

A strategic approach to debt advice
commissioning

Equalities Impact Assessment

From the Money Advice Service

[December 2017]

Background

The Financial Services Act 2010 gave the Money Advice Service (MAS) objectives to enhance the understanding and knowledge of members of the public of financial matters and the ability of members of the public to manage their own financial affairs. Subsequently, in the Financial Services Act 2012, MAS was given a further statutory duty to work with partners to improve the availability, quality and consistency of debt advice across the UK.

The Single Financial Guidance Body (SFGB) will have a strategic function to improve the ability of members of the public to manage debt across the UK and for the funding of services in England. MAS anticipates the SFGB will be in place in late 2018 and is committed to playing its part in delivering a smooth transfer of functions between the respective bodies.

Executive summary

The Equality Act 2010 places a 'General Duty' on all public bodies to have 'due regard' to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advancing equality of opportunity between those with 'protected characteristics' and those without them
- Fostering good relations between those with 'protected characteristics' and those without them.

There is also a 'Specific Duty' to publish information about people affected by the policies and practices of the public body.

Although the Money Advice Service is not a public body subject to General or Specific Duty we have committed to undertaking and publishing Equalities Impact Assessments on a voluntary basis.

Protected Characteristics: Definitions

Throughout this guidance there is reference to 'protected characteristics'. The following provides more information on each of the nine protected characteristics.

Age

Where this is referred to, it refers to a person belonging to a particular age (e.g. 32 year olds) or range of ages (e.g. 18 - 30 year olds).

Disability

A person has a disability if s/he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.

Gender reassignment

The process of transitioning from one gender to another.

Marriage and civil partnership

Marriage is no longer defined as a 'union between a man and a woman' but now includes marriage between same- sex couples. Same-sex couples can also have their relationships legally recognised as 'civil partnerships'. Civil partners must be treated the same as married couples on a wide range of legal matters.

Pregnancy and maternity

Pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth, and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavorably because she is breastfeeding.

Race

Refers to the protected characteristic of Race. It refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

Religion and belief

Religion has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live for it to be included in the definition.

Sex

A man or a woman.

Sexual orientation

Whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes

More detailed definitions of these protected characteristics can be found on the Office of Public Sector Information website.

Equality Impact Assessment (EIA) Template – Part 1

Policy title and purpose (brief outline):	A strategic approach to debt advice commissioning 2018 - 2023
Name of person drafting:	Erika Helps
Department or Team:	Debt advice
Date:	24 th November 2017

1. Please provide a brief description of the policy/decision.

For example what is the overall objective of the policy/strategy/decision, what are the stated aims (including who the intended beneficiaries are), a broad description of how this will be achieved, what the measure(s) of success will be, and any relevant time frame?

This strategy sets out a framework for debt advice commissioning over the next five years, during which time MAS's responsibilities will transfer to the SFGB and the governments of Scotland, Wales and Northern Ireland. The timeframe envisaged will allow the SFGB adequate time to consider its approach and the on-going suitability of the strategy without a risk to service continuity.

The strategy is designed to deliver better outcomes for the UK's over-indebted population between 2018 - 2023. Though the picture is changing and evolving constantly, this strategy is based on analysis of collective views of how the debt advice sector currently functions, evidence from research and intelligence and a thorough consideration of how optimum impact can be achieved. It is designed to respond to the challenges identified in the current debt advice market place and sets out MAS's intention to deliver more effective outcomes for clients through a focus on quality, consistency and value for money.

The commissioning intentions are designed to deliver improved outcomes for over-indebted people as follows:

- An increasing proportion of clients from target groups access debt advice services.
- Everyone receives a service which is tailored to their needs and increases their financial resilience.

- Clients receive timely and effective advice at all stages of the advice process.
- Clients receive effective advice in line with their needs from well-trained, empathic staff.
- Clients are able to access, or are sign-posted to, services complementary to debt advice to help them address the root causes of their debt problem.
- Existing and emerging technologies are effectively utilised to meet client need.

2. We aim to engage with people with protected characteristics under the Equality Act 2010 identified as being relevant to the policy. What steps have you taken to engage with stakeholders, both internally and externally?

A consultation version of the debt advice commissioning strategy was published on 17 July 2017 with the consultation period open until 30 August 2017.

