



DAPA Scheme Newsletter

Volume 1, Issue 2

May 2020

Welcome

Inside this issue:

Spotlight—Vulnerable Clients	1/2
Dear DAPA—HB overpayment	2
Dear DAPA—File Classification	3
Qualifying the Advice	3
Varying and Staying a High Court Writ—The Fee	4
Tax Credit Overpayments	4
CPAG Debt Advice Handbook Online	4
DAPA Common Themes	4

Welcome to the second edition of our DAPA Scheme newsletter. The last three months have passed by in the blink of an eye yet so much seems to have happened, especially in regard to the current Coronavirus pandemic and the changes in working practices which so many have had to become accustomed to.

The DAPA work programme for 2020-21 has commenced as planned in relation to Recipient Level DAPA and Webchat Assessments, and the Technical Site Visits element remains

under review and will commence when it is safe and appropriate to do so.

The Scheme has considered the feedback received from the previous newsletter and a new section, “Dear DAPA” is a welcomed addition to this newsletter. If you have any further ideas for future issues, please share these via your Lead Organisation or by email to peerreview@recognisingexcellence.co.uk



Spotlight—Vulnerable Clients

The Financial Conduct Authority's (FCA) CONC Occasional Paper No. 8 (<https://www.fca.org.uk/publication/occasional-papers/occasional-paper-8.pdf>) describes a vulnerable person as “*someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care.*” ‘Firm’ also includes advice agencies. The DAPA Scheme is often questioned in relation to Criteria 2.2 which specifically considers whether the “client’s capacity, capability, disability, vulnerability or mental health problems (have been) recognised, and appropriate action taken.” This criteria is not limited to the identification of client vulnerability and mental health issues, but rather it is looking to see that where clients may be vulnerable, that the capacity and capabilities of the client have been considered and that actions carried out are appropriate as a result of this.

It is important to have a vulnerability policy, to identify vulnerable clients and assist them appropriately; the majority of organisations do now have this document. A vulnerability policy will usually include information on ‘triggers’ for identifying potentially vulnerable clients e.g. any benefits being paid to clients because of any disability or long-term physical or mental health issue and all advisers should be



(Continued on page 2)

familiar with its content. The vulnerability policy may suggest different methods/ways of engaging with clients in these circumstances, dependent upon their particular vulnerability. All advisors should act according to the policy guidelines.

Vulnerable clients may require additional support and guidance, particularly in terms of access. Clients with learning or language difficulties, or mental health issues, may have difficulties providing the information necessary to enable advisers to fully assess their situation, or the action required by them within a particular timeframe. This means that some clients may struggle to stay in contact with the service or follow the action plans that are suggested

Once a client has been identified as vulnerable it would be expected that this would be recorded on the client's case records and effective steps be taken to ensure the client's issues are considered when the organisation is in contact with the client. This may include asking the client how they want the organisation to communicate with them and/or making extra attempts to contact the client if the client does not respond to contact requests.

As part of the 'DAPA Assessment Supply Chain Delivery Insight Form' we ask if the Agency has a Vulnerability Policy and a copy of this is also requested. When assessing the files of vulnerable clients, we will be looking to ensure the Adviser followed the Agency's Vulnerability Policy and assess whether they made the necessary changes in how they dealt with the client. These issues would normally be Area's for Improvement however, as the main aspect that we are looking at is the advice given, it is possible that this could be an Area for Concern in some cases, if a lack of adherence to the Organisation's Policy has had an effect on the advice given to the client



Dear DAPA

Client has a housing benefit overpayment, currently in receipt of full benefit. Advisor has classed this as a non-priority. My understanding is that this should be a priority given that the client is still in receipt of benefits and therefore they are deducting straight from their main source of income, leaving them in hardship. If this is correct, would this affect the scoring?

There has been much discussion with participants regarding priority, non-priority and square peg debts. We use the Debt Advice Handbook as our reference book. We would class the housing benefit overpayment as a non-priority debt due to the possible creditor enforcement powers for non-payment (please see page 207, CPAG Debt Advice Handbook, 13th Edition). We take the classification of priority and non priority debts from the Debt Advice Handbook. If an adviser stated the classification of a debt incorrectly it would have a minimal affect on the overall score as we would not class this as an Area for Concern. We would note that it is the incorrect classification, but the main issue would be whether the Adviser had advised the client on the possible enforcement powers of the creditor and, subsequently, the client's options to deal with that debt. We would expect the Adviser to advise the client of all their available options including the option to reduce the rate of deduction of the HB overpayment.

Dear DAPA

Client came in with one debt, a housing benefit overpayment, currently being deducted leaving the client in hardship. Advisor has completed the Financial Statement and is currently negotiating with DWP to have the deductions reduced. This is being done in writing and the case has been ongoing for several weeks. Advisor has classified this as Advice only, however, my understanding is that this would constitute casework. Although it is only one debt, ongoing negotiations are being conducted by the Advisor on behalf of the client. Would I be correct in advising them that this should be a casework file? (I assume this would not affect scoring anyway so just after guidance on it's classification).

Yes, you are correct that due to the Adviser taking on the responsibility of dealing with this debt and acting on behalf of the client, we would class this as casework. We are frequently coming across the need to change classification of cases from Advice Only to Casework and vice versa at the Assessment Stage however, you are correct, this would not affect the score.

