



# Local authority funded money and welfare rights advice services – An insight from services leads and advisers

## 2020/21 Annual Report



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# Introduction

Through this research, the Improvement Service (IS) aimed to gain an insight into some of the areas identified by services leads as not well understood by the Common Advice Performance Management Reporting Framework (CAPMRF) data alone. Several changes have taken place within money and welfare rights advice services since the start of the COVID-19 pandemic, therefore the IS sought to understand these changes from both services leads and advisers who have knowledge of this first-hand. The research aims to highlight the breadth of work carried out within advice services and the impact this has.

Three main aims were set out for this research;

- To provide a more detailed understanding of the support provided by local authority funded money and welfare rights advice services and what this achieves.
- An understanding of how COVID-19 has impacted the work done by these services, including the impact on face to face service delivery.
- An insight into how services are supporting clients with debt and preventing debt.

# Key Findings

- Services offer valuable support and often act as a central link between other services and organisations which ensures clients access the support they need.
- Advisers often work under significant pressure and have been extremely resilient throughout the ongoing challenges of working during a pandemic.
- COVID-19 has increased the complexity of money and welfare rights advice and the removal of face-to-face contact has exacerbated this.
- There are positive improvements from the expansion of digital delivery and it's likely that these can be improved upon by using a blended approach to service delivery.
- Services are also keen to increase administrative support to enable advisers to focus on advice work.
- Debt advice cases are starting to increase after a large reduction at the height of COVID-19, however services are keen to ensure that people in need are not waiting until crisis point to access services.
- Within local authorities and the wider public sector there is increased recognition of the value of money and welfare rights advice services, however services are eager to carry out additional activities including outreach work and prevention activities to ensure that those in need are aware of the service. This remains limited due to the lack of face-to-face contact and issues with capacity.



# Methodology

- A mixed methods approach was taken to the research.
- The research focused on insights from advisers and service leads but does not take account of the views of service users.
- A small reference group of advice leads was formed to review the research materials.
- Data from advice service leads were collected using a survey with a range of quantitative and qualitative questions relating to how advice is delivered within the service, how this has changed and future plans for services. A total of 11 local authorities responded to this survey.
- Follow up interviews were carried out with five local authorities to gain further insight into the key themes emerging from the survey results.
- Data from money and welfare rights advisers were collected through a sample of adviser logs. A template was created for these logs which set out a series of questions aimed at capturing the range of activity carried out in a typical adviser's day. The questions referred to support provided to clients, and advisers recorded answers in relation to each of the clients they supported during the day.
- In recognition that there is no "typical" day for an adviser, the log was set out to be recorded over a number of days to give a more generalist overview of activity. These adviser logs were completed during October 2021 and reflect a snapshot of activity during this time.
- Responses were received from a total of nine local authorities, completed by 29 advisers. Individual advisers completed logs over one to five days with the majority completing three days.
- The adviser log template and research survey questions are available on the IS website.



# Understanding the support provided by local authority funded money and welfare rights advice services and what this achieves

Survey responses and adviser log responses give an indication of the typical work carried out by advice services. Advisers support a high volume of clients each day, however they deal with cases with varying degrees of complexity meaning advisers can spend a large amount of time supporting an individual client. Administrative burdens also put significant pressure on advisers' time, nevertheless services achieve positive outcomes for their clients and often offer additional activities, such as referrals to other services, offering other types of advice and financial skills training, to ensure clients receive the support they need.

Survey respondents were asked about the typical support provided within their services. Of those who provided a money advice service all respondents stated the support typically included money or debt advice, 90% typically included income maximisation, 80% included budgeting support, and 50% offered financial education such as how to manage money and information about banking, saving, borrowing etc. Of the advice offered by these service 90% stated that type 2 advice<sup>1</sup> (casework) was the most commonly provided. This was the same for respondents providing a welfare rights advice service, with 91% stating that type 2 was the most commonly provided type of advice. When asked about the activities included as standard practice when supporting welfare rights advice clients, all respondents stated this included; supporting benefit entitlement queries and benefit checks, support completing application forms and advice on challenging unfair decisions. The majority (90%) also offered court/tribunal representation.

As shown in figure 1, adviser log responses show a similar range of support offered to clients. When asked what the main support was provided to the client that day, advisers supporting with both money and welfare rights advice selected 'benefit entitlement check' in 26% of cases. Income maximisation (22%) and support completing application forms (22%) were also commonly provided. Some advisers also noted that part of the support provided to a client during the reporting day is often related to administrative tasks and casework not involving direct contact with the client. For example, advisers recorded writing up case notes, contacting creditors and often contacting clients for information with no response. Advisers reported working on cases for an average of 6 clients per day.

1 Scottish Legal Aid Board. Types of information and advice under the SNSIAP.  
<https://www.slab.org.uk/advice-agencies/scottish-national-standards-for-information-and-advice-partners/types-of-information-and-advice-under-the-snsiap/>