177 organisations from across the UK engaged with the consultation process by registering to attend events in Cardiff, Bristol, London, Edinburgh, Belfast and Leeds; and/or providing a written response to the consultation process.

Our analysis indicates that at least 107 of these organisations provide debt advice (it was not been possible to confirm either way for a small number of organisations including those who are not required to register with the FCA).

116 organisations are registered charities. 20 public sector organisations were engaged and 4 creditors (note local and national government were not counted as creditors for this purpose).

These stakeholders work closely with people with protected characteristics and shared both their formal and anecdotal evidence to influence our final draft.

The Money Advice Service has also worked with Welsh Government and Revealing Reality on a co-design process which has engaged with service users and non-service users in Wales.

3. Our decisions must be based on robust evidence. What evidence base have you used? Please list your sources. Do you consider the evidence to be strong, satisfactory or weak and are there any gaps in evidence?

In developing our draft strategy we considered over 200 sources of evidence including evidence, where available, of the profile of people using our current services compared to the general population. Our consultation process on the draft strategy expressly invited those responding to provide additional evidence or otherwise direct us towards other sources. All consultation responses were carefully considered in developing the revised strategy document. A significant number of respondents encouraged a phased service development or a test and learn approach including what works for those with particular protected characteristics or particular vulnerabilities.

Our co-design work in Wales has provided consumer insight but did not specifically address the relevance of the protected characteristics when exploring the advice needs of over-indebted people. The participants in the work however embodied a broad cross-section of the protected characteristics. We will address protected characteristics specifically as we begin to commission new services during the lifetime of the strategy and revise this EIA as may be appropriate from time to time.

The list of publicly available sources used in developing this strategy is published at Appendix 1 of the strategy document. We drew extensively on the findings of our own research from the last six years, which are available on our website. We are also grateful to partners in the advice sector who have shared their unpublished, internal data to help inform our thinking. Many of the data we considered were broken down by the protected characteristics however we have been mindful of ONS guidance on drawing conclusions on some of the less common protected characteristics from large panel surveys. Where relevant in future we will conduct tailored research into the needs of people that share protected characteristics that are less common in the general population.

4. Impact – Screening process for relevance to diversity and equality issues.			
Does this proposal/ policy/ strategy/ decision have any relevance to:	Positive	Negative	None/ Negligible
Age	X		
Disability	X		
Gender reassignment			X
Marriage and civil partnership	X		
Pregnancy and maternity	X		
Race			X
Religion or belief			X
Sex	X		
Sexual orientation			X

If you have identified any impacts (other than negligible ones), positive or negative, on any group with protected characteristics, please complete Part 2.

Only if there are no or negligible impacts should you go straight to part 3 and sign off the EIA.

Equality Impact Assessment (EIA) Template – Part 2

Impact

Please complete the next section to show how this policy / strategy/ decision could have an impact (positive or negative) on the protected groups under the Equality Act 2010.

Lack of evidence is not a reason for not progressing to carrying out an EIA. Please highlight any gaps in evidence that you have identified and explain how/if you intend to fill these gaps.

5.1 Do you think this policy / decision / practice will have a positive or negative impact on people because of their age?

Age	Positive	Negative	None / Negligible	Reasons for your decision (including evidence) / How might it impact?
Younger people (Children and young people, up to 18)	Y			CACI over-indebtedness data indicates families with children and particularly larger families are more likely than other demographic groups to be over-indebted. We are targeting debt advice towards families already experiencing financial difficulty or who may be more likely to experience financial difficulty due to macro-environmental factors which are expected to impact during the lifetime of the strategy, such as mortgage interest rises and welfare reform. It is expected to benefit the dependent children in those families.
People 18- 54	Y			Over- indebtedness statistics indicates that this every sub group within this range is more likely to be overindebted. By committing to continue to provide unconditional access to services we will ensure no adult outside our target groups will be disadvantaged in terms of access to services.
Older people (55+)			Y	By committing to continue to provide unconditional access to services we will ensure no adult outside our target groups will be disadvantaged in terms of access to services.

