

WEST DUNBARTONSHIRE COUNCIL

Report by Director of Social Work Services

Community Participation Committee: 24 January 2007

Subject: Welfare Rights Money Advice Service

1. Purpose

- 1.1** The purpose of this report is to provide Committee with information on the above service available to the residents of West Dunbartonshire Council.

2. Background

- 2.1** The Debt Arrangement and Attachment (Scotland) Act 2002 requires an approved money advisor to implement the Debt Arrangement Scheme. For this scheme to be successful it is essential that there are sufficient skilled advisors in place and adequate geographical coverage across the local community. In 2005/2006 West Dunbartonshire Council received £45,000 from the Scottish Executive as part of a £2million package to improve frontline debt/money advice services. This follows on from £70,000 of Scottish Executive funding from a £3million package in 2002 which was distributed mainly within the voluntary sector locally and has resulted in those organisations being equipped to prepare for changes in legislation, appoint additional staff and ensure an improved service throughout West Dunbartonshire. It has also provided consumer choice for people seeking advice on debt matters. The improved service provided by Council staff is in great demand and each of the 5 full-time debt/money advice officers located at Bridge Street carries a caseload of in excess of 110 clients at any one time. This includes many of cases multiple debts. Notwithstanding pressures on the service we are now better equipped to deal with the rising debt problems within the local community

3. Main Issues

- 3.1** Anyone who is having difficulty in dealing with their debt is advised to seek specialist advice. All advisers within the Money Advice Section will provide advice and advocacy concerning the enforceability of debts and the Codes of Practice/Guidance which may protect a debtor. Assistance is provided on Sequestration, Trust Deeds and Debt Arrangement Scheme.
- 3.2** To assist service users a fact sheet (copy attached) is available to inform debtors of available advice and support, how to make contact and includes the topics below:
- Recovery of Council Tax
 - Trust Deeds
 - Credit Reference Agencies
 - Enforcing a debt against a debtor by diligence

- Time to pay directions & orders
- Time Orders
- Re-call of decree
- Appearing at court
- Creditors Refusing an offer of payment
- Bankruptcy
- Offers of full & final settlement

3.3 The introduction of the Debt Arrangement Scheme offers clients a further option on repaying debts. West Dunbartonshire Council has an approved Money Adviser to give advice regarding this option.

3.4 The Debt Arrangement Scheme 2002 has not been widely used. Despite the current caseload; indications are that a number of changes will be required to make it more attractive to increase the numbers accessing the scheme.

4. Personnel Issues

4.1 If reduced funding takes place restructuring of staff will require to be considered at a time when indebtedness is an increasing problem within the local community.

5. Financial Implications

5.1 As below possible reduction of £7,000 from Scottish Executive allocation

6. Conclusions

6.1 The Money Advice Section provides a comprehensive service offering the residents of West Dunbartonshire assistance and guidance on how best to deal with their debts. The committee should be aware that a new funding structure is anticipated and indications are that there will be a £7,000 per year reduction in the allocation made to West Dunbartonshire.

7. Recommendations

7.1 This report is submitted for information.

William W. Clark,
Director of Social Work Services.

Person to Contact: John Hepburn, Welfare Rights Officer, Bridge Street, Dumbarton. Tel: 01389 737048

Background Papers: Money Advice Leaflet

Wards Affected: All wards