

**Public**  
**Key Decision – No**

## **HUNTINGDONSHIRE DISTRICT COUNCIL**

**Title/Subject Matter:** Support to the Financially Vulnerable

**Meeting/Date:** Overview and Scrutiny Panel (Environment, Communities and Partnerships). 5<sup>th</sup> October 2023

**Executive Portfolio:** Communities and Health

**Report by:** Interim Corporate Director (People)

**Ward(s) affected:** All

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### **Executive Summary:**

This report sets out the strategic context for our work on financial vulnerability, directly linking it to the priorities and actions set out in the council's Corporate Plan. It then looks at the definition of financial vulnerability, differing levels of need and how these levels of need require different types of intervention.

The common causes of financial vulnerability, deprivation and poor health are described as shaping our framework for action. The description of a pilot project working with those with enduring Council Tax debt introduces our group of interventions which in turn leads to a description of how these interventions may be deployed in different circumstances and to different groups. Our intention to simplify and strengthen a diverse and complex system of support is then described. This will inform and be supported by the scheduled revision of our Community Strategy.

### **Recommendation(s):**

The Panel is asked to consider and comment on the approach set out in the report.

## 1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to update Committee on our developing approach to supporting the financially vulnerable, in line with the priorities set out in the Council's [Corporate Plan](#). Links are then made to the planned refresh of the Community Strategy.

## 2. BACKGROUND

- 2.1 The Council's [Corporate Plan](#) sets out the Council's vision for 2023-2028 as:

We all want to live in a place with the highest possible quality of life. A place people are drawn to, where they feel included and can aspire to something. A place people are proud to call home.

The priorities within the plan, shaped by local people and viewed through a green lens, provide the framework to achieve this vision. These are:

- Priority 1: Improving the quality of life for local people.
- Priority 2: Creating a better Huntingdonshire for future generations.
- Priority 3: Delivering good quality, high value for money services with good control and compliance with statutory obligations.

### Priority 1: Improving quality of life for local people

**Improving the happiness and wellbeing of residents**

We want the highest possible quality of life for the people of Huntingdonshire. It will be a place which attracts employers and visitors and somewhere residents are proud to call home. We will be evidence based, responsive and support the foundations of a good life. This includes personal independence, prosperity, social connection, community and good health.

**Keeping people out of crisis\***

We will identify the root causes that lead people into crises and find ways to prevent them. We will do this through our own actions. We will also work in partnership with residents, businesses, community groups, charities and our public sector partners.

**Helping people in crisis\***

Where a crisis has already happened, we will work holistically to understand the issues, the cause of these issues and what opportunities exist to address them. We will seek to prevent multiple personal crises becoming entrenched and unmanageable by addressing root causes.

\* Crisis: A life changing event, or series of significant events within a short period of time, which can threaten or harm an individual's life experiences, often needing support to prevent further negative consequences.

- 2.2 The Corporate Plan (pages 11-13), also set out actions for 2023/2024 that relate to financial vulnerability and financial crisis. The primary purpose of this is to set out how work undertaken to date has led to further developments in our approach. In all cases our approaches are informed by the 'Do, Enable, Influence' framework set out in the corporate plan.

- 2.3 This framework recognises that although a key player, the Council cannot (and should not) act alone. As well as working with our statutory partners, [The Huntingdonshire Community Strategy – Transition Plan 2021 to 2023](#) sets out our approach to working with the community,

community organisations and other local partners to deliver positive outcomes for our residents. It sets out the need for joined-up solutions, and the creation of opportunities that make sense to our residents, not just the organisations that deliver them. The approaches set out in this report are driven by those principles.

### 3. ANALYSIS

- 3.1 Financial vulnerability is the risk of a person not being able to withstand or recover from financial shocks. While this might be a sudden loss of income or a sudden increase in expenditure, it can also be the result of cumulative impacts of these factors over a longer time. In such circumstances even those with above average incomes can be financially vulnerable. Data from the [Financial Conduct Authority](#) (May 2022) suggests around 25 million UK citizens exhibit characteristics of financial vulnerability.
- 3.2 Such numbers illustrate the scale of the challenge for 'Keeping People Out of Crisis' in relation to financial vulnerability. Latest [data from the Office of National Statistics](#) indicates that 7.4% of Huntingdonshire's population suffer income deprivation. This is defined with people on low incomes who are in receipt of benefits and tax credits. Based on a total Huntingdonshire population of 180,833 ([2021 Census](#)) this means there are 13,381 people experiencing income deprivation. The numbers who are financially vulnerable will be even greater.
- 3.3 The nature of financial vulnerability and financial crisis across a population is illustrated in Figure 1.