5.2 Because they are disabled?

Disability	Positive	Negative	None / Negligible	Reasons for your decision (including evidence) / How might it impact?
Visual impairment	Y			<p>In response to the feedback to our consultation we have prioritised people with a newly diagnosed long-term health condition. The inclusion of this group seeks to ensure that people facing a significant life event will have access to debt advice either at that point in time or have increased awareness of free debt advice services should they need them subsequently.</p> <p>The strategy promotes the need for debt advice to be embedded as part of a holistic service or with mature referral processes which can ensure peoples additional needs are met, this will include additional needs relating to mental or physical disability.</p> <p>There is extensive evidence on the links between debt problems and mental health. Mental health has therefore been acknowledged in the strategy as a cross cutting theme. Single people with severe mental health problems in particular have been included in our list of target groups. This is owing to their particularly high levels of social isolation and their over-representation within the over-indebted population.</p> <p>By committing to continue to provide unconditional access to services we also ensure no adult outside our target groups will be disadvantaged in terms of access to services.</p>
Hearing impairment	Y			
Physical disability	Y			
Learning disability	Y			
Mental health problem	Y			
Other impairments issues	Y			

5.3 Because of their gender (man or woman)?

Gender	Positive	Negative	None / Negligible	Reason for your decision (including evidence)/ How might it impact?
Male	Y			<p>By committing to continue to provide unconditional access to free debt advice services we ensure no adult outside our target groups is disadvantaged in terms of access to services.</p> <p>Men who fall into one or more target groups will also experience benefit.</p>
Female	Y			<p>MAS over-indebtedness figures show a greater proportion of women are experiencing over-indebtedness. Women are more likely to have recently experienced domestic abuse. Our focus on families will also impact positively on women as the vast majority of one parent families are headed by a woman.</p> <p>Our cross-cutting focus on over-indebted people on low incomes may also impact positively on women given the gender income gap.</p> <p>Women are also more likely to use free debt advice services as evidenced by current client profile statistics.</p>

5.4 Because they are transgender?

Transgender	Positive	Negative	None / Negligible	Reason for your decision (including evidence) / How might it impact?
	Y			<p>By committing to continue to provide unconditional access to free debt advice services we ensure no adult outside our target groups is disadvantaged in terms of access to services.</p> <p>Transgender people who fall into one or more target groups will also experience benefit.</p> <p>Transgender people are more likely than the population overall to be on low incomes and</p>

				experiencing mental health issues so will benefit from our cross-cutting focus on those areas.
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5.5 Because of their marriage or civil partnership?

Marriage and Civil Partnership	Positive	Negative	None / Negligible	Reason for your decision (including evidence)/ How might it impact?
Marriage	Y			Marriage and civil partnerships are often high cost events with the potential to lead to debt. Conversely separation may also lead to financial difficulty. By committing to continue to provide unconditional access to free debt advice services we ensure no adult outside our target groups is disadvantaged in terms of access to services.
Civil Partnership	Y			

5.6 Because of their pregnancy or maternity?

Pregnancy and Maternity	Positive	Negative	None / Negligible	Reason for your decision (including evidence) / How might it impact?
Pregnancy	Y			Pregnancy is likely to may trigger additional and/or anticipatory expenditure as well as potential for fluctuation in household income which may trigger a need for debt advice.
Maternity (the period after birth)	Y			Having children is identified as a cross cutting theme for the strategy. Maternity may also see women identified as one of the priority groups.

5.7 Because of their race?

Race	Positive	Negative	None / Negligible	Reason for your decision (including evidence) / How might it impact?
Ethnic minority people e.g. Asian, Black etc.			None	No evidence to indicate positive or negative effect.
National Origin e.g. Welsh, English etc.			None	No evidence to indicate positive or negative effect.
Asylum Seeker and Refugees			None	No evidence to indicate positive or negative effect.
Gypsies and Travellers			None	No evidence to indicate positive or negative effect.
Migrants			None	No evidence to indicate positive or negative effect.
Others			None	No evidence to indicate positive or negative effect.

5.8 Because of their religion and belief or non-belief?

Religion and belief or non – belief	Positive	Negative	None / Negligible	Reason for your decision (including evidence)/ How might it impact?
Different religious groups including Muslims, Jews, Christians, Sikhs, Buddhists, Hindus, Others (please specify)			None	No evidence to indicate positive or negative effect.
Belief e.g. Humanists			None	No evidence to indicate positive or negative effect.
Non-belief			None	No evidence to indicate positive or negative effect.

5.9 Because of their sexual orientation?

Sexual Orientation	Positive	Negative	None / Negligible	Reason for your decision (including evidence)/ How might it impact?
Gay men			None	No evidence to indicate positive or negative effect.
Lesbians			None	No evidence to indicate positive or negative effect.