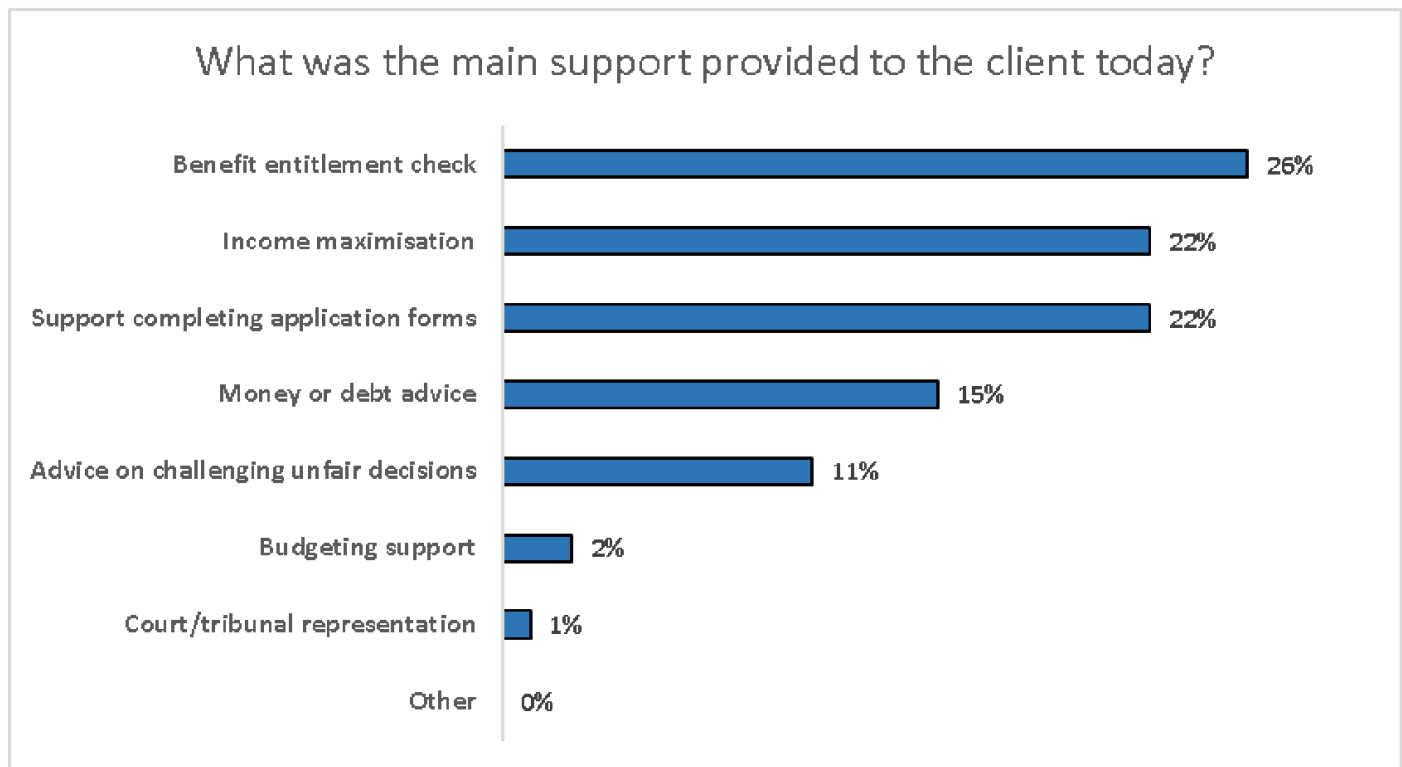


Figure 1 - Proportion of total clients supported by money and welfare rights advisers, by main support provided on the day of recording in adviser logs

The number of clients supported during any day is evidently linked to the time spent per client. For the majority of clients, advisers reported spending less than an hour working on an individual client's case during a day (73%). Advisers recorded spending longer than 2 hours on a client's case for only 7% of the clients recorded. On average, advisers were more likely to spend longer if the client was new to the service. This variance is displayed in figure 2. Advisers reported spending more than 4 hours in 6% of cases if the client was new to the service, compared with just 1% for existing clients.