### 4. SUPPORT FOR THE FINANCIALLY VULNERABLE

- 4.1 A range of services exist to support the financially vulnerable and those in financial crisis. Some services seek to address financial aspects of the vulnerability or crisis, by seeking to maximise income (e.g., benefits maximisation, support from the Household Support Fund). Others also seek to address the imbalance between income and expenditure (e.g., support with budgeting or access to social utility tariffs). Other services seek to address the consequences of financial crisis or vulnerability (food banks, provision of warm spaces). While there are some notable exceptions, many services focus primarily on a single aspect of financial vulnerability or crisis. That single aspect is often a symptom of the problem rather than its underlying cause.
- 4.2 Such support is inherently valuable. It addresses immediate hardship and helps prevent 'downward spiral'. However, there are clear limitations to approaches that address neither the root causes of problems nor the fact that these causes are complex and inter-related.

*"This isn't a warm hub, it's a necessity hub"*

User, Warm Space programme, Winter 2022/23

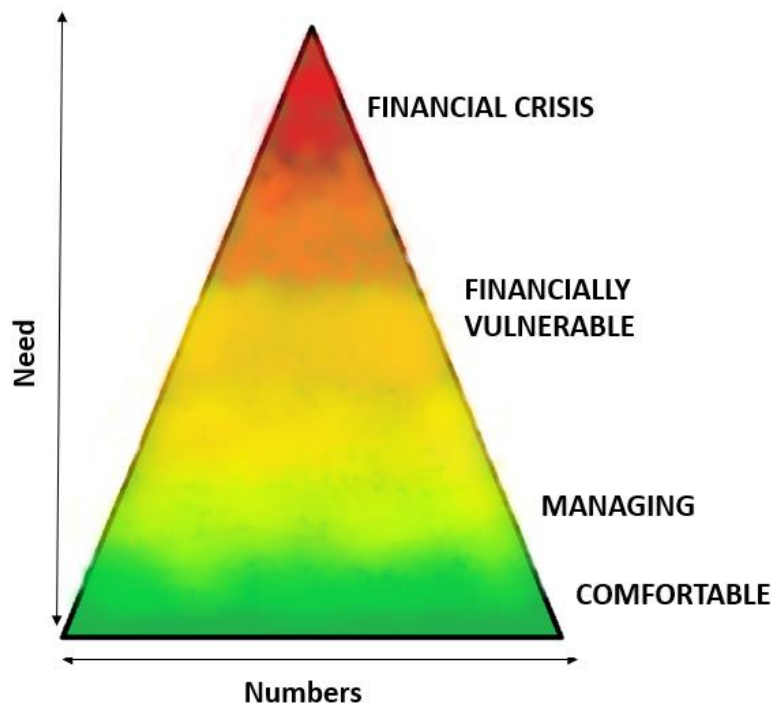


Figure 1: The nature of financial vulnerability in a population

## 5. FINANCIAL VULNERABILITY: COMPLEXITY AND CAUSES

5.1 Financial vulnerability is not simply an issue of low income. The Financial Conduct Authority (FCA) says '*all customers are at risk of becoming vulnerable, but this risk is increased by having characteristics of vulnerability*'. THE FCA describes four key drivers of financial vulnerability:

- health
- life events
- financial resilience
- financial capability

5.2 It is clear from paragraph 5.1 that financial vulnerability is about much more than income and expenditure. Our developing approach is therefore based on support that considers both the consequences and causes of financial vulnerability. This approach allows us to characterise our activity in terms of the preventative models used by partners such as health and the police. In this model:

- primary prevention is where an illness or a problem is prevented from developing.
- secondary prevention is where a disease or issue is detected and dealt with early, ideally before symptoms are present, thus minimizing serious consequences.
- tertiary prevention is where an existing problem is managed to prevent complications or further damage.

