

To: SOCIAL WORK COMMITTEE		Subject: A PROPOSAL TO DEVELOP A MENTAL HEALTH AND FINANCIAL INCLUSION DEMONSTRATION PROJECT
From: DIRECTOR OF SOCIAL WORK		
Date: 26 AUGUST 2004	Ref: JD/GF	

1. PURPOSE OF REPORT / INTRODUCTION

- 1.1. To inform Social Work Committee of an invitation by the Scottish Executive to develop a national demonstration project to explore and develop individual delivery mechanisms for those specific vulnerable groups who cannot, or do not access financial advice and support through normal routes.

2. BACKGROUND

- 2.1. In January 2004 the Deputy Minister for Communities announced that the Scottish Executive would be establishing a number of 2-year partnership projects across Scotland to look at new ways of making money advice (and welfare benefits advice) more accessible and available to those people who suffer from mental ill health and related issues. The letter is attached as Appendix 1 to this report.
- 2.2. The Executive commissioned the Scottish Development Centre for Mental Health and the Scottish Association for Mental Health to prepare a short study to consider how money and debt advice services could be better targeted to the needs of this group. On the basis of this study, North Lanarkshire Council was identified as the preferred bidder to pilot a demonstration project in relation to identified need and the existing provision of advice services in the area.
- 2.3. Following informal discussions between officers of the Scottish Executive's Financial Inclusion Unit and North Lanarkshire Council a formal invitation to develop a demonstration was made. The letter attached is as Appendix 2. Officers from Social Work and Planning and Environment (Money Advice Services) Departments have developed a joint proposal for a demonstration project.

3. PROPOSALS / CONSIDERATIONS

- 3.1. The study commissioned by the Executive and carried out by the Scottish Development Centre for Mental Health and the Scottish Association for Mental Health also included a project specification for the proposed demonstration project. The project proposal developed jointly by Social Work and Planning and Environment has been based on this project specification. A copy of the study and project specification will be available in the Members library.

- 3.2. The aim of this project as outlined in the Executive's project specification is to reduce the impact of financial exclusion experienced by unemployed people with mental health problems in particular, as it relates to the employability of this group and their transition to the labour market. The objective is to create a national demonstration project which can explore the key issues of accessibility of advice services, the positive health impacts of increasing money advice and income maximisation services, and the role that improved welfare benefits advice can have in promoting employability. The project will also aim to offer a best practice model for integrating mental health service users into the design and delivery of local advice services.
- 3.3. The objectives of the demonstration project will be achieved by meeting the following challenges:
- Ensuring access to services through providing an integrated approach aligning welfare rights and money advice services
 - Working with new and aligned advice services to ensure that they are mental health aware.
 - Making positive links between employability and financial advice
 - Ensuring that service users are effectively involved at all levels within the initiative.
- 3.4. The Executive has specified a partnership approach in the management and delivery of the project. It is envisaged that the Council will act as lead partner with Social Work as the lead Department. Other partners will include the Planning and Environment Department and external agencies such as Job Centre Plus, Routes To Work and NHS Lanarkshire. There will be strong representation from the voluntary sector and also service users will be represented from local initiatives.
- 3.5. To assist the early implementation, development and delivery of this initiative in line with Scottish Executive timescales, it is proposed to involve a voluntary sector partner in managing the demonstration project on a day to day basis, with the Council remaining as the main sponsor and the Social Work Department acting as lead Council partner.
- 3.6. The Scottish Executive has informed the Council that it is their intention to make the involvement of Scottish Association for Mental Health (SAMH) as a co-partner in delivering the demonstration project a condition of funding. SAMH has been involved with the Scottish Executive in drawing up the project specification and is seen as having relevant experience in both mental health and financial advice fields. The Department is already working in partnership with SAMH on other related initiatives.
- 3.7. The proposed demonstration project will comprise a small project team whose remit will be to promote, drive and assist the work of producing integrated, aligned and effective welfare rights and money advice services for people experiencing mental health problems. There will be direct actions and service provision by the project team and by partners aligning and developing particular services and initiatives.

4. FINANCIAL / PERSONNEL / LEGAL / POLICY IMPLICATIONS

- 4.1. The Executive has committed up to £400,000 for this two year project. There will be no financial implications for the Council.
- 4.2. With the Scottish Executive specifying the involvement of SAMH in the delivery of the initiative the Council will require to enter into a negotiated contract with SAMH as the preferred provider.

4.3. This proposed initiative will assist the Department meet new duties and powers to provide services for people with mental disorder under the new Mental Health (Care and Treatment) (Scotland) Act 2003 which comes into effect in April 2005. In particular these include:

- Care and support services
- Services to promote well-being and social development
- Assistance with travel in connection with these.

5. RECOMMENDATIONS

5.1. Committee is requested to:

- i. Agree to submit the bid for a demonstration project as outlined in the invitation from the Scottish Executive attached as Appendix 1 and 2.
- ii. Agree to the establishment of a demonstration project team as outlined in Appendix 3 for a fixed term of 2 years.
- iii. Agree to proceed to a negotiated tender with Scottish Association for Mental Health to manage the demonstration project.
- iv. Remit the Director of Social Work to ensure that relevant issues emanating from the demonstration project are fed into the Council's Review of Advice Services.
- v. Receive further reports on the development and implementation of the demonstration project once established.
- vi. Otherwise note the content of the report.