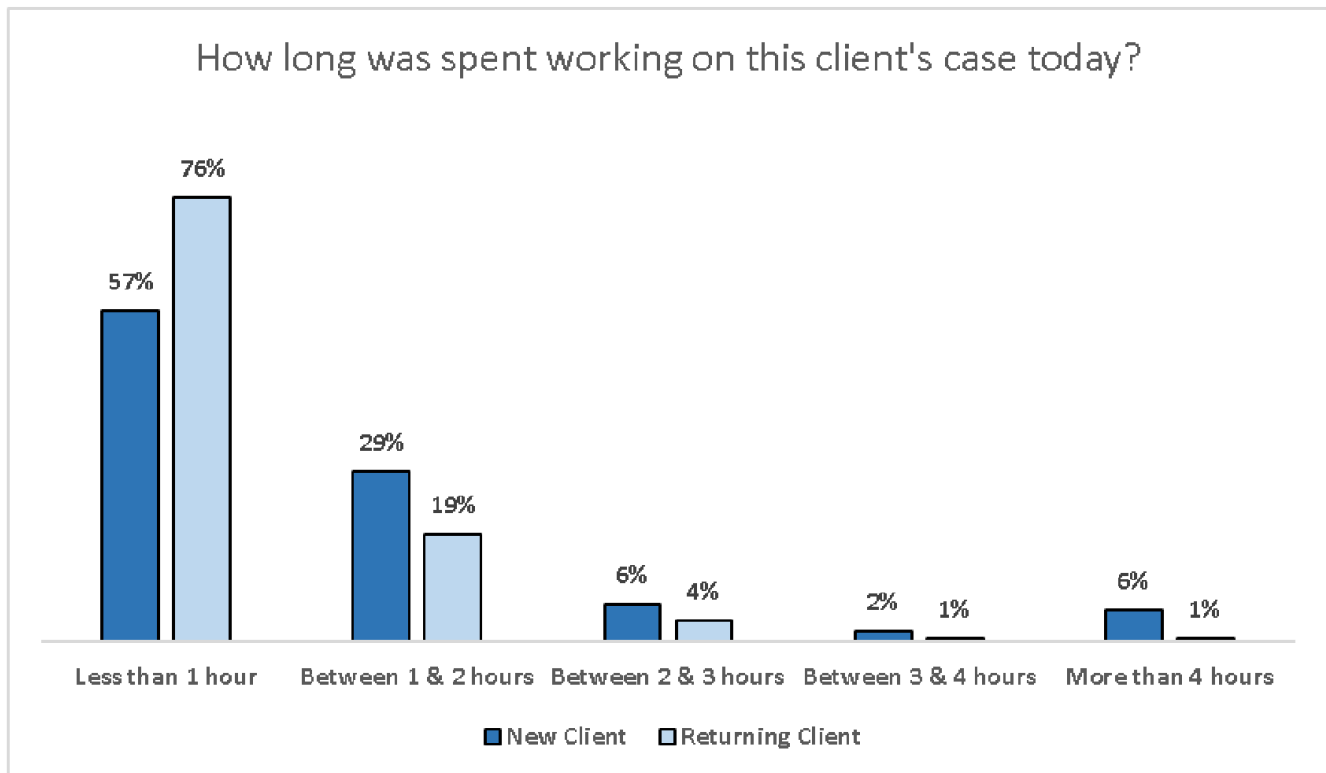


Figure 2 - Proportion of new and returning clients by the time spent working on the client's case during the day of recording in adviser logs

There was also variance in the time spent depending on the method of contact used. When working on a client's case, the majority of advisers reported that contact with the client was made through telephone (56%), with email also frequently used (30%). Advisers were likely to spend a longer time on a client's case if the contact was over telephone. In 33% of cases where telephone was used, advisers spent longer than 1 hour working on the case, whereas this was just 11% where email was used. Advisers also spent longer depending on the main issue the clients presented with. Advisers spent longer than 1 hour in 33% of the cases where the main issue was debt, compared with 22% for benefit entitlement checks, and 20% when applying for benefits. It should be noted that whilst this measure asked advisers how long they worked on each case that day, that is not to say that the case is closed as advisers may have continued to work on the case at other points in time. Therefore, advisers may support multiple clients each day, but it can take several contacts with the client before the issues is resolved. This was highlighted in interviews with service leads who emphasised the difficulties in accessing the necessary information.

Services noted that supporting clients can often be a lengthy process due to administrative burdens. This problem was exacerbated due to COVID-19 restrictions as lack-of-face to face contact often made it more difficult to get all the information from the client and ensure that paperwork is signed and completed. Working from home also made administrative tasks more time consuming. There was concern from some advice leads that the administrative burden often took away time from advisers to focus on formal advice work. Services are however looking at ways in which to mitigate this impact. Some services have, or are looking at, recruiting specific staff to support administrative duties and in some cases to train on some simple advice work to cover sickness/holidays as well as deal with initial contacts from clients.

## Interview Comments

“Delay in information sharing is the biggest issue for the service.”

In addition to the typical advice activities carried out by advisers, money and welfare rights advice services routinely offer additional support to clients. The survey results show that of those providing money advice, 90% also typically signposted and referred clients to other relevant services, and 50% said they offered other types of advice such as housing and employment. Financial skills training was also available in some cases with 40% offering this. Similar activities were also offered by those providing welfare rights advice. There was also a small proportion offering activities linked to early prevention (27%).

Additional support was also noted in the adviser logs. Advisers reported offering additional support in approximately 22% of cases, with referrals to other services accounting for the largest proportion of additional support offered. This highlights the value of money and welfare rights advice services in enabling clients to access further support they may otherwise have not received. This sentiment was expressed in interviews with service leads who also noted that there is greater recognition of these services as result of the valuable role they played during COVID-19.

## Interview Comments

“I feel we are a pivotal link and can reach out to other teams and services.”

“We work really closely with medical professionals and have really good referrer feedback on improved health and wellbeing.”

“The recognition around advice services has definitely gone up, with partners and council wide because we were one of the services that was linked in with the COVID-19 helpline, we were one of the main referrers, anyone that was needing foodbank referrals or crisis would come through to our service. It has linked us in a lot closer with community teams. Also, greater recognition from senior leaders and elected members.”

The support offered by money and welfare advice services regularly achieves successful outcomes for clients. Responses to adviser logs showed that in approximately 39% of the cases supported by advisers a successful outcome was achieved for the client during the recorded day. The most common recorded outcomes were “agreement of a debt strategy” (31% of successful outcomes) and “successful benefit claims” (24% of successful outcomes). Advisers also highlighted whilst an outcome was not always achieved during that day in many cases success was expected.

Whilst these successful outcomes typically result in financial gain for the client, often there are additional positive outcomes achieved. When asked what non-financial gains are typically achieved for clients, 91% of survey respondents selected tenancy/property retained. A large proportion also selected prevention of legal action (73%). These figures are displayed in figure 3.

