

Grants Programme
managed by an
independent organisation
as a potential model to
distribute the debt levy
devolved to Scottish
Government

Introduction

Scottish Government asked the Improvement Service (IS) to identify potential funding models through which the devolved debt levy funding could be distributed.¹ Seven models were initially identified - an eighth was subsequently suggested and also considered. Following a limited consultation in 2019 it was agreed that two of the models identified would be assessed using a 'test and change approach'. The two funding models that were to be evaluated using this methodology were 'direct grants to local authorities' and 'change/innovation'.

Details of the other potential models and the result of engagement events held in 2020 can be found [here](#)

Purpose

The purpose of this report is to present the findings from a limited 'Evaluation of a Grants Programme managed by an Independent Organisation as a potential model to distribute the debt levy funding devolved to Scottish Government'.

Scope

This model has been operated by the Scottish Legal Aid Board (SLAB) since 2009 and has supported key policy areas through funding from Scottish Government and, to a lesser extent, the former Money Advice Service.²

Debt Levy funding devolved to the Scottish Government was used from 2020- 2023 to support the Debt Advice Journey Programme (DAJP). This was a three-year grant programme worth c£3.25 million.

The programme was approved by Scottish Ministers and focussed on principles designed to make an individual's debt advice journey as easy as possible. Account was taken of previous programmes, especially in relation to those aspects which had created the greatest impact. A key criterion for assessment was that grant monies could not be used to employ staff engaged in direct service delivery.

It was agreed from the outset that any evaluation involving projects funded through the DAJP would not focus on the performance of SLAB. The original plan was to use the projects funded this way to assess the effectiveness of a funding model focussing on 'Change/Innovation'.

In all the engagement events this was the only potential funding model which had widespread support across all sectors. Whilst viewed very positively, it was suggested that there were areas that could be improved and which would apply regardless of the organisation managing the funding. These included a greater emphasis on avoiding duplication, reducing what were seen as overly burdensome reporting requirements, promoting collaboration at a local level and ensuring equity of opportunity.

However a limited evaluation of this model, 'Grants Programme managed by an independent organisation as a potential model to distribute the debt levy devolved to Scottish Government', against the agreed criteria was carried out.

¹ https://www.improvementservice.org.uk/_data/assets/pdf_file/0021/18057/debt-levy-funding-second-phase-update.pdf

² [Grant funding publications - Scottish Legal Aid Board \(slab.org.uk\)](#)

Process

A sample of projects funded by the DAJP were evaluated against criteria agreed in earlier engagement sessions. It should be noted that the projects were not selected randomly but had been approached originally because of their emphasis on change /innovation on the basis that they would participate in an evaluation of a funding model based on change/innovation. Other projects without this element also received funding but were not considered in the evaluation of this model.

All projects had to go through the same application and assessment process so whilst the selection methodology is not likely to have skewed the evaluation findings it cannot be considered a truly random sample of the projects awarded funding. A list of all the funded projects and a summary of their activities can be found [here](#).

The extent to which the DAJPP had been adjusted as a result of feedback from previous funded projects and applicants was also considered as this is illustrative of the flexibility and engagement potential of future programmes.

Projects delivered by the organisations listed below took part in the programme:

Aberdeen City Council
Govan Law Centre
Inverclyde HSCP
Link Group
Parkhead CAB
South Lanarkshire Council Money Matters
West Lothian Council

Shelter Scotland participated for the first year but subsequently withdrew.

Evaluation

It is important to recognise from the outset that the primary purpose of the evaluation was to assess the effectiveness of this way of distributing finance as a potential funding model. To do this, measures were agreed against which the effectiveness of the model would be evaluated. (Appendix One)

To assess the effectiveness of each project the milestone and activity reports provided to SLAB were reviewed and individual meetings with representatives of each of the funded organisations were arranged.

The table below sets out the extent to which each of the projects delivered met the assessment criteria.

The results are colour coded with green being fully met, amber partly met and red not being met at all.

