



CASE STUDY

Highland Council - Review of Debt Advice and Related Services 'A New Commissioning Approach'



Summary and Background

The Highland Council highlighted to the public that it has a legal duty to provide certain advice and information services on debt, welfare and housing advice for residents.

It also highlights the duty from 2018 for strategic public authorities to do more to tackle persistent inequalities of outcome caused by [socio-economic disadvantage](#).

The council agreed a budget saving in December 2014 of £0.130m for 18/19 for the provision of debt advice.

At the Highland Council meeting of 9 March 2017, members agreed to undertake a review of these services.

The key findings from the review include:

- an emphasis on the need for services to be accessible and flexible in their method and means of delivery in order to meet people's individual requirement
- a need for improved awareness raising of advice and information services amongst the public
- ensure the customer is at the heart of service design and delivery
- a clearer understanding by local advice and information services in relation to what other agencies operate in Highland to
- enable a more efficient approach to meeting customers' needs including correct signposting, referral and effective collaborative inter-agency working
- consideration of the impact of the continued welfare changes on people's increasing need to access information and advice services

Members of the People Committee agreed the report's recommendations, including an amendment to take the savings over a period of two years in 2018-19 and 2019-20.



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The Challenge

The Highland Council advice and information services were provided via eight contracts with each of the Citizens Advice Bureaus (CAB). Service delivery contract funding for these services in 2017/18 was £1.226m.

In addition, the council provided project funding for the delivery of the mental health and midwifery initiatives, which came to £50,000 for 2017/18. The Care and Learning Service funded Inverness, Badenoch and Strathspey CAB £20,000 per annum to provide an advice service for looked after young people. £1.6m was invested into a housing support contract, which is being managed by the council's Community Services and is in addition to the advice and information contract.

Sheila McKandie, Benefits and Welfare Manager was responsible for the monitoring of the eight individual contracts and the associated overheads that were involved at a time when the Council was implementing Universal Credit and other initiatives.

Each of the eight providers had individual contracts and thereafter contract variations to accommodate the additional time-limited project funding.

Governance included one quality of advice audit per bureau per year, one contract review meeting per bureau per year plus quarterly meetings with the CAB and Highland Council managers as a group.

Sheila talks about the monitoring arrangements: "Measuring the quality of advice however, was an integral aspect of the monitoring arrangements. This allowed the opportunity to discuss the quality of advice being provided across Highland, share leading practice and to work together to further improve a consistently high-quality standard of advice"

Intended Outcomes

To create efficiencies and make better use of resources, the council wished to gain a better understanding of the marketplace to help inform the procurement process for an advice and information service and get a better understanding of what competition existed in the Highland area.

The intention was to look at how healthy a position it was in and to inform the procurement process.

The council had the opportunity to test the market with [European Social Funding](#) monies that became available for promoting social inclusion, combating poverty and any discrimination.

"Measuring the quality of advice however, was an integral aspect of the monitoring arrangements. This allowed the opportunity to discuss any issues and concerns ... and address any areas of support to ensure a consistent high-quality standard of advice."



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This process informed the council that the number of preferred bidders out on the market across Highland was limited. Although many expressions of interest had been received, the process resulted in one bidder. This bidder was already known to the council.

Actions and Approach

Various stakeholder discussion sessions took place with advice and information services.

Highland Council referred to the key principles of the [Framework for Public Funding of Advice](#) as a useful checklist to self-assess as good practice for its new approach to commissioning.

The [Centre for Remote and Rural Studies](#) (UHI) for research-related activities, was appointed to undertake a literature review into this service area to help complement the ongoing strategic discussions.

This review highlighted concerns and weaknesses across the following four themes in respect of the advice sector across Scotland and beyond.