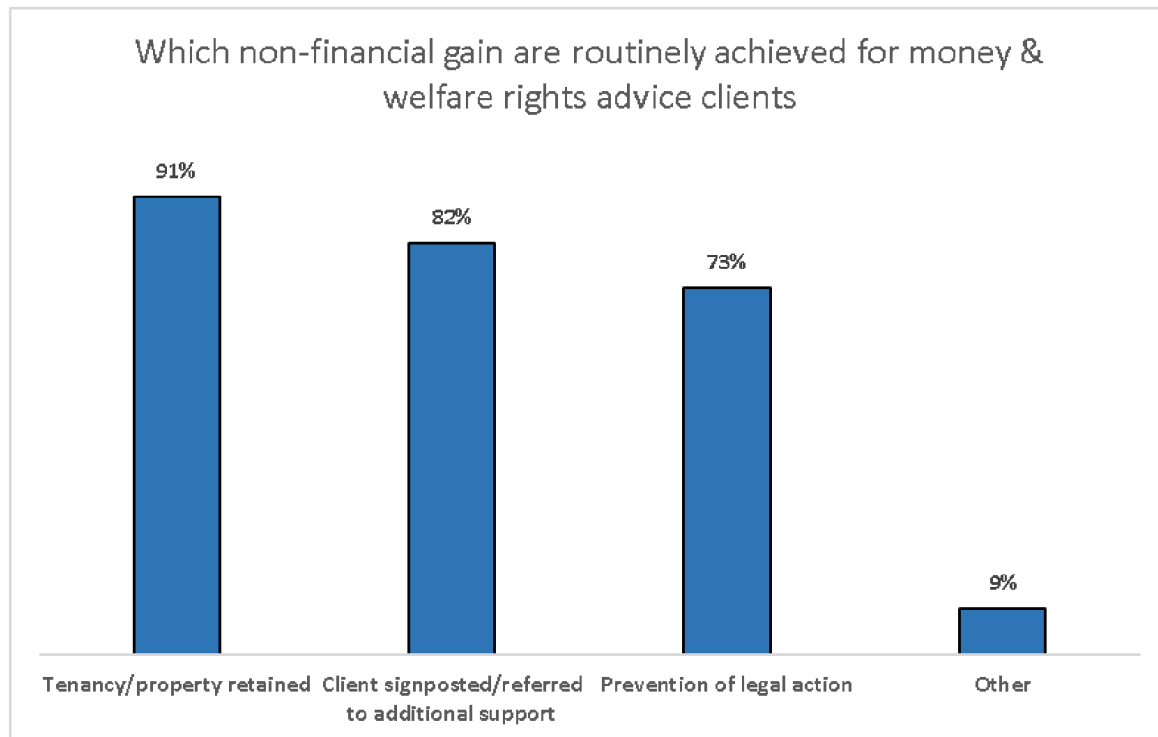


Figure 3 - Proportion of survey respondents by the non-financial gains selected as being routinely achieved for money and welfare rights advice clients

Improved health and wellbeing were also highlighted in survey responses and in client's comments included in the adviser logs. Research from StepChange<sup>2</sup> highlights how these improvements in wellbeing are often lasting once the initial outcome is achieved for the client. This research showed that on average clients who received debt advice showed improvements in happiness, levels of anxiety and overall wellbeing three, nine and fifteen months after receiving advice.

These outcomes are not only significant to the lives of clients but can enable substantial savings for other public services. Previous research by the money advice service<sup>3</sup> highlighted some of the economic impacts of debt advice, including savings in health care resulting from improvements in health and wellbeing, improved productivity due to improvements in financial distress and its effect on workplace stress as well as social benefits. A report by the Scottish Government<sup>4</sup> further supports these benefits, emphasising the social and economic benefits that advice can have by keeping people in work, in housing and out of debt, reducing public funding expenditure on unemployment, homelessness and poverty.

2 StepChange. (March 2020). Paths to Recovery – Understanding client outcomes 15 months after debt advice. [https://www.stepchange.org/Portals/0/assets/pdf/Paths-to-Recovery\\_March-2020.pdf](https://www.stepchange.org/Portals/0/assets/pdf/Paths-to-Recovery_March-2020.pdf)

3 The Money Advice Services. (January 2018). The Economic Impact of Debt Advice. <https://moneyandpensionsservice.org.uk/wp-content/uploads/2021/03/economic-impact-of-debt-advice-main-report.pdf>

4 The Money Advice Services. (January 2018). The Economic Impact of Debt Advice. <https://moneyandpensionsservice.org.uk/wp-content/uploads/2021/03/economic-impact-of-debt-advice-main-report.pdf>

### **Client Feedback from adviser logs**

“Felt relieved at getting advice and knowing her options.”

“Could not have coped with this on their own.”

“Very grateful for service and reduced stress.”

“Advice given has been a weight off their mind”.



# Understanding the impact of COVID-19

As with all public services COVID-19 has undoubtedly had an impact on money and welfare rights advice services. Whilst the nature of clients has not changed to the extent many were expecting, the complexity of cases has increased, which has been made particularly challenging by the limitations of home working. Nevertheless, services have remained open throughout the pandemic and continued to offer a valuable service. Advisers have been resilient in supporting clients with difficult circumstances, despite facing their own challenges working from home away from their colleagues. Whilst there has been, and will continue to be challenges, as a result of COVID-19, many services believe some of the positive aspects of a hybrid approach to service delivery can be kept long term.

At the start of the COVID-19 pandemic money and welfare rights advice services had to adapt service delivery overnight. This reflects a significant change given that prior to the pandemic many services were supporting clients predominantly face-to-face<sup>5</sup>. Whilst the level of restrictions has varied throughout the pandemic, most services have continued to only offer face-to-face appointments in exceptional circumstances.

