



# Treasury Committee

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Caroline Siarkiewicz  
Chief Executive  
Money and Pensions Service  
Via email

16 November 2021

Dear Caroline,

You will be aware of recent media reports that there could be a significant reduction in the provision in England of face-to-face advice on debt, following the recent tender exercise by the Money and Pensions Service (MaPS).<sup>1</sup> Some suggest that this reduction could be as great as 50% or 60%.<sup>2</sup>

The Committee notes that this potential reduction in face-to-face advice is in line with the commentary provided by *The Departmental Review of the Money and Pensions Service*,<sup>3</sup> and it is aware that face-to-face debt advice costs significantly more than telephone-based advice. But it also notes the finding by the Departmental Review that there is “a challenge for MaPS in achieving efficiency savings without reducing the efficacy of the services delivered and the quality of customer outcomes”.

Given the public concerns that have been expressed about the potential reduction in availability of face-to-face advice, the Committee would welcome answers to the following questions:

1. What is MaPS estimate, at present, of the reduction in face-to-face advice that might be expected following the tender? Will any expected reduction in the provision of face-to-face advice be spread equally across England?
2. What research (including via a formal equality analysis) has MaPS done to estimate the impact on consumers of any reduction in face-to-face advice? In particular, what does that research show the impact might be by:
  - Geographical area, including in relation to areas of deprivation
  - The protected characteristics of consumers
  - The vulnerabilities of consumers
  - Household income

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<sup>1</sup> [Media statement: debt advice commissioning update | The Money and Pensions Service](#)

<sup>2</sup> [Fears over the future of free debt advice - BBC News](#)

<sup>3</sup> [Departmental Review of the Money and Pensions Service \(MaPS\) - GOV.UK \(www.gov.uk\)](#)

- The complexity of the advice needed
- Any combination of the above and any other factors MaPS has considered?

3. What estimates does MaPS have of pre-Covid provision and demand for face-to-face debt advice, compared to other channels for receiving debt advice, and how much of that demand went unmet, again by channel of advice?

4. What forecast has MaPS done of the future demand for debt advice services, both by volume and complexity of cases? What does that forecast suggest will be the demand for each potential channel of provision? If MaPS has carried out no forecast, how has potential future demand been estimated?

5. How has the pandemic changed the demand for, and availability of, advice, and what was the impact on consumers of any reduction in face-to-face advice? To what extent has the overall demand for debt advice been affected by measures taken by the Government and other public bodies during the pandemic, including furlough, the £20 uplift on Universal Credit, mortgage payment holidays and stays on repossessions, and what impact has been seen so far, as those measures end?

6. The *Departmental Review of the Money and Pensions Service* notes that “On debt advice, MaPS is moving from grant agreements to contracts, which will increase MaPS’ ability to run services on a commercial basis.” What are the expected benefits of this move, and what risks have been identified? What impact has MaPS estimated this will have on non-profit provision of such services? Is there an expectation that providers will make profits on the contracts? Will the use of contracts mean that indirect taxes may now be payable by providers in certain circumstances?

7. How will the quality of outcomes from debt advice, as discussed in *The Departmental Review of the Money and Pensions Service*, be monitored in any new contracts? What specific metrics will be used, and how will non-performance against those metrics be ameliorated? Has MaPS made provision for a review after implementation?

8. To what extent does the tender process allow for a reallocation of advice by channel of provision, if needed, while the contract is active?

In line with its usual practice, the Committee will be publishing this letter and will publish your reply in due course.

With best wishes,



**Rt Hon. Mel Stride MP**  
**Chair of the Treasury Committee**