HM Treasury

Guidance for completing the Debt Continuous Improvement Assessment Framework

November 2026

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Chapter 1
Background

1.1 Functional Standards are published by each Functional Centre to provide direction and advice for people working in and with the UK government. The Standards are mandated for use in departments and their arm's-length bodies through Managing Public Money and a Dear Accounting Officer letter.

1.2 The Debt Functional Standard sets out expectations for the management of debt across central government, providing a stable basis for assurance, risk management and continuous improvement. It promotes a consistent and effective way of recovering money in the public sector while still focussing on the appropriate treatment of vulnerable individuals, which plays a key role in achieving the Government Debt Management Function's (GDMF) vision of Fair Debt Outcomes for All.

1.3 To ensure they meet the requirements of the Debt Functional Standard, organisations can self-assess against it using a Continuous Improvement Assessment Form (CIAF) with the GDMF requiring the largest debt-holding Departments and arm's-length bodies to complete and return a CIAF every three years for assurance purposes (see below).

1.4 **This document explains both how organisations can use a CIAF to self-assess against the Debt Functional Standard and the GDMF approach to assuring self-assessments**. If you have any questions regarding either, please contact GDMFCentre@hmtreasury.gov.uk.

Chapter 2

Purpose of the self-assessment

2.1 Self-assessment enables organisations to evaluate how well their debt management arrangements align against the Debt Functional Standard.

2.2 By undertaking a consistent self-assessment, organisations contribute to standardising debt management approaches across government promoting consistency, transparency, and the effective use of public funds. As well as improving capability and outcomes, self-assessment helps identify gaps, strengths, and areas for organisational improvement, supporting continuous capability development and targeted action planning. The process also supports assurance, risk management, and informed decision making, and drives continuous improvement in managing debt effectively and efficiently.

Chapter 3

How to complete a self-assessment using the CIAF

3.1 Self-assessments using the CIAF can be completed and recorded on the debt Continuous Improvement Assessment Framework Tool. This is an excel version of the CIAF which can be downloaded from gov.uk.

It is important to note:

- If your organisation has completed a self-assessment in previous years, use that document as a starting point.
- If your organisation sends its self-assessment to the GDMF to assure, read the previous DFS self-assessment feedback form we issued to your organisation.
- You can contact the GDMF at GDMFCentre@hmtreasury.gov.uk for copies of previous self-assessments or feedback reports.

3.2 If used, the CIAF tool has several tabs that should be completed.

3.3 The Framing tab is used to provide the scope and context for your self-assessment.

- This means providing any background on your organisation you believe is key to your operational performance e.g. an overview of the types of debt you recover, the recovery strategies you use, any legislative powers you have and any challenges faced by your organisation.

3.4 There are then three Theme tabs that you need to complete.

- Theme 1: Governance of Debt
- Theme 2: The Debt Lifecycle
- Theme 3: Debt Management Practices.

3.5 In each Theme there are Practice Areas. A Practice Area breaks down the requirements of the Theme in more detail, allowing users to understand the Functional Standard's expectations in a more granular way. Theme 1 has five Practice Areas and Themes 2 and 3 have four Practice Areas each.

- Every Practice Area has a number of Criteria listed as mandatory or advisory, which is what you score against by saying whether you met its requirements or not. The CIAF tool will automatically calculate a Practice Area as In development, Good, Better or Best depending on the number of Criteria marked as Met. To achieve a Best outcome, you must meet all mandatory and advisory Criteria.
- It is down to your judgement whether you have met the requirements of a Criteria. However, the main purpose of the self-assessment process is to attain a realistic position on where your organisation may need to improve. As such, we would urge a rigorous and realistic approach to judging your current performance.
- For example, to self-assess as 'Best' in Practice Area 1.3 Assurance your organisation is required to have an internal assurance process that is 'regularly reviewed and updated to reflect the prevailing organisational risks'. When completing the CIAF tool for this Practice Area you should therefore be asking not only whether assurance processes exist but then if they are reviewed and updated and if so if this happens with sufficient frequency to ensure the processes protect you from key risks.
- Each Criteria additionally has a space to provide supporting commentary that explains your response to the 'Met' section. The supporting commentary for each Criteria should contain a short narrative on why you meet it or not, including reference to your current policies and processes, any gaps/risks you have identified against the DFS and the proposed remediation of the risk.

- For example, the following (based on a supporting commentary response to Practice Area 1.4 Decision Making) gives an idea of the type of text that supports the self-assessment and assurance process: 'A debt management strategy, job cards, process maps and a quality framework are in place. Currently debt is managed through stakeholder engagement and in consultation with Legal / Policy / Operational Teams. Some escalation processes where debt remains following recovery activity are currently considered as a last resort. However, additional debt escalation options are being considered as part of an ongoing debt management strategy review.'

3.6 If marking one of the Criteria as N/A please include commentary on why this Criteria is not relevant to your organisation. You should be cautious about declaring a Criteria does not apply when there is some doubt as to this. For example, although you may only deal with isolated incidents of potential vulnerability (e.g. with staff debt) that is not enough to mark all Criteria related to Vulnerability as N/A.