Adviser logs captured in October 2021 show that telephone was the most commonly used contact method when working with clients, whilst email was also frequently used. These figures are highlighted in figure 4. For 13% of the clients supported, advisers reported “other” contact was used. Some advisers selected this when direct contact was not made with the client as the adviser was carrying out administrative tasks and casework in relation to the client. This category also included clients where contact was through letters, text messages and a small number of video calls.

5 Improvement Service. (January 2021). Common Advice Performance Management Reporting Framework – 2019/20 Annual Report.  
[https://www.improvementservice.org.uk/\\_\\_data/assets/pdf\\_file/0011/23213/capmrf-annual-report-2019-20.pdf](https://www.improvementservice.org.uk/__data/assets/pdf_file/0011/23213/capmrf-annual-report-2019-20.pdf)

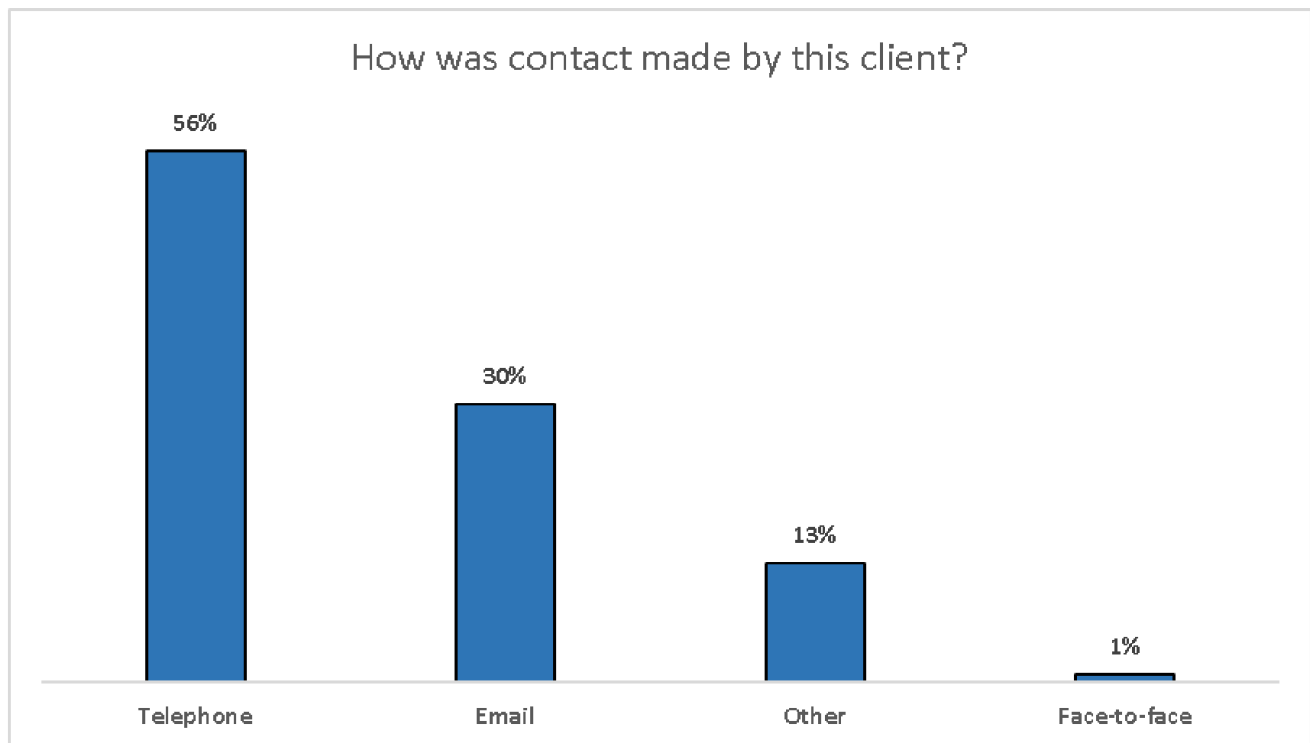


Figure 4 - Proportion of total clients supported by advisers by the contact method used during the day of recording in adviser logs

Whilst there have been challenges associated with the lack of face-to-face contact, services noted how well both the advisers and clients adapted to the new ways of working. A separate research paper by the Improvement Service will further explore the impact of a multi-channel approach to service-delivery.

### Survey Comments

“It has shown that many clients are open to telephone contact rather than face to face and are able to access information digitally.”

According to adviser logs, around a quarter (24%) of the clients seen by advisers during the reporting period were new to the service with the majority of these clients hearing about the service through a referral (58%) with a smaller number hearing through friends/family (13%).

Whilst there do appear to be new clients accessing advice services, interviews with service leads suggest that the changes in numbers of clients was not as significant as expected. There was agreement amongst service leads that support measures in place during the pandemic, including the furlough scheme and payment holidays from creditors, ensured that many people avoided financial hardship. Whilst there was concern that this would change once these schemes were wound down, this does not appear to have materialised. Service leads noted that the job market has improved in favour of employees and that some local business have even been proactive in finding staff from other businesses who have been forced to close. Nevertheless, there is still concern amongst service leads that demand is likely to increase and that there are vulnerable people in need who are not aware of the support available to them.

### Interview Comments

“There will be people out there who have never had to access the service before. We want to get out there and promote the service.”

“The concern is we have lost that group of people who are on the margins.”