5.3 This preventative activity can be overlaid onto of the levels of need previously shown in Figure 1

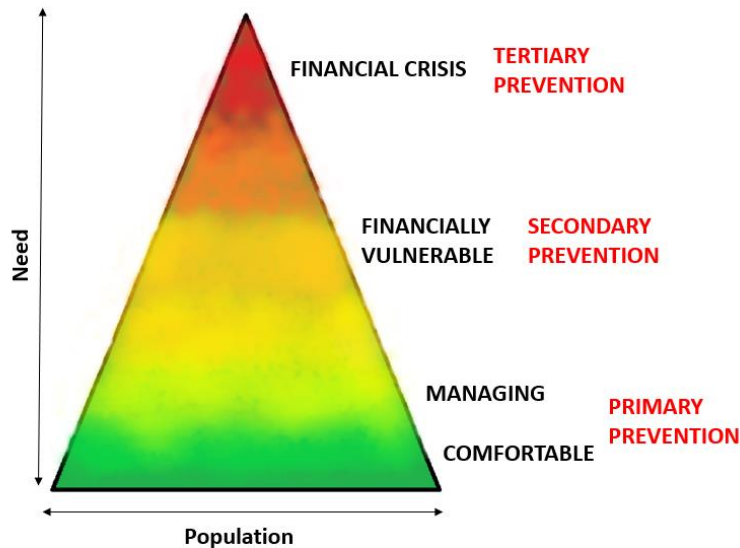


Figure 2: A prevention model for financial vulnerability

5.4 One of the benefits of this model is that it gives an immediate, intuitive visualisation of the scale of the intervention needed at each point. For example, primary prevention activities that deliver to small numbers of people will not be of significant impact at a population level, however valuable they are for the individuals receiving the intervention. In this context it is important to note that actions set out in Priority 2 of the corporate plan will represent primary prevention for financial vulnerability for many of our residents.



5.5 As financial vulnerability is not just about income, support to the vulnerable (and those already in crisis) must consider the different causes of financial distress. For example, Para 5.1 explains that the risk factors for financial vulnerability includes health. It would be tempting to consider improving health be an issue solely for the NHS. That is not the case. In fact, access to good quality healthcare is a minority contributor to good health at a population level. Rather, good health is created by where we live, learn, work and play. Various models have quantified the contribution of each of these 'wider determinants of health'. One is shown in Figure 3:



Figure 3: The Determinants of Health (Robert Wood Johnson Foundation)

- 5.6 The [Marmot Review](#) described how the variation in exposure (or access) to the wider determinants of health produces a 'social gradient of health inequalities'. Put simply, the lower one's social economic status, the poorer one's health is likely to be. The poorest not only die sooner but spend more of their lives with a disability. Marmot sets out the social and economic costs of health inequality and identifies local government as pivotal in addressing these issues.
- 5.7 As Figure 3 illustrates, the wider determinants of health are a diverse range of social, economic and environmental factors which influence health, well-being and inequality ([HM Government, 2018](#)). These inequalities result in [different aspects of deprivation](#) that come together to shape the lives and futures of those in our communities. These relate to:
- Income
  - Employment
  - Education
  - Skills and Training Deprivation
  - Health
  - Crime
  - Barriers to Housing and Services
  - Living Environment
- 5.8 These relationships between the causes of financial vulnerability, poor health and deprivation are shown in Figure 4

