

Appendix B: Summary of quantitative analyses on Single View of Debt and Vulnerability

8th February 2022

Reminder of the initial insights we gathered

The initial insight is based on a snapshot in time view from the dashboard (12th October 2021 data).

The findings noted should be viewed in line with the data limitations.

1

The **debt profile in Barnet is varied** across different resident groups and faces **increasing risk** due to the lasting impact of COVID-19

2

c.93% of households (c.37,075) only have council tax debt and are not known to other service areas (in this case, Adults and/ or Barnet Homes) and **a large proportion of Barnet's council tax debt (£27.86m) should be less sensitive to collect**

3

c. 24% of total households (9,428) have multiple debts which exceed £1000

4

An estimated **c.7% of Barnet households (2,640) with council tax debt have some form of other vulnerability** (also known to Adults and/ or Barnet Homes)



Individual case studies

Resident living in
Totteridge who is
financially stable



- Council Tax Debt: £1,416.00
- Mortgage Holder
- Not known to any Council Services
- Zero Bad Credit
- No Default Markers
- Priority Payer classification
- Case reference: 33797003

Resident living in High
Barnet paying non-
priority debts



- Council Tax Debt: £2,613.98
- Not known to any other Council Services
- High Debt Utilisation (90%) Being Paid Down every Month (Credit Card balances although high, are decreasing month-on-month)
- Credit Card Accounts: 3
- 1 Default Marker
- No Mortgage
- Case reference: 31784850

Resident living in Burnt
Oak facing financial
hardship



- Council Tax Debt: £5436.00, Other Council Debts: £2500.06
- Number of Council Services Known to: 6
- Council Rent Arrears over £1000
- Previously on COVID-19 Support
- Debt Level Increasing
- No Mortgage
- 19 Default Markers on Accounts
- Case reference: 40110406



What is the current debt collection process for each group?

Resident living in
Totteridge who is
financially stable



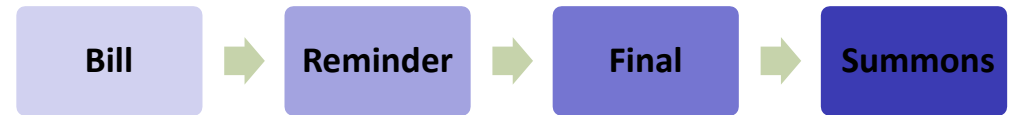
Resident living in High
Barnet paying **non-
priority debts**



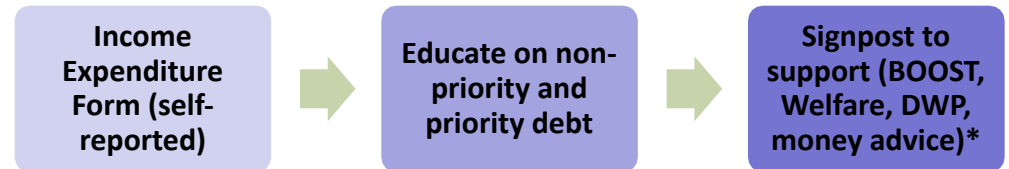
Resident living in Burnt
Oak facing **financial
hardship**



The process for each of these resident groups is the same initially (little to no proactive contact from the council) ...



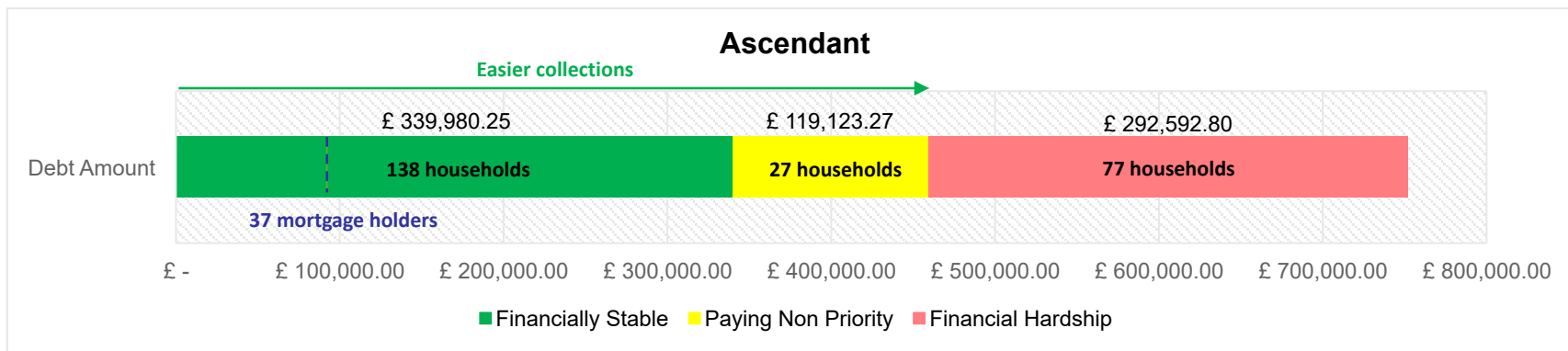
... Unless a resident proactively reaches out to the council, then:



**these are also signposted in the letters sent at initial stages*



Summary of analysis from Ascendant proof of concept



Ascendant Category Definitions

Financially Stable	Those with no bad credit files, no/ low outstanding credit or debt, maintained current accounts and income, mortgage holders with maintained current accounts
Paying Non Priority	Those with outstanding credit/ debt, maintained current accounts who have credit balances that being paid off consistently but do not show financial stress within their credit or income history
Financial Hardship	Those with bad credit files, outstanding credit or no financial footprint, with current accounts in stress or with a low/ negative maintained amount

If the PoC was rolled out to the full CTAX cohort:

Approx. cost £25k	Est. ROI £429 collected every £1 spend	Est. impact £10.6m of add. CTAX debt collected (not from hardship cohort) & 8,712 households facing hardship supported

Actions/ Recommendations

1) Easier collections via Ascendant 'behavioural nudge' letters – 68%:

138/ 242 households (57%) are deemed financially stable and out of the 138, 37 (15%) are mortgage holders. 27/ 242 households (11%) are deemed as paying non-priority and can be informed of different types of debt (priority vs. non priority) to support collection*

2) Providing more targeted hardship support – 32%:

77/ 242 households (32%) are deemed as facing financial hardship and require support from cross-service welfare/ hardship teams and signposting to 3rd sector money advice specialists*

Note: those that are did not match in the analysis will fall into default collection as outlined in slide 6

*Email templates from Ascendant can be found in the Appendix