The biggest change in clients which service leads highlighted was the increase in clients with mental health issues. Research from the Money and Pensions Service<sup>6</sup> highlighted how mental health has suffered during the COVID-19 pandemic with people anxious about their financial security, and the isolation and uncertainty experienced during the crisis adding to the difficulty of managing their mental wellbeing. This creates a vicious cycle with those already experiencing mental health issues more likely to experience financial difficulties, which has only been exacerbated by the recent economic climate<sup>7</sup>. Service leads noted that this can be challenging for advisers as they can find themselves providing social support over and above what is expected. In some cases, advisers have had clients who have taken their own life, which can be extremely difficult for advisers to cope with, especially when working from home without the usual support from colleagues. Some services have introduced training for staff to support with self-harm and suicide prevention.

### Interview Comments

“90% of clients are struggling with social issues.”

With clients increasingly presenting with mental health issues, the time taken to support these clients has also increased. Service leads noted that due to the complexity of these client's personal lives, advisers tend to need more appointments with the client and these appointments are taking longer. These issues are often exacerbated by the lack of face-to-face contact. As shown in figure 5, 90% of survey respondents agreed that the average length of time spent supporting individual clients had increased since the start of the COVID-19 outbreak, with 70% starting it “increased a lot”.

6 Money and Pensions Service. (May 2021). Better Debt Advice and COVID-19: A rapid evidence review. <https://moneyandpensionsservice.org.uk/wp-content/uploads/2021/05/better-debt-advice-and-covid19.pdf>

7 Money and Mental Health Policy Institute. (June 2020). How coronavirus has affected the income of people with mental health problems. <https://www.moneyandmentalhealth.org/income-coronavirus/>

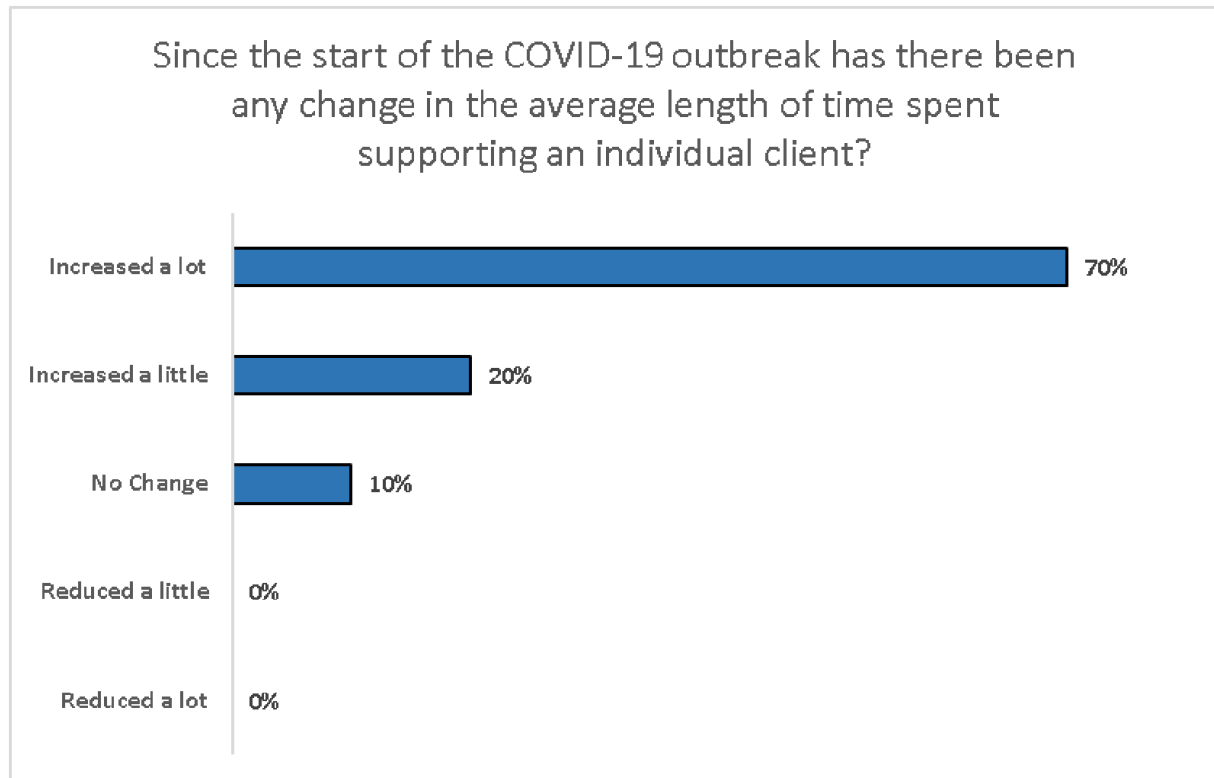


Figure 5 - Proportion of survey respondents by selection of the change in average length of time spent supporting an individual client

Since the beginning of the COVID-19 pandemic there have also been vast changes within the welfare system meaning that advisers are working within a more complex environment and need to keep up to date with these changes. This itself can lead to a lengthier process which can be further delayed by difficulties in working with other organisations and creditors.

### Survey and Interview Comments

“There are delays in receiving responses from creditors and particularly DWP.”

“Sometimes it’s 2 or 3 steps for something that would be 1 step in the office.”

“Complexity of the work due to legislative changes has impacted on the time it takes for even simple benefit checks. Definitely more time consuming for advisers.”

The impacts of the COVID-19 pandemic are likely to have lasting effects on money and welfare rights advice services both in terms of service delivery and in demands on advisers’ time. Of the 10 respondents who answered, 50% said their service has been redesigned following the COVID-19 outbreak, with 20% stating this included the views of people with lived experiences. Of those where the service was not redesigned it was noted that many of the service delivery changes during this period are likely to remain in place going forward.