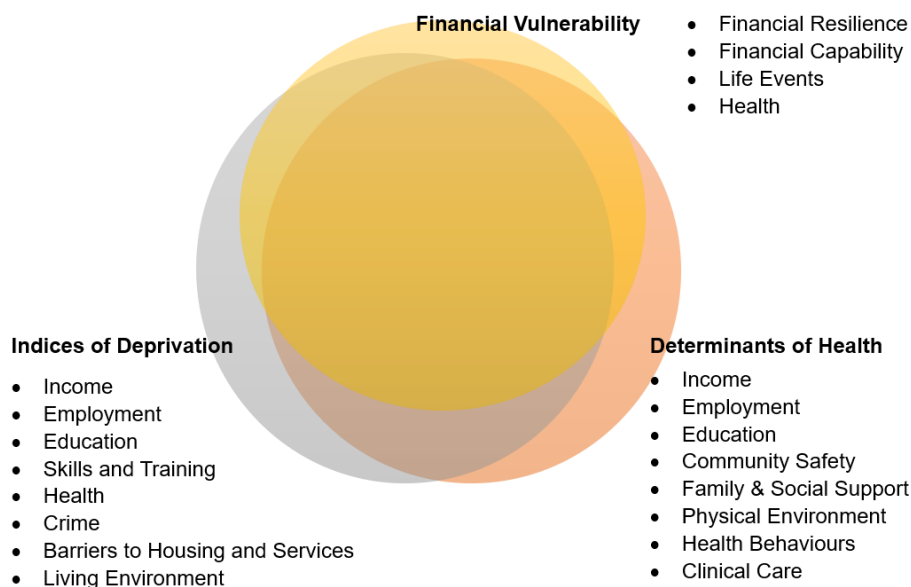


Figure 4: The common causes of poor health, financial vulnerability and deprivation.

5.9 These massive overlaps shown in Figure 4 mean that in practice, residents whose circumstances make them financially vulnerable will likely be vulnerable to poor health. Indeed, we might consider *'the causes of poor health to be the same as the causes of poor wealth'*. While as a council we have relatively little control or influence on some of the factors listed above (e.g., educational attainment), others are much more in our sphere of delivery or influence (e.g., physical activity; skills and employment). This is informing our action - as set out in the case study below.

## 6. CASE STUDY: COUNCIL TAX DEBT RELIEF PILOT

6.1 Individuals who fall into arrears with Council Tax trigger a process of both support and enforcement which, if unresolved, can result in an attachment of earnings or benefits order. For those on benefits a (usually small) amount is deducted at source to pay off the debt. For many this represents a debt that can take many years to clear.

6.2 Our Council Tax Support Scheme aims to help those on a low income by reducing the amount of Council Tax they must pay. Recent proposals to amend the scheme, if adopted, should reduce the number of people newly falling into Council Tax debt. However, a significant number of residents have existing debt.

6.3 In partnership with Cambridgeshire County Council and Citizen's Advice Rural Cambs, we have developed a pilot which will to offer individuals a package of support that seeks to address the wider causes of debt. These are based on the wider determinants models set out above. While not all offers will be suitable for all participants, the intention is for a 'basket of offers' to be made available to each participant.

6.4 The purpose of highlighting the pilot project here is to show the practical application of the principles described above. These are:

- a targeted approach to a defined group (in this case a group 'in crisis'; so tertiary prevention)
- a holistic approach that recognises the interrelated causes of financial crisis

- a personalised approach that recognises individual circumstances
- ongoing support and encouragement delivered by single 'case manager'.
- a basket of interventions based on the wider determinants of health/wealth, including:
  - a financial health check (including income/benefits maximisation)
  - financial literacy/skills education
  - free gym and physical activity offers
  - link with Healthy You, (lifestyle services such as stop smoking and weight management)
  - access to a skills and employment advisor (including volunteering opportunities)
  - digital connectivity
  - social isolation – link to community activities (in addition to volunteering and physical activity opportunities)
  - link to How Are You Hunts (including self-help tools) for mental health and wellbeing.

## **7. SUPPORT IN A COMPLEX SYSTEM**

7.1 Given the clear evidence on the commonalities between the determinants of health, financial vulnerability, inequality and deprivation, our approach has a sound theoretical basis. Yet the basket of interventions we propose are broadly already available. So, it is reasonable to ask what value we are seeking to add to the current system of support. To answer that we need to understand that the current system of supporting those in need. It is characterised by:

- Services commissioned or provided by statutory sector organisations such as the council and its partners (such as, Cambridgeshire and Peterborough Combined Authority; Cambridgeshire County Council; the local health service; the Department for Work & Pension and more).
- Services provided by the voluntary, community and social enterprise (VCSE) sector. The size and scope of these organisations varies from the national to the hyper-local. Some organisations are funded by the local statutory sector (Ro others are not. In some cases, these arrangements have been the outcome of competitive commissioning processes. In other cases, grant funding arrangements are more ad hoc in nature. In many cases there are no local funding arrangements.