Quality of Evidence

- A lack of consistent and universal approach across providers and sectors to recording and reporting measures of outcome or quality in Scotland
- Little or no use of recognised methods to evaluate the impact of services
- Evaluation studies on the health impact of advice

Demonstrating Need

- Continuing impact of the economic crisis and recession
- Rising levels of debt and lack of affordable credit provision
- Poverty and widening inequalities
- Ongoing impacts of welfare reform
- Timely and tailored advice to people's abilities
- Preventative measures
- Avoiding the revolving door
- Need for services to be holistic, flexible and targeted to the needs of specific groups

Access to Advice and Information Services

- Although it makes sense to co-locate the services where populations access health services, this may not serve the needs of the young people who may not be frequent users of health services

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- Access to good independent financial advice and support as well as issues related to financial literacy/capability have gained more urgency
- Rising personal/household debt
- Lack of confidence for sections of the public in dealing with money matters
- Impact of austerity measures on individuals and households on already stretched public sector budgets impacting on availability of services
- Whilst restructuring of the financial services industry may have benefited some groups, it has led to an increased risk of financial exclusion and debt for others
- Improved awareness raising of advice and information services
- There is a need for a variety of specific services related to one stop shops/community hubs, co-location, outreach, mobile services, on-line and telephone
- Ensure the customer is at the heart of service design and delivery

Standards and management performance frameworks

- Lack of consistent approach to recording and reporting performance information

The Head of Revenues & Business Support, and Benefits & Welfare Manager undertook many consultation exercises to seek the views on the methods and approaches of delivering future advice services to meet the needs of local communities.

Obstacles and Issues

Sheila says, “Focusing on our communication was central to this whole new process being rolled out successfully.

“The approach had to be thought through very carefully and be very open and transparent. It was important to think about the language we used. Rather than talk about ‘consulting’ with the sector, the council listened and engaged.”

At the end of the workshops the council received positive feedback on its approach; there was an openness and welcome to the new way forward.

Sheila says, “Councils can often be risk averse to change ... we had to make sure that our stakeholders were at the centre of informing decision making”.



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Results

One of the major results from this process is the move to a more sustainable model of single contract provider for the advice and information services.

This funding model has shifted to a three-year contract with the capacity to add on a further two years (year-on-year funding).

The new single contract starts on 1 April 2018 and although it is too early to say how things will progress, engagement will continue with the council's new procurement services in this process and all parties to the contract are looking forward to the new approach.

Lessons Learned

Forward planning is important, allowing sufficient time and investment for communication and to properly engage with relevant stakeholders.

Sheila says, "Reflecting on the whole approach, I wouldn't have done anything differently as it all went very smoothly".

Future proof the service and be aware of the political landscape before entering the process. Be up to date with what's happening across the sector industry and welfare reform and try to predict future impacts which will need to be considered before any future decision making.

Next Steps

The next steps will be to monitor the future provision.

The current financial challenges faced by the council mean a new approach to governance must be applied whilst still providing assurance on the performance, cost and value of service delivery to the customer.

Service Delivery

The new model will have clear performance standards and frameworks which will exist to:

- measure service delivery
- improve awareness of advice and information services amongst the public
- enhance, where possible, data sharing and joint working with other public service providers such as the NHS
- deliver services flexibly around the needs of the customer

"Councils can often be risk averse to change ... we had to make sure that our stakeholders were at the centre of everything"



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Governance

- Take cognisance of the performance and quality measures that are already in place for the provider
- Reduce the number of contracts within the advice and information contract from eight to one
- Introduction of a new performance management framework
- Adoption of risk based approach to audits – based on customer experience
- Benefit gains – free up resource to focus on the needs of the customer

The Highland Council will continue to learn from this new commissioning model, share any good practice or further lessons learned from its approach as it progresses.

Additional Information

Inverness Badenoch and Strathspey Citizens Advice Bureau will be the single contract provider for the advice and information contract across Highland from 1 April 2018.

The council recognises the benefits of financial education as a life skill necessary to prepare young people for the world of work. The new contract will include a preventative focus on financial education across the curriculum of excellence and an approach to strengthen the relationships between the advice and information services and education.

Read the [committee report](#) relating to the Review of Debt and Advice and Related Services.

Watch the [webcast](#) of the People Committee and Highland Council advice review. and download the relevant [papers](#).

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(to discuss support for embedding any of the key principles of the [Framework for Public Funding of Advice](#) across Scotland's local authorities)