



6 November 2019

Dear Mr Lindhurst

We write as two organisations operating in and representing the free debt advice sector to ask that your Committee considers, as part of its work plan, the issue of funding within this sector.

Improvement Service figures show local authorities cut their funding for free debt advice by 45% between 2014 and 2017 yet demand on the sector is greater than ever.

This was raised as a significant problem by many witnesses from the free debt advice sector during the recent meetings of the Committee when considering the Debt Arrangement Scheme regulations. Members on your Committee took a welcome and keen interest in this issue. Moreover, the Minister for Business, Fair Work & Skills is on record - via a letter and oral evidence to the Committee - that he would be willing to return to the Committee to discuss the funding of free debt advice in more depth.

We would very much see this as a valuable use of your Committee's time and would greatly welcome it if you could find time for evidence sessions that would hear not just from the Minister but also representatives of the free debt advice sector too.

The Scottish Government is due to publish its Debt Advice Route Map and has also recently published a preliminary report on potential funding models and delivery approaches which could be used to allocate the levy funding devolved to the Scottish Government for debt advice. Both of these documents will substantially influence the future direction of the debt advice sector not only in how it operates but also its funding position and forms a timely backdrop for any scrutiny of this issue by your Committee.

We look forward to hearing from you,

Yours sincerely,

A handwritten signature in black ink, appearing to read "D. Mitchell".

**Derek Mitchell**

**Chief Executive, Citizens Advice Scotland**

A handwritten signature in black ink, appearing to read "Yvonne MacDermid".

**Yvonne MacDermid**

**Chief Executive, Money Advice Scotland**