7.2 While the above results rich mix of provision, there are significant drawbacks. The system is incredibly complex and varies across geographies. This makes it difficult to navigate for both professionals and residents alike. Additionally, many services, are set up to address a single issue rather than the range of needs faced by the vulnerable and those in crisis. The combination of these factors leads to those in need being bounced around the system or being unable to identify and access support.



*“We realised through public consultation that the health and inequality needs people expressed were already available within the town, but there was no easy or clear way to find this out”*

Funded Partner – Health Inequalities Programme 2022/23

7.3 The support available in the local system is provided in a number of different ways, each of which requires different levels of resource, effort, skill and time to deliver.

7.4 These different levels of support are illustrated in Figure 5. They may be defined as:

7.4.1 Case Management: a process where those in need are supported to develop an agreed plan based on awareness and availability of the various support available.

7.4.2 Referral: Those in who are need are ‘introduced’ to providers in the system to provide support that is not available from the organisation/department they are engaging with

7.4.3 Signposting: Those in need engaging with the system are informed of other services that might benefit them.

7.4.4 Self-Service: Those able can access digital or physical directories of support – either independently or because of successful signposting. The onus is then on the ‘self-server’ to engage with the support service(s) they consider might be helpful.

7.4.5 Nothing: Those in need are unaware of the support available, or access support for a single issue but are not linked with a range of support based on their needs

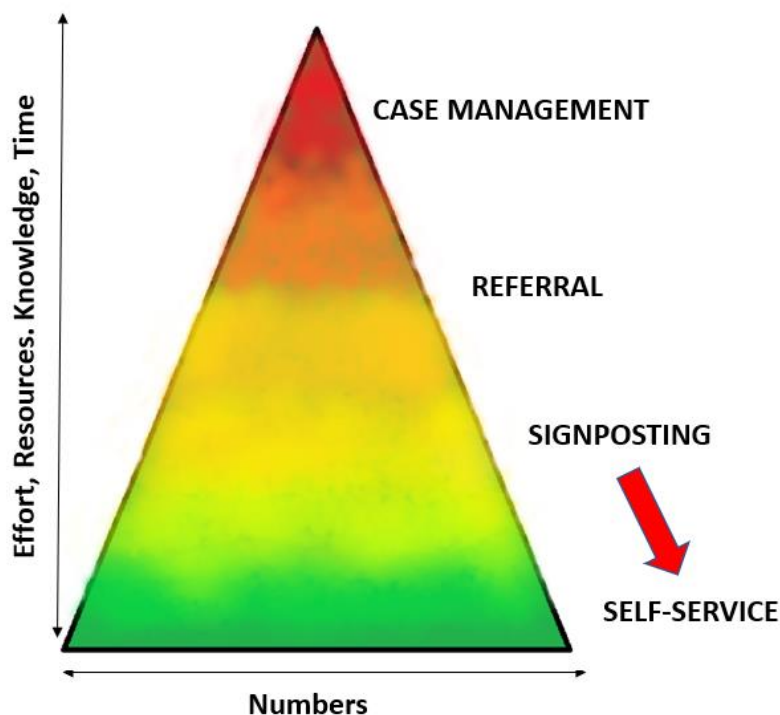


Figure 5: Differing Approaches to Support. Note that signposting acts to turn those seeking support into ‘self-servers’.

- 7.5 The closer to the apex of the triangle in Figure 5, the greater the resource is required to deliver that approach. Case management approaches require development of a relationship, provision of ongoing support and regular engagement with the client.
- 7.6 The numbers seeking support from the system are greater than the capacity to deliver a case management approach to them all. For example, there were 1690 applications to the Cambridgeshire County Council administered Household Support Fund from Huntingdonshire residents 15<sup>th</sup> May and 31<sup>st</sup> July.
- 7.7 A case management approach is not deliverable to all the financially vulnerable and in crisis. However, we may make significant improvements in access to support by simplifying and better coordinating the other types of support set out above and shown in Figure 5.
- 7.8 For example, the basket of opportunities developed for the Council Tax project can be amended and delivered in different ways depending on the population group and the level of need. The FCA risk factors for financial crisis includes 'life events.' Rather than awaiting symptoms of financial crisis before support is offered, support could be offered at the point of such life events. This is the basis for a pilot we are developing which directs people to support when they move home. Other stressful life events (e.g., bereavement, job loss, pregnancy), offer further potential opportunities for intervention. The approach may also be amended and deployed in other ways such a geographical area of high deprivation or when people present for support in places such as food banks or warm (community) spaces.