3.7 If you are returning your completed CIAF to GDMF and you feel that your response to one of the Criteria is best explained by an

example of one of your policies or frameworks we would encourage you include with your return any documents that explain your position in more detail and can officially share with your self-assessment.

- Evidence you can send in may include documentation of processes, for example on your approach to affordability assessments or how you identify and support vulnerable individuals during debt recovery activity. Annex A (below) details the types of documentary evidence you can provide.

Chapter 4

Assurance process

4.1 As of March 2025, all organisations that attended the Debt Management Leadership Group (DMLG) returned their completed self-assessment each year to the GDMF for assurance. However, to reduce the bureaucratic burden on organisations we have reviewed our assurance process and moved it to a three-year cycle.

4.2 Year one

The first year is a full self-assessment and assurance by the GDMF where we review the self-assessment returned using the excel CIAF Tool and discuss your return on a feedback call. You will receive a draft version of your organisation's personal feedback report and once agreed you can use the final version to inform your continuous improvement discussions with colleagues and your SLT.

This is only required from the organisations attending the Debt Management Leadership Group (DMLG). However, any government organisation can complete a full self-assessment should it choose to and return this to GDMF for assurance.

To note, the self-assessments returned by DMLG-attending organisations in 2025-26 represent the first year of this cycle, so the next full assessment is not expected from them until 2028-29. Other organisations can commence this cycle at any point of its choosing (e.g. if you complete a self-assessment using the CIAF in 2027-28 and returned this for assurance, this would represent year one of the three-year cycle).

4.3 Year two and three

The following two years have a lighter touch approach depending on the score your organisation self-assessed as in year one.

- Level 1 is more intensive An organisation will be at this level if it self-assessed as In development in one or more practice areas across all three themes or in three or more Practice Areas overall.
    - In this scenario, you organisation would be expected to review its last self-assessment, note any changes and report progress against its latest feedback report. This would also be followed up by a meeting with the GDMF Deputy Director to discuss progress.
- Level 2 is the level organisations will fall under where only one or two areas self-assess as In development.

    - You would review your last assessment, note any changes and report progress against the last feedback report. There would be a meeting with the GDMF assurance team to discuss progress.

- Level 3 is for any organisation that does not have any areas in development.
    - They would only report any areas that have moved into In development.

4.4 For the two lighter-touch years the GDMF will send out a link to record your self-assessment scores. We understand often the scores will not change significantly but the intention is to get more sophisticated in how we use our Standards oversight, work with departments, and use it to inform our wider activity.

Annex A

Example evidence to support your self-assessment

Theme	Practice area	Example evidence
Theme 1 – Governance of debt	1.1 - Governance	• Governance and management framework • Governance and management controls • Governance and management metrics • Risk management strategy • Terms of reference for management boards
	1.2 - Strategy & planning	• Debt management strategy • Debt management strategy implementation plan • Debt management objectives • Debt management policy development frameworks
	1.3 - Assurance	• Assurance and control framework • Previous debt management assurance recommendations • Quality assurance framework
	1.4 – Decision making	• Scheme of delegated authority • Continuous improvement strategy • Knowledge retention strategy
	1.5 – Roles & accountabilities	• Debt management organogram

		• Relevant codes of conduct and ethics • Role definitions and accountabilities • Target operating model • Succession plan • Board reports
Theme 2 – The debt lifecycle	2.1 – New debt	• Debt raising process • Third-party debt referral process • Service Level Agreements • Debt recording process • Details of IT system(s) / case management systems in use • Procedure notes
	2.2 - Collection and repayment	• Customer feedback strategy • Enforcement strategy • Instructions to third-party recovery partners • Repayment framework • Income and expenditure forms • Recovery priority order • Links to communications channels • Links to range of payment options • Segmentation strategy • Contracts agreed through Debt Resolution Service framework
	2.3 – Managing hard to collect debt	• Non-compliant customer policies • Customer charter • Fines recovery policies • Penalty recovery policies • Debt management literature (incl. recovery letters and campaign digital content)

	2.4 – Write off & remission	• Write-off / Remission policies (incl. approval processes) • Write-off / Remission documentation • Automation processes (incl. AI-based) in regard to Write-Off / Remission • Mortality policies
Theme 3 – Debt management practices	3.1 - Debt management in a crisis	• Debt management in a crisis strategy • Forecast debt numbers for crisis situation • Crisis communications examples
	3.2 - Vulnerable debtors	• Vulnerable customer framework (incl. training plans) • Vulnerability identification tools • Signposting strategy • Vulnerability strategy • Cost:Benefit data • Skills assessment tools
	3.3 - Management information & data	• Third-party data sharing agreements • Data enrichment strategy • Data catalogue • Data validation process • Private sector data tracing strategy
	3.4 - Reporting	• Internal board reports • Reports to HMT Spending Teams • Debt management KPIs

HM Treasury contacts

This document can be downloaded from www.gov.uk

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