Jim Dickie
Director of Social Work
16 August 2004

*For further information on this report please contact Gus Ferguson, Service Co-ordinator, Strategy.
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November 2003

To whom it may concern

Scottish Executive - Money Advice for Vulnerable Groups

Financial Inclusion

The Scottish Executive is committed to tackling the problem of financial exclusion, and to this end are working to ensure people have access to affordable financial products and help when they find themselves in financial difficulties.

Money Advice

One of our aims is to improve the quality and quantity of money advice across Scotland, as the service money advisers provide is invaluable in helping support people to allow them to take better control of their financial situation. Previous funding for money advice has included £3m per annum from 2002-04 to support frontline advisers to cope with the implications of the Debt Arrangement and Attachment (Scotland) Act 2002.

Vulnerable Groups

However we are conscious that while this funding has been very much distributed horizontally across the sector, via Local Authorities to both statutory and voluntary sector advice agencies, it may not be reaching vulnerable groups with specific barriers to accessing conventional advice provision. These groups may include ethnic minorities, lone parents, older people, young people and people with Mental Health problems, amongst others.

In this vein we have recognised there is a need to explore and develop individual delivery mechanisms for those specific vulnerable groups who cannot or do not access money advice through normal routes. This support will not just involve debt advice, but may also include elements of financial education and money management.



Proposed Projects

We propose to develop a small number (6-8) of 2-year partnership projects across Scotland to begin from April 2004. The aim of each of these projects is to make money advice available and more accessible to these vulnerable groups, and will involve tailoring the delivery mechanism to meet the specific needs of each group.

Critical to the success of all these projects is the development of partnerships between the organisations with specific knowledge of these groups and the money advice sector. This is essential if the projects are to effectively design a strategy for delivering money advice which meets the very specific needs of each group, and which breaks down the barriers which prevent access to conventional advice provision.

The ultimate objective of this initiative is to identify examples of best practice in this approach, with the aim of communicating and mainstreaming this across Scotland via similar organisations, into other local authority and voluntary sector money advice provision. This best practice will be identified through a rolling review and evaluation of each project, led by the Scottish Executive in cooperation with the project leaders.

Funding

It is expected that each project will require funding of between £50K and £100K per annum over the two year time span, which will be funded by the Scottish Executive Development Department. However additional funding would be welcomed from other internal or external sources such as local authorities. These proposals are for 2 year projects in the first instance as this is the current spending review period. However we intend to continue beyond this if the projects prove successful, in addition to mainstreaming the good practice that is developed into local authority and voluntary sector arrangements for money advice.

Project Management

While this initiative will be instigated and funded by the Scottish Executive, it is envisaged that day-to-day management of each project will fall to those lead advice and community organisations as mentioned above. The Executive will retain an advisory support role, and will lead on the evaluation of each project.

Next Steps

We are now inviting proposals to develop projects along the lines discussed above, with the aim of working up these proposals to roll out from April 2004.

Robbie Clyde
Head of Financial Inclusion
Scottish Executive





SCOTTISH EXECUTIVE

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3 June 2004

Dear Mr Whitefield

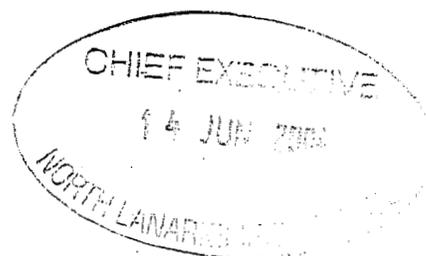
Money Advice Projects for Vulnerable Groups

You may have seen that Mary Mulligan, Deputy Minister for Communities announced in January an increase in funding of £4m over 2004/05 and 2005/06 to support money advice services, to complement the work that is already being carried out across Scotland to improve both the quality and quantity of money advice for those who find themselves in financial difficulties.

As part of this funding, the Minister announced that the Scottish Executive would be establishing a number of 2-year partnership projects across Scotland to look at new ways of making money advice more accessible and available to certain vulnerable groups of people who cannot or do not currently make use of those services.

One of the groups that we aim to target is those people who suffer from mental ill health and related issues. Earlier this year we commissioned the Scottish Development Centre for Mental Health and the Scottish Association for Mental Health to prepare a short study to consider how money and debt advice services could be better targeted to the needs of this group, as well as looking at where in Scotland such a project might best be situated.

The results of this report suggested that, in considering the level of need of this group combined with the existing provision of advice services in your area, North Lanarkshire would be well placed to roll out this project. I then met with Runima Kakati, Duncan Smith and other council officers on 5 May 2004 to discuss both the Executive's objectives as well as your own existing approach to linking advice services to mental health issues. This meeting was extremely productive and your officers agreed to work forward towards a proposal to deliver this project. The Executive has committed up to £200,000 for this two-year project, however we would welcome any additional support that might be available.



The purpose of this letter is merely a courtesy to ensure you are aware of this project, and I hope also to gain your support. I would be more than happy to provide any further information, as I am sure Duncan and Runima already have.

Yours sincerely



Robbie Clyde

Scottish Executive
Head of Financial Inclusion
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