The guidance on file classification is as follows:

Advice Only: *Includes diagnosing the client's problem(s), giving information and explaining options and helping the client decide between options. Advice can include some action such as a referral to another organisation, identifying options and next steps, giving assistance such as form filling and contacting third parties for information. There is no rule about the maximum number of contacts.*



Casework: *The advice organisation takes on responsibility for the conduct of a case and an adviser takes action on behalf of the client. The organisation drives and manages the case, generally devolving responsibility to a caseworker who has a continuing relationship with the client.*

Qualifying the Advice

The Scheme has seen instances of where clients were not advised fully as they were unable to provide full details of their debts and/or their income and expenditure. In some cases, the clients have not provided this information and have not engaged further with the organisation.

It is understood why the client has not received full advice due to missing information however it is still possible to advise the client with limited information. This ensures the client has received some advice and is informed with regard to their situation. The Scheme expects clients to be advised fully at all opportunities.

This can be achieved by **qualifying** the advice given to the client. For example, *'Based on the information you have given to me my advice is as follows, however this may change depending on what details are provided.'*

Financial statements can also be completed based on estimated income/expenditure if the client has not provided copies of their bank statements or proof of income. However, many clients have access to their bank statements via mobile phone apps and/or their Universal Credit Journal. If the client is unable to provide confirmation of their income/expenditure, then a financial statement can be completed but marked as a draft, noted in the case notes as a draft and based on estimated figures provided by the client.

If the adviser is to make an offer of repayment to a creditor based on the draft/estimated financial statement, then the adviser should obtain the agreement of the client that the adviser makes the offer of payment made to the creditor and that the client can afford the offer. If the client is in a deficit situation, it should be established how the client is to fund the arrangement. Both of these situations should be fully noted in the case notes to support that the offer is affordable/sustainable.

Varying and Staying a High Court Writ—The Fee

It was brought to our attention by a Lead Organisation that there was conflicting information being delivered regarding the court fee involved in varying and staying a High Court Writ. The February Spotlight from Shelter notes the fee for processing an application for a stay of execution to be £50 (https://www.i-m-a.org.uk/wp-content/uploads/dlm_uploads/Feb-20-Spotlight-Court-and-Insolvency-Fees.pdf). The same fee is also noted in the CPAG Debt Advice Handbook however, the Courts are often quoting the fee for this type of application to be much higher.

It has been confirmed by Shelter’s Specialist Debt Advice Service that this is an ongoing problem that they see fairly regularly, with court staff insisting the fee for applications to stay enforcement of a writ is £255.00, when in fact it is £50.00, as detailed in the February 2020 Spotlight. This should be challenged with the Courts quoting Fee 2.7 of The Civil Proceedings Fees (Amendment) Order 2014 “*On an application to vary a judgment or suspend enforcement, including an application to suspend a warrant of possession. The fee is £50.00.*” This is also confirmed on page 9 of the EX50. If the Courts still insist that the fee is £255.00 once you have provided them with this information, the next recommended action is to [make a formal complaint to the court/s](#). If not upheld, this could then be escalated to the Parliamentary Ombudsman via the client’s MP.



Tax Credit Overpayments

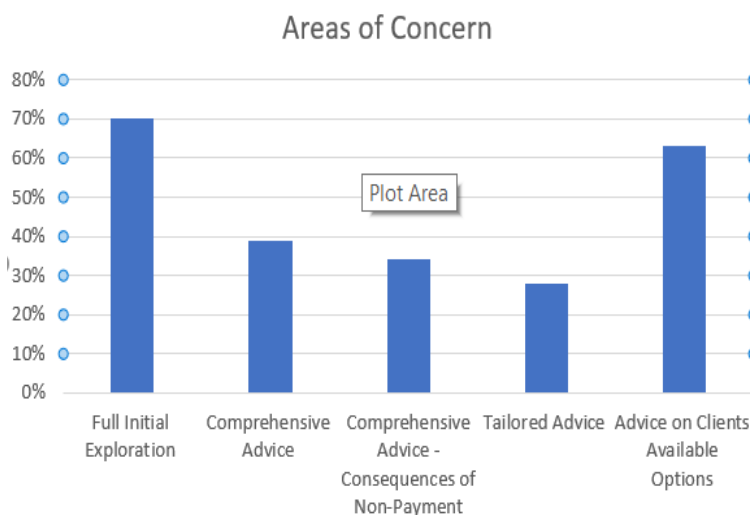
The Scheme continues to receive queries regarding the categorisation of Tax Credit Overpayments. As previously, we maintain that categorisation of the debt is not the main issue when we are assessing a file, but rather the advice regarding enforcement and how the client can deal with the debt. For further information on this issue, we would direct you to Quarterly Account, Issue 54 where there is a Q & A on this matter which can provide further insight.

Debt Advice Handbook Online

CPAG have made the [13th Edition of the Debt Advice handbook](#) available online free to all.

Common Themes

The following data has been taken from the most recent round of Recipient Level DAPA Assessments (May 2020), with the graph below showing the top 5 most common themes in relation to Area’s for Concern seen by the DAPA Scheme. Any Area’s for Concern identified within assessments should be a priority when developing an action plan and taking steps to improve in preparation for the next assessment.



Recognising Excellence Ltd
Unit 3, Twigworth Court Business Centre, Tewkesbury Road, Twigworth, Nr. Gloucester, GL2 9PG.



Phone: 01452 733 510
Email: peerreview@recognisingexcellence.co.uk