Table One: Assessment criteria as applied to individual projects

Assessment Criteria	Aberdeen City Council	Govan Law Centre	Inverclyde HSCP Advice Services	Link Group	Parkhead CABx	Shelter Scotland	South Lanarkshire Council Money Matters	West Lothian Advice Shop
Intended aims	AdvicePro Client Portal in operation and meeting intended aims.	Debt Navigator is increasing accessibility to advice via ZenDesk-hosted instant messaging service and the debt navigator website toolkit. Monitoring progress to resolution is proving challenging.	Service Design (SD) Money Advisor is operational within the I:MAP project and is undertaking the tasks planned for the role (budgeting advice, reducing waiting times before client contact, maintaining engagement).	Link group have engaged a debt assistant and provided digital/hardware. Waiting times have reduced.	Parkhead CAB have engaged a 'buddy' to support clients and advisors.	Not proceeding	South Lanarkshire have implemented a new Case Management System - AdvicePro - to reduce waiting times. This has been achieved.	Debt advice 'Toolkit' is online and a link worker has been employed.
Clear funding source/without duplication	SLAB grant was the sole funding for this project.	Other funding provided by Foundation Scotland and the Hunter Foundation.	SLAB grant was the sole funding for this project.	SLAB grant was the sole funding for this project.	SLAB grant was the sole funding for this project.	Not proceeding	SLAB grant was the sole funding for this project.	SLAB grant was the sole funding for this project.

Assessment Criteria	Aberdeen City Council	Govan Law Centre	Inverclyde HSCP Advice Services	Link Group	Parkhead CABx	Shelter Scotland	South Lanarkshire Council Money Matters	West Lothian Advice Shop
Support partnership/cross sector working	Not directly	'Debt Navigator' provides a platform for other organisations to get information/ make referrals.	Increasing inward referrals from other organisations as well as improving outward referrals.	The project works within Link Group for its tenants. In theory, the advice and welfare rights team could use the additional capacity to make outward referrals and warm handovers, but this is not an explicit aim.	The aim of the project is to sustain service user engagement with Parkhead CAB.	Not proceeding	There is increased focus on collaborative inter-departmental working. This also increases scope for improving inward and outward referrals to other organisations.	Intention is to increase engagement with other organisations.
Evidence of quality	Quality based on meeting objectives. Hold accreditation and going through Scottish National	GLC say they are evidencing quality by adhering to Scottish National Standards for Information and Advice Providers.	Quality based on meeting objectives. Hold accreditation in Scottish National Standards for Information	Clients receive an exit survey with a range of questions and a 1 to 5 rating system on how they would rate	Achieved reaccreditation in Scottish National Standards for Information and Advice Providers in Nov 2021	Not proceeding	Quality based on meeting objectives. Consideration also given to service user surveys.	AdvicePro feedback highlights an increased level of confidence in clients after engaging with the service

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	Standards for Information and Advice Providers reaccreditation	Consideration also given to achieving outcomes.	and Advice Providers to May 23	aspects of the service. -				This is being using to evidence quality.
Increased accessibility	Service users are able to manage their own information and see immediately the stage their case has reached.	The project is accessed through the internet. Awareness of service is being raised within all communities.	SD money advisor offers more outreach sessions and a range of engagement opportunities.	Debt assistant engages with service users through outreach. Digital hardware is offered and connectivity provided.	Improved engagement with individuals who are hard to reach.	Not proceeding	Reduced waiting times for service users. Improved efficiencies in processes have freed up staff time and resources to offer increased outreach services.	Debt advice toolkit is available to anyone with internet access, 24/7. The link worker has helped reduce waiting times.
Earlier intervention	Earlier contact and quicker progression into resolution stage.	Earlier intervention by providing quicker access to advice services from GLC and other organisations.	Earlier contact and quicker progression into resolution stage.	Issues are identified at an earlier stage and service users are supported throughout	Issues are identified at an earlier stage and service users are supported throughout the	Not proceeding	Earlier contact and quicker progression to resolution stage.	Earlier contact and quicker progression to resolution stage.

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		Instant messaging is said to be preferable to phone.		the advice process.	advice process.			
Contribution to National/Local Strategies	Supports strategies related to child poverty, social and economic inequality, and health and wellbeing.	Supports strategies related to child poverty, social and economic inequality, and health and wellbeing.	Supports strategies related to child poverty, social and economic inequality, and health and wellbeing.	Supports strategies related to child poverty, social and economic inequality, digital inclusion, and health and wellbeing.	Supports strategies related to child poverty, social and economic inequality, and health and wellbeing.	Not proceeding	Supports strategies related to child poverty, social and economic inequality, and health and wellbeing.	Supports strategies related to child poverty, social and economic inequality, and health and wellbeing.
Complements existing debt/advice services	Client portal complements the existing services offered by Aberdeen City Council Financial Inclusion Team.	Debt navigator project aims to increase access and awareness to existing debt services in the areas where it is provided.	Consideration has been given on how the worker can engage with and support other local services.	Project complements the advice services and welfare rights teams at Link Group.	Buddy position improves and adds to the services offered by Parkhead CAB.	Not proceeding	AdvicePro CMS works within the wider Money Matters team at South Lanarkshire Council and supports existing services.	Both the debt advice toolkit and the link worker are part of the existing advice services team.