Survey respondents commented on some of the long-term changes resulting from COVID-19 and the concerns and optimisms they held for the future of their services. Several respondents raised concerns that a reduction in face-to-face contact has limited access for some clients who are vulnerable, have mental health issues or unable to access digital channels and there can be difficulties building a trusting relationship between clients and advisers. As a result, services were keen to return to some level of face-to-face contact, but a blended approach is likely to continue long-term. There were comments about the efficiencies associated with digital improvements and home working, including the reduction in travel time for advisers and introduction of electronic forms which can enable some clients to do things for themselves.

When asked, what would have the biggest positive impact on their service in the future, several respondents mentioned having capacity to deliver more preventative work and engage with clients after they have reached a successful outcome to build financial resilience. However, there were also several comments highlighting the importance of stable funding to ensure there is capacity within services and to enable new approaches to be implemented.

As highlighted, advisers are already facing increased pressures leaving little resource for additional activities. Survey respondents were asked about their capacity to test new approaches. Of the 9 respondents who answered the question, 44% said they had sufficient capacity to test new approaches, whilst 56% had limited capacity. When asked what approaches they would like to test, respondents mentioned, “provide more budgeting preventative advice to clients”, “further outreach with communities” and “assess the change to digital and upskill clients”.

Comments from interviews echoed the need for stable funding and noted that even with additional funding the sector is struggling with recruitment. Service leads highlighted that there is a lack of suitable candidates for posts and services are competing amongst themselves to fill posts. The lack of secure funding, changing nature of the sector and pressures on advisers make it difficult to recruit and retain experienced staff members. For those services that can recruit, time is needed before new staff members are fully competent in their roles. It has been more difficult to train new staff members digitally and for these staff to receive informal support from their colleagues.

### Survey and Interview Comments

“Another thing that has taken up time is the recruitment of new advisers digitally. Training might have been easier in an office environment where if someone asks a question you were able to listen in, you could hear phone calls easier, so the shadowing aspect has taken longer.”

“Recruitment of new staff is an issue. We’ve had to go out for recruitment 2-3 times for the same post because we’re just not getting the same interest.”

“There is a negative impact for advisers who are losing out on the informal support that a team can provide via their colleagues.”

# How are services supporting clients with debt?

There was a consensus amongst survey respondents that overall there has been a reduction in demand for debt advice since the beginning of the COVID-19 pandemic. Many respondents felt this was due to creditors not pursuing debt during the pandemic which has meant individuals with debt were not under the same pressure they may have been previously. Many expected a surge in demand once support was removed however this has yet to appear and debt cases are only just returning to normal levels. Whilst there was not a huge demand from new debt clients, services did note extra demand from existing clients where changes were needed to current debt arrangement schemes.

## Survey Comments

“Changes in demand occurred during the pandemic. There were several debt relief packages implemented, these have now stopped but interest has been applied so debt and payments have increased. This may prove to be too much for people who were “just managing” before the pandemic and they will find that they cannot budget for this extra burden of debt.”

“There was a huge increase to work being required on current debt arrangement schemes, including; moratoriums, payment breaks, variations.”

“Increased returning DAS (Debt Arrangement Scheme) clients for variations.”

Adviser logs from October 2021 provide a snapshot of the number of money and welfare rights clients with outstanding debt. Advisers who supported clients with both money and welfare rights issues reported that just over a third (35%) of clients supported over the reporting period had outstanding debt. This gives an indication of the overall proportion of general clients presenting with debt. This proportion increases to 64% when including advisers who only supported money advice clients. The overall proportion of clients with debt could still be higher as advisers supporting clients with non-debt related issues may not have asked specifically about outstanding debt.

Similar proportions (32% of clients supported by advisers supporting money and welfare rights advice, 53% of clients when including advisers who only supported money advice of money and welfare rights clients) were also reported to have a deficit in their income meaning their income was not enough to cover household bills. As shown in figure 6, there was predictably a strong relationship between clients with outstanding debt and clients with a deficit income. Of the total clients with outstanding debt, 70% of these clients also had a deficit in their income. This highlights that many clients with debt are in a vulnerable position of potentially having to choose between paying creditors or household bills.

Research from StepChange<sup>8</sup> on client outcomes 15 months after receiving debt advice highlighted that outcomes including wellbeing, progress with debts and financial resilience, were often driven by the vulnerability of the client at the time of receiving advice. Those who had a deficit income at the time of receiving advice were less likely to report at 15 months that they had a fair chance of becoming debt free. These clients were particularly vulnerable to the high cost of living and unexpected costs or expenses. This was highlighted by service leads as a concern particularly as payments to creditors resume following suspensions during the height of the COVID-19 pandemic. It is possible that demand for debt advice may increase both from new clients and returning clients who may have had a deficit income at the time of receiving advice and find themselves struggling again.