Bi-sexual			None	No evidence to indicate positive or negative effect.
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5.10 Do you think that this policy will have a positive or negative impact on people's human rights?

Human Rights	Positive	Negative	None / Negligible	Reason for your decision (including evidence) / How might it impact?
Human Rights including Human Rights Act and UN Conventions	Y			<p>Financial exclusion and poverty are key barriers to people accessing their human rights and achieving better outcomes.</p> <p>The provision of free debt advice helps people across the community achieve access to justice when they may otherwise have been unable to do so.</p>

5.11 Building on the evidence you gathered and considered in Part 1, please consider the following:

How could, or does, the policy/ strategy/ decision help advance / promote equality of opportunity?

For example, positive measures designed to address disadvantage and reach different communities or protected groups?

The strategy seeks to support over-indebted people to access free, high quality debt advice which helps them achieve good outcomes and move forward in life. Although the Money Advice Service is not a public body subject to General or Specific Duty under the Equality Act 2010 we are publishing our Equalities Impact Assessment for this strategy on a voluntary basis to demonstrate our commitment to considering the particular impact on people with protected characteristics. Our intention when commissioning new debt advice services is to undertake further risk assessments which consider the specific needs of people with protected characteristics as an essential part of the service design process. The services we commission explicitly promote equality of access to justice.

How could/ does the policy/ strategy/ decision help to eliminate unlawful discrimination, harassment or victimisation?

Where advisers identify discrimination, harassment or victimisation of the debt advice process the strategy seeks to ensure that there are effective referral processes in place to support people's additional advice or support needs. If such discrimination, harassment or victimisation is identified amongst a client's creditors MAS is able to use its relationships with the regulator and other partners to highlight where remedial action may be required. This is explicitly articulated in the consumer protection function of the SFGB and will be considered during the implementation phase of the strategy.

How could/ does the policy/ strategy/ decision impact on advancing/ promoting good relations and wider community cohesion?

By providing equitable access to debt advice, the client journey and encouraging empowerment through the debt advice process and financial capability our intention is to provide appropriate support to all including those with protected characteristics which should result in people feeling more confident to deal with their finances in future. The prioritisation of effective partnerships, linked services and referral pathways will ensure that people are able to receive the help they need in a way which meets their individual needs.

5.12 Strengthening the policy/ strategy/decision

If the policy/ strategy/ decision is likely to have a negative effect ('adverse impact') on any of the protected groups or good relations, what are the reasons for this?

What practical changes/actions could help reduce or remove any negative impacts identified?

We do not expect the strategy to have a negative effect on any of the protected groups or good relations.

If no action is to be taken to remove or mitigate negative / adverse impact, please justify why.

(Please remember that if you have identified unlawful discrimination (immediate or potential) as a result of the policy, the policy must be changed or revised.)

Not applicable.

5.13 Monitoring, evaluating and reviewing

How will you monitor the impact and effectiveness of the policy?

List details of any follow-up work that will be undertaken in relation to the policy (e.g. consultations, specific monitoring etc).

Separate Equalities Impact Assessments will be undertaken for individual projects commissioned during the lifetime of the strategy.

Further projects will also be subject to further co-design work which is expected to specifically address the information and advice needs of people with protected characteristics. This will be reflected in the evaluation of those projects.

Although our current data collection and monitoring do not capture details on all of the protected characteristics at present the Money Advice Service is committed to delivering appropriate services for everyone. We would welcome evidence from any third parties who can offer insight.

MAS will continue to conduct and publish independent evaluations of its service delivery and where appropriate include analyses broken down by protected characteristics. As noted earlier, this will only be where it is appropriate to conduct such analysis in line with ONS guidance. Where supplementary analysis is required to understand the impact of service delivery on people who share less common protected characteristics this will be conducted on a tailored basis.

The results of all impact assessments where the impact is significant will be published on the MAS website.

Equality Impact Assessment (EIA) Template – Part 3

Declaration

The strategy does have a significant impact upon equality issues.

Person completing the EIA	Erika Helps
Department/ team	Debt/ Commissioning
Date completed	24 th November 2017
Person signing off (Head of Department)	Craig Simmons
Date signed off	30 th November 2017
Proposed review date (if any)	Annually as part of commissioning cycle