Assessment Criteria	Aberdeen City Council	Govan Law Centre	Inverclyde HSCP Advice Services	Link Group	Parkhead CABx	Shelter Scotland	South Lanarkshire Council Money Matters	West Lothian Advice Shop
Sustainability	Development already completed and now in place. Client portal and AdvicePro running costs most likely to be included in core budget.	Continued funding is, currently, not in place.	It is hoped that additional funding will be made available to organisations after seeing the benefits provided by positions such as the SD money advisor.	Link Group will be making a business case to secure funding for the debt assistant position in the future. This has not yet been confirmed. Electronic hardware has been paid for with grant funding and will only need to be replaced on a cyclical basis.	Continued funding is, currently, not in place.	Not proceeding	SLAB funding used for the initial purchase of the CMS. Future running costs will be included in the core budget	Continued funding is, currently, not in place.
'Added Value' defined and evidenced	Service users can view their documents, upload documents, view	Added value is provided and defined by offering potential clients a	Added value comes from the reduction in debt alongside the reported	Added value offered through self-help and increased client	Improved client experience.	Not proceeding	Improved client experience.	Increased partnership working has resulted in improving

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	appointment details, and communicate more quickly and easily. Debt advisors are able to spend more time on delivering advice rather than chasing information.	preferred method of access and communication - i.e., instant messaging.	improved experience of service users.	confidence and skills.				service delivery.

As a model, the majority of the assessment criteria were met. There were however three criteria that, in many cases, were only partly achieved these are:

Support Partnership/Cross Sector Working

Only one of the projects, which was delivered by West Lothian Council's Advice Shop, had a specific objective to improve partnership /cross sector working. This was achieved. Establishing improved partnership/cross sector working relationships were not within the scope of two other projects. Three projects made specific reference to building partnerships across all sectors using referral processes, whilst another indicated that improving processes to free up staff time might provide opportunities to increase referral routes. Whilst the latter may ultimately improve partnership working this is likely to be a longer-term process and there was limited evidence at this stage of how any of the referral processes referenced had resulted in greater collaboration.

Assessment of Quality

This measure was specifically left open ended and organisations were invited to consider what it meant in relation to their project. The accepted practices in relation to assessing quality in debt advice would not have been relevant as the projects were not designed to deliver direct advice. Organisations were encouraged to think in the widest possible terms about how they knew they were delivering a high-quality project. The responses suggested that how quality might be measured hadn't really been considered fully by participating organisations. Frequent references were made to meeting objectives and gathering information from service users through surveys. However, there was limited information about how service providers would use this information to improve quality. It should be noted that SLAB did not require organisations to report specifically on quality as the focus of the programme was on testing and learning. Scottish National Standards for Information and Advice Providers were referenced by the majority of organisations as the quality measure used.

Sustainability

At the time of writing only one of the participating organisations had confirmed funding in place to continue with the project although two had well developed plans that were likely to be successful. The project which had secured continued funding had received a grant for development costs and had committed to funding the ongoing delivery costs. This success may, in part, be attributed to the fact that funding related to a case management reporting tool and procedure review. The remaining organisations had yet to secure funding but planned to justify further investment through the evidence base that had been established. The production of a 'business case' that could be used in this way was an unanticipated, but welcome, outcome of the programme.

Capacity to be responsive and flexible

As has been indicated, the initial engagement sessions identified that there were concerns with some aspects of the way grants in previous programmes managed by SLAB had been dealt with. The key ones are as follows:

- Reporting requirements

This has been acknowledged and the approach taken in this programme has been changed, in the main as a result of its purpose. As in other programmes, organisations are required to report on actual spend each quarter and to forecast future spend. Detailed casework information was not required as for the DAJPP the focus is on reporting on the outcomes the projects are seeking to achieve. This project centred approach has made it easier for organisations to demonstrate the impact of their activities.

