomed the ongoing exercise to construct a disaggregated map of the current sources of debt advice funding. BH referred to the Money Advice Trust's Decade in Debt paper which highlighted how the profile of debt had changed since the 2007/08 financial crisis. He felt it essential that further engagement takes place with creditors who now make up a greater proportion of problem debt. To that end, EL offered to host a roundtable event on this matter in March 2019 with stakeholders highlighted in the ongoing mapping exercise. Hector Sants was suggested as an appropriate Chair for the meeting. **ACTION: UK Finance, in consultation with MAS and with support from DASG members, to host a roundtable event on debt advice funding in March 2019. Hector Sants to be invited to Chair.**
- 3.15 FH noted broader communication about progress with the funding workstream was key, particularly if there was any change to scope.

3.16 PA concluded by noting the importance of retaining some flexibility in the funding work. Should there be significant changes in the economy, the funding environment may also change markedly.

AOB

4.1 Noting it was their final meeting, the meeting concluded with DASG thanking AB and CC for their contributions to the sector.

Close of meeting

5.1 AB thanked members for their ongoing support of DASG in his period of Chair and wished the group well in delivering on the TOM. He closed the meeting at 4pm.

Action Log

Action Number	Action
1	MAS to build a stakeholder plan for communicating the TOM work effectively and to broaden out support for it. This will include a monthly update to interested stakeholders.
2	Chair to notify Hector Sants of DASG's concerns around a spike in demand in 2019, the need for dedicated resource to sector transformation and bringing forward timelines for delivering on a hub and enhanced digital debt advice.
3	CZ and AH to meet to discuss fuller alignment of TOM delivery and commissioned services.
4	MAS to develop a range of strategic KPIs for the TOM in partnership with the Data, Evidence and Measures Champion, Neil Taylor.
5	MAS to amend the RAG status of Data, Evidence and Measures to red.
6	Chair to share DASG's view with Hector Sants that incentivising TOM delivery within the sector would assist in making it highest priority.
7	UK Finance, in consultation with MAS and with support from DASG members, to host a roundtable event on debt advice funding in March 2019. Hector Sants to be invited to Chair.