

27 January 2022



Department for Corporate Core Services

The Rt Hon Thérèse Coffey MP
Secretary of State for Work and Pensions
Department for Work and Pensions

Letter sent via email to : secretaryofstate@dwp.gov.uk

Dear Secretary of State,

Reference: Council Motion on Debt Advice Services

Bury Council at its Full Council meeting on 19 January 2022 debated a notice of motion in relation to debt advice services .

The Council recognised that:

1. The challenging financial situation many residents find themselves in as a result of cuts to Universal Credit and the rising costs of food, fuel and energy.
2. The increasing number of residents struggling with debt due to these financial pressures - Citizens Advice Bury & Bolton dealt with over 4,000 debt enquiries during 2021.
3. The importance of free, impartial, local debt advice services to support residents to manage their debts and get back on track.

The Council noted that:

1. The procurement process that was being undertaken by the Government's Money and Pensions Service to commission debt advice services beyond April 2022.
2. The loss of £3 million for debt advice services in the North under the Government's plan
3. The switch in emphasis so that two thirds of future funding would be directed to remote telephone and webchat advice services and the proposed cut of 50-60% of face-to-face debt advice.
4. The inaccessibility of remote services for some, including the most vulnerable clients, and the risk of a postcode lottery of support which this creates.
5. The vital importance of local debt advisers with relationships with councils, housing providers, foodbanks etc. and the importance of retaining this face-to-face advice and support in our local area.
6. The pause of the procurement process shortly before Christmas in the face of growing concern about the proposals and the continuation of funding for existing services for just 6 months beyond April.

7. The lack of any commitment from the Government to address the concerns raised.

The Council resolved to:

1. Support the calls by Advice UK, the Institute of Money Advisers, the Law Centres Network, the We Are Debt Advisers campaign, the Unite Debt Advice Network and Greater Manchester Money Advice Group, among others, for the Government to:
 - Scrap the current procurement process entirely.
 - Extend funding for 12 months for existing services to enable them to plan properly and retain staff.
 - Re-examine the process and the evidence for the cut in face-to-face advice services, including the impact the proposed changes will have on the most vulnerable clients.
 - Re-balance the funding so the North doesn't lose out.
2. Write to the Chief Executive of the Money and Pensions Service and the Secretary of State for Work and Pensions to make clear the Council's support and for the continuation of face-to-face debt advice services in Bury.

Accordingly, I am writing to you in relation to this matter. I have written in similar terms to the Chief Executive of the Money and Pensions Service.

I look forward to your response so that an update can be provided to Members of Bury Council.

Yours sincerely



Geoff Little OBE
Chief Executive