In the engagement process questions were asked about how the data collected by SLAB is shared and used. It was suggested that unless organisations could see the benefits of investing time and resource into data collection they would be reluctant to engage fully with the process.

- Promoting collaboration at a local level

It should be acknowledged that this was not a requirement in the current programme and this took place to a limited extent. Several individuals during the engagement process expressed concerns that advice agencies '*compete rather than collaborate*' when funding is involved. Although there are good examples of collaboration across sectors these are often not publicised. There are concerns that as funding is reduced this 'competitiveness' may become problematic and could be addressed during the funding process perhaps by giving additional funding to organisations that can demonstrate real and effective partnership arrangements.

- Ensuring equity of opportunity.

Funding was awarded based on an assessment of the content of each individual organisation's application. This was done consistently and where appropriate clarification and further discussion took place. Quotas had not been set for specific types of organisations and applications were received from all sectors. To be eligible to apply the key criteria was that free debt and financial advice were provided.

Concerns were expressed that some larger organisations were better placed and more likely to be successful as they had resources to submit applications that were better prepared.

One other area referenced related to a greater emphasis on avoiding duplication. There are diverging views on this. Some, mainly third sector organisations, think it is acceptable to have funding provided for the same service when it is delivered by different agencies. Others are concerned that such duplication means that additional funding cannot be targeted at gaps in services. A further area of contention arises when multiple funders are all paying for the same service- but are unaware of the financial contribution each is making. This is widely accepted as constituting duplication. There is no shared view of what is meant by avoiding duplication and indeed whether it is positive or negative.

Feedback from Engagement Events

As with previous engagement sessions, a Grants Programme managed by an independent organisation was generally seen as a successful model to distribute debt levy funding. There are areas that it may be worth exploring further that were identified in the course of the engagement process. It is worth highlighting that several individuals asked if the model finally chosen by the Scottish Government would be the way all of the devolved debt levy funding would be distributed or if other existing funding streams would continue. It was stated that this was a decision for Scottish Government.

The questions set out below formed the basis of discussion. In each case the results were summarised.

How should the purpose of the Grants Programme be agreed?

There was no agreement on the issues which the funding should target but the importance of making evidence-based decisions was widely recognised.

“The purpose needs to be data driven”.

Potential areas that could be considered further were the ‘cost of living crisis’ and ‘staff training and recruitment’.

Retaining skilled staff was proving challenging, particularly as new opportunities opened up in other areas - often at a higher salary. It was widely stated,

“There is a skills shortage in the sector and even if resources are provided to employ staff it can be difficult to recruit.”

One option might be to use funding to increase training opportunities. An approach based on using grant funding to address immediate needs drew widespread support – although there was rarely agreement on the what the immediate needs might be.

“Need to understand where there is need”.

There was uncertainty about the impact of the cost of living crises both in terms of demand for services and also in relation to how services are provided.

“Demand for services is increasing – and it’s coming from people with good incomes”

“If energy costs continue to rise then I am not sure how we will meet the office running costs- we don’t have any spare resources.”

“May also have to consider how the cost of living crisis may impact staff, for example would heating allowances be needed to enable staff to continue working from home. “

It was also highlighted that we are living in a world in which major unexpected changes occur - the pandemic, Russia’s invasion of Ukraine, the cost of living crises etc. In the course of two years priorities can change markedly and quickly. In light of this it was suggested that there should be scope to quickly refocus and repurpose grant funding.

“emergencies and events move swiftly and there needs to be scope to adjust to new things”

Who should be involved in setting the funding priorities?

It was posited that there was scope for further development - particularly in relation to how priorities for funding were set. Various suggestions were made as to how this might be achieved. Whilst there was general agreement that advice providers should be able to share their knowledge and experience to influence priorities it was less clear how this might happen. It was acknowledged that new engagement methods and opportunities should be established but there wasn’t consensus on what these might be. Some suggested that

traditional fora and networks were not always effective, whilst others thought this offered the best approach.

“Some sort of forum to share ideas and highlight what we’re thinking of doing”

“People are too busy for things such as forums”

Is it worth noting that there are mixed views on the involvement of service users. Whilst some were strongly in favour of their inclusion, and indeed had processes in place to do this, others suggested it had been tried before and didn’t work.