## **8. DO/ENABLE/INFLUENCE: SIMPLIFICATION AND COORDINATION OF THE SYSTEM**

- 8.1 Historically, public services to support those in need were designed around the delivery a range of individual services. More recently, it has been recognised that many of the problems faced by individuals and families are inter-related and that service delivery in silos has severe limitations. This has led to moves towards multi-agency partnerships and working, co-location of services and 'lead professionals' to coordinate service delivery. This approach assesses need more holistically and delivers a more personalised approach to providing services and support.
- 8.2 This approach is increasingly common for those in the greatest need and who meet certain thresholds for support. Their need is therefore translated into a demand for services.
- 8.3 Yet need still exists below these various service thresholds. Individuals may interact with a range of public and voluntary services, yet this may be on a transactional or single-issue basis where their overall needs will neither be visible nor sought. For example, individuals may seek financial support or use food projects without being linked with other support. In these circumstances the system is 'blind' to the wider needs of those seeking support, even when interacting with them.
- 8.4 As illustrated in Figure 5, when the system 'signposts' those in need, it interacts with someone seeking help and then invites them to self-serve. Yet there are several barriers to 'self-service' of which awareness (the barrier signposting attempts to overcome) is only one. For example, [15% of adults in England are functionally illiterate](#) and given education and skills are determinants of health/wealth described (see Figure 4), this figure is likely to be higher in the population who are vulnerable or in crisis. Other issues that limit the impact of signposting are shown in Figure 6.
- 8.5 While signposting will be appropriate in some circumstances (e.g., those searching online for support), it is a less than optimum outcome for someone who is in receipt of support from one of the services or organisations in the system (e.g., a food project, a community group or

council service). Supporting a modal shift from signposting to referral would therefore result in improved access to the correct support for those in need.

- 8.6 Designed with partners, we have developed the [We Are Huntingdonshire](#) website. Those working with residents in need of support are taken through a series of simple questions that helps identify what a resident may need help with and directs them to the information to enable them to find a solution. Residents with multiple needs can be referred to our Residents Advice and Information Team for more in-depth support. Additionally, we are working with County Council colleagues to review referral tools in place in other areas.
- 8.7 As well working to join up offers and services through improved referral pathways, we will seek to simplify the system where we can. For example, we have begun work with our partners at Citizens Advice Rural Cambs and Cambridgeshire County Council to consider our interactions and the possible joint models for supporting the financially vulnerable and those in financial crisis. A basic analysis of the different aspects of the services provided is shown at the top of Figure 6. While to some extent these approaches are complimentary, there is also overlap. We are also undertaking process mapping work to better understand how those seeking support arrive to the attention of the three services, and what their journey is after the initial contact. There is no predetermined outcome for this work, though we will consider both better coordination and consolidation of services.

## **9. EXTERNALLY FUNDED WORK**

- 9.1 Better access to support packages that reflects people's real-life needs is core to our approach. However, the reality of public sector funding systems means that external short-term or one-off funding often becomes available. Such funding streams tend to have narrowly stipulated outcomes. However, in such cases we also seek to adopt and advance the principles and approaches set out above. Current examples are:
- 9.2 UK Shared Prosperity Fund: Barriers to Skills and Employment (till March 2024). As with the provision of services to support the financially vulnerable, the skills landscape is complex, confusing and can be difficult to access. However, there is a wealth of (often fully funded) provision in this area. As well as lack of awareness, people often face practical barriers to access such as transport and childcare. Many face similar issues with accessing employment (or increasing hours of employment)
- 9.3 This fund allows us to provide direct support to individuals to overcome those barriers. This will be delivered through skills and employment advisors who will not sit in a fixed location but will go into the community and offer support to people in locations they already attend (community groups, food projects etc). We are also working with partners to link this approach with existing services such as the St Neots Citizens Hub and specific cohorts such as young people in supported accommodation, young people not in employment education or training (NEET) and participants in the Council Tax Debt pilot. In each case supporting the pathway to better quality participation in the jobs market will consider that the barriers may not simply be practical (e.g., transport) but may be based on other issues (from the wider determinants model). In such cases the 'basket of opportunities' approach will be used.