8 StepChange. (March 2020). Paths to Recovery – Understanding client outcomes 15 months after debt advice. [https://www.stepchange.org/Portals/0/assets/pdf/Paths-to-Recovery\\_March-2020.pdf](https://www.stepchange.org/Portals/0/assets/pdf/Paths-to-Recovery_March-2020.pdf)

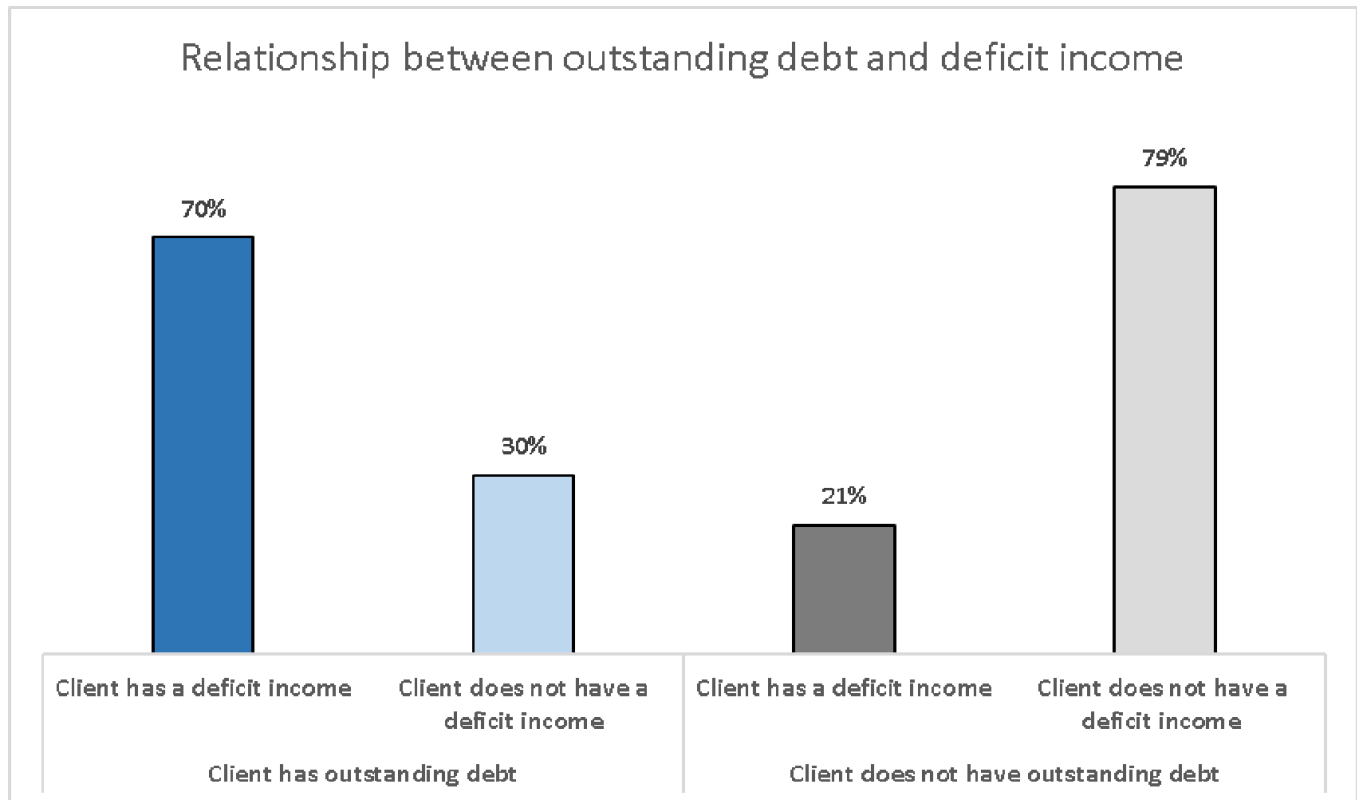


Figure 6 - Proportion of total clients supported by advisers by whether they had outstanding debt and a deficit income on the day of recording in adviser logs

Research by Money Advice Scotland showed that people were likely to go without essentials rather than discuss their finances. The findings highlighted a perception of stigma surrounding debt advice with people believing that being in debt resulted from mismanagement of funds or excessive spending. As highlighted in the report, this view does not match with the typical debt client profile where clients tend to have a low income and low consumer debt and instead are likely to owe money to government and essential service providers.

It is important that those who are facing debt problems are aware of the support available to them and feel confident accessing this. Survey respondents were asked whether their service had engaged in any new outreach activities aimed at promoting the service to people with debt. Of the nine people who answered the question, 33% said their service had engaged in outreach activities. Some of these activities included presentations and briefings to other teams within the local authority on the work of the service and delivering budgeting and financial capability sessions. Those who had not carried out any activity highlighted that this has not been possible due to COVID-19 restrictions, as it has been difficult to establish a physical presence.

Comments from interviews with service leads reiterated that outreach activities were almost eliminated due to the lack of face-to-face contact as much of these activities previously included drop in sessions with community groups and other public facing settings. Work has been done in some services to replicate some of the drop-in sessions that would normally have been available prior to COVID-19. One service operated a virtual online waiting room where individuals could drop into an online call which would be picked up by the first available adviser. Services have also been working virtually with other organisations and teams within the local authority to ensure that there is awareness of support available. Again, comments also highlighted that outreach activities are dependent on increased capacity.

## Interview Comments

“Our outreach work was normally in the advice and support hubs. We also did some outreach work with criminal justice in their offices. This has all stopped, but we’re still there to take referrals from them, we just can’t physically go into the offices.”

“We have an adviser who provides budgeting support sessions with employment and training unit clients, which results in debt referrals. In normal times the adviser would be doing this work down in the office full-time. We’ve opened up this support to other groups, but if we could, this would be expanded further.”

“We would love to get out and about.”



# Conclusion

These findings highlight the breadth of work involved in money and welfare rights advice services. Advisers support clients when they are often at their most vulnerable, resulting in positive outcomes for the client and the wider public sector. Services are continually adapting to the increasing complexities of the sector and looking for ways to improve within these limitations.