Should the levy funding be used to fill gaps/ achieve consistent minimum standards across Scotland?

Again, there was a wide difference of opinion. All acknowledged that people living in Scotland should be able to choose how to access high quality advice services on a consistent basis but were divided as to how this might be achieved. An example was provided of neighbouring local authorities with similar sizes of population and mix of rural and urban areas in which one appeared to invest nine times more in advice services than the other. In contrast, others felt that minimum standards should be agreed and that grant funding used, over a fixed period, to bring everyone up to the same level. This area was also discussed in relation to the model based on establishing an ‘Advice Services Partnership Framework between Scottish and Local Governments.’

Reference was made to the need for robust data that could be used to identify gaps. It was suggested that sharing such information in an open and transparent way might start to initiate discussions focussed on the service users instead of the service provider.

How can the grant funding be used to promote collaboration?

In theory collaboration is supported whilst in practice it is not often delivered. The reasons for this are complex and factors such as funding, identity, limited capacity and lack of trust are all influential. In the response to the pandemic effective partnerships were quickly established and it may be worth highlighting how this happened and how such approaches can be incentivised going forward. As many individuals commented,
“There needs to be an emphasis on joint working, this has become increasingly relevant over the past few years”

It was also suggested that encouraging projects to work across more than one local authority area might further improve collaboration.

How long should the funding period cover?

Not surprisingly there was general agreement that the funding period should cover between three and five years. One individual suggested ten. Whilst two-year funding is welcome it has limitations in terms of recruiting and retaining staff and planning activities.

One participant remarked that in a two-year funded project, only about one year is actually focussed on delivering the service. In the six months on either side of this consideration has to be given to establishing and continuing the project.

It was also suggested that funding could be available on a rolling basis rather than having one strict deadline. This might encourage a wider range of organisations to apply and would allow projects to be identified and supported that were more aligned to the prevailing situation.

“Funding should be available on a rolling basis, rather than one deadline for the remainder of a number of years to accommodate contextual changes and changes in the organisations”

Flexibility was also mentioned as being important. The ability to take account of fluctuations in demand for certain services without losing or needing additional funding should be considered. Activities that are currently required may not be needed to the same extent in the future e.g. developing digital services. There should be scope for, with agreement, to divert funding awarded for one purpose to another in which there is greater need/demand.

(f) Should quality be defined or is meeting Scottish National Standards for Information and Advice Providers (SNSIAP) sufficient?

There was consensus that having one recognised quality standard was needed and that SNSIAP was the most appropriate measure. It was suggested that currently being able to access funds despite not having SNSAIP and to be ‘working towards’ them for an indefinite period was not acceptable. A reasonable time period for achievement that takes account of the capacity of both applicant organisations and SLAB should be established.

“The quality of advice is incredibly important”

“need to be wary not to overcomplicate things and the SNSIAP are there”

In the short-term funding could potentially be used to help some organisations to achieve accreditation.

Conclusions

Given that this model scored very well when assessed against the criteria and it is the only model that has almost universal support it is suggested that it be used to distribute the debt levy funding.

There are areas in its implementation, several of which have been described, in which it may be useful to have further dialogue with key stakeholders although in some cases consensus is unlikely to be achieved.

Appendix One:

Generic Assessment Criteria

Intended Aims	To what extent have the grant funded projects been meeting the intended aims of the initial application?
Clear funding source/without duplication	Are the sources of funding clearly defined and free of duplication from other funding bodies?
Support partnership/cross sector working	Is the project fostering the development of beneficial partnerships or cross sector working? May it have benefits in the future?
Evidence of quality	Has the organisation stated how they measure the quality of service provided as a result of the grant funded project?
Increased accessibility	Does the grant-funded project enhance accessibility for potential service users?
Earlier intervention	Does the grant-funded project promote earlier intervention for potential service users?
Contribution to National/Local Strategies	Does the grant-funded project fit into stated strategic aims for both the local region, or nationally?
Complements existing debt/advice services	Does the grant-funded project support pre-existing forms of debt and money advice services in the local area?
Sustainability	Have there been plans made for continuing the grant-funded project and activities once the funding period has come to an end?
'Added Value' defined and evidenced	Have the wider and direct benefits created by the grant-funded project for any service users and/or stakeholders been defined? If so, have they been evidenced in any way?