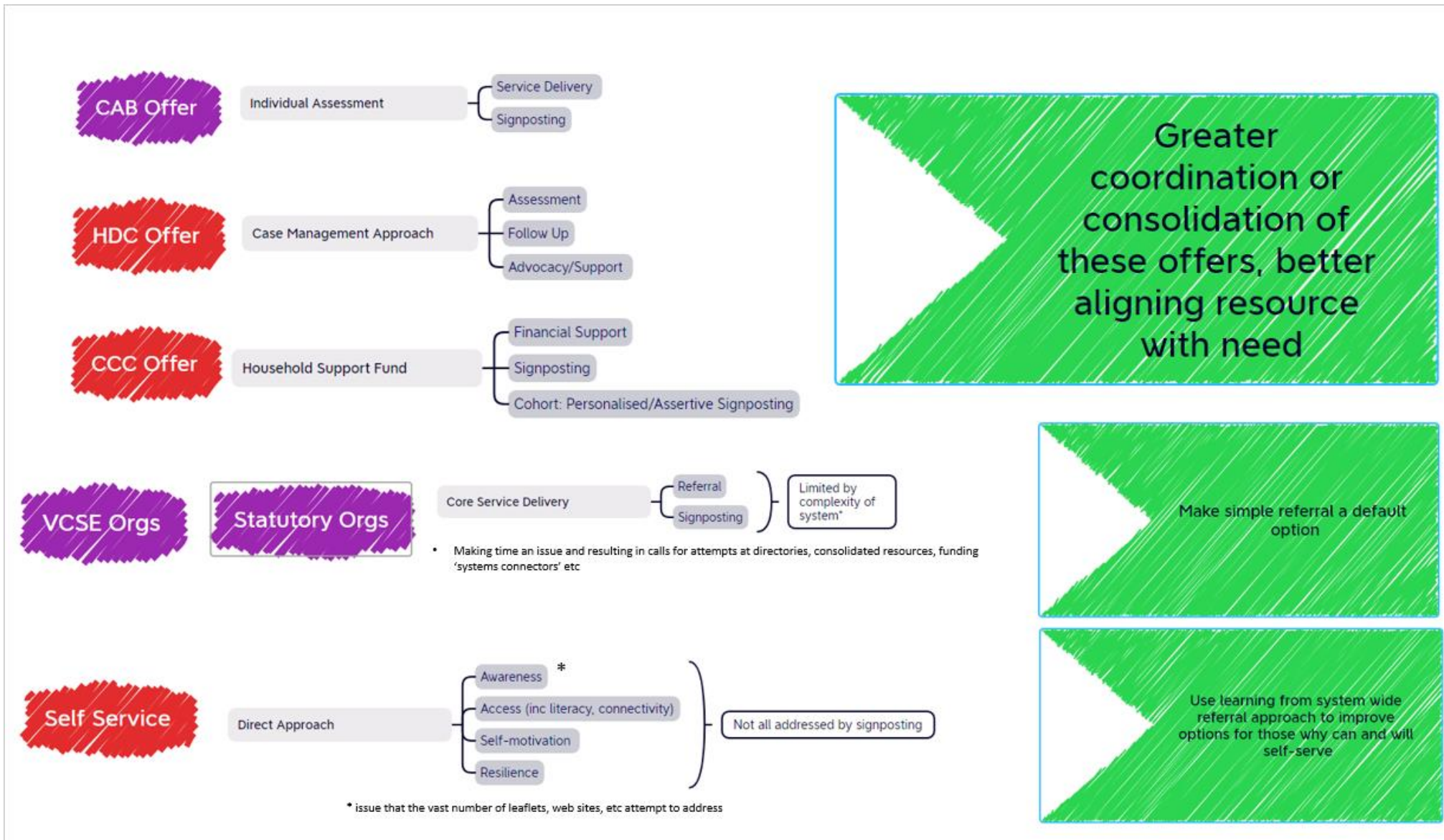


Figure 6: Improving access to support.

- 9.4 Integrated Care System Funding: Physical Activity: HDC has received £249,600 from the local NHS Integrated Care System to offer residents evidence-based interventions for those with mild to moderate frailty and those at risk of cardiovascular disease. We are delivering this programme using the Council's 'Do, Enable, Influence' model. In addition to activities delivered by our Active Lifestyles Team (Do), we are also looking to support and work with organisations who wish to deliver new and sustainable initiatives (Enable). This model of 'in the community' and 'by the community', builds on the approach of the 2022/2023 Health Inequalities programme. To allow us to broaden our pool of delivery partners we have worked with Hunts Forum (our contracted VCS infrastructure support organisation) to develop and adopt a set of 'minimum governance requirements' that strike a balance between giving us assurance on public expenditure without creating unnecessary barriers to participation, especially for smaller voluntary and community organisations. As part of this programme, we are also exploring innovative approaches to connect residents to existing services or opportunities that would prevent or delay frailty or cardiovascular disease (Influence).

## 10. SUMMARY

- 10.1 The strong links between income and health are [well-understood and accepted](#), with many health outcomes improving incrementally as income rises. Income can affect many aspects of health and in turn, have a knock-on effect on the other social determinants. For example, a parent's income may be linked to a child's early development and educational opportunities, which in turn can affect a child's employment opportunities and their income.
- 10.2 Progress on the priorities across the corporate plan will therefore contribute to the financial, physical and mental health of the population. However, we cannot deliver these outcomes alone. A significant challenge is both the scale of the problem and the fact that in times of financial constraint, much of the support offered is non-statutory in nature. For example, our Residents Advice and Information Team developed as a response to supporting the consequences of the pandemic and is not funded from core budgets. Similarly, the County Council anti-poverty response is predominantly funded by the Household Support Fund, which has been renewed by government on an annual basis and is not guaranteed after this financial year.
- 10.3 Our approach to delivery in partnership based on the wider determinants; better connecting those in need to existing support in the system and our do/enable/influence delivery model will underpin the forthcoming refresh of the [Community Strategy](#). As part of the development of that work we will consider how our investment in the voluntary sector can best enable this approach. This also builds on [Huntingdonshire Futures, our place strategy](#) which seeks to improve the lives of all our residents, communities and businesses and which has 'health embedded' as one of the key journeys within the plan.

## **11. KEY IMPACTS/ RISKS**

- 11.1 While work to better coordinate the existing system of support is not necessarily dependent on resource, the current funding arrangements for the HDC and CCC services represent a risk to the overall capacity of the system.

## **12. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION**

- 12.1 The Community and Health strategy will be revised and presented to committee in this financial year.
- 12.2 We are working with our main funded service providers (Citizen's Advice Rural Cambridgeshire and Hunts Forum) to consider how our contracted arrangements can best support the approach set out in this paper.
- 12.3 We continue to work alongside Cambridgeshire County Council who have begun to explore the feasibility of a countywide referral tool/system. While we continue to promote 'We Are Huntingdonshire (WAH)'; any countywide developments will need to inform our approach to further development of the WAH tool.

## **13. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES**

- 13.1 Paragraph 2 of this report sets out the links to the corporate plan, with a particular emphasis on Priority 1.

## **14. LEGAL IMPLICATIONS**

- 14.1 None

## **15. RESOURCE IMPLICATIONS**

- 15.1 The report does not request new resource, though note the current funding arrangements for the Council's Resident Advice and Information Team.

## **16. HEALTH IMPLICATIONS**

- 16.1 Paragraph 5 of this report described the overlap between the causes of financial vulnerability and the causes of ill-health. Action on financial vulnerability is therefore action to improve health.

## **17.BACKGROUND PAPERS**

- 17.1 Links to background papers and primary sources of information are made in the report.

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