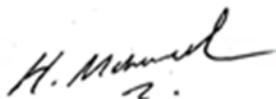


LONDON BOROUGH OF CAMDEN	WARDS: All
REPORT TITLE Cost of Living, Debt and Financial Resilience Report	
REPORT OF Director of Communities and Housing Support	
FOR SUBMISSION TO Resources and Corporate Performance Committee	DATE 6 th February 2026
<p>SUMMARY OF REPORT</p> <p>This report outlines how we are tackling the Debt Challenge as articulated in We Make Camden: Everyone can get the support they need to avoid debt and be financially secure. It provides an update from the Debt and Financial Resilience team, who provide direct financial support to residents through grants and cash awards, together with specialist welfare rights and debt advice.</p> <p>LOCAL GOVERNMENT ACT 1972 - ACCESS TO INFORMATION:</p> <p>No documents that require listing have been used in the preparation of this report.</p> <p>Contact Officer:</p> <p>Amy Kimbangi Head of Debt and Financial Resilience 5 Pancras Square, London NC1 4AG Amy.kimbangi@camden.gov.uk</p> <p>020 7974 2370</p>	
<p>RECOMMENDATIONS</p> <p>That the Committee is asked to consider and note the report</p>	



Signed:

Hanad Mohamed

Date: 23/12/2025

1. Background

1.1 In 2024 Camden invested in a new corporate team, Money Advice Camden, to deliver on its Debt Challenge: *Everyone can get the support they need to avoid debt and be financially secure.*

1.2 This new team emerged as an evolution of the existing 'Tackling Poverty' service which has been delivering hardship grants and support since the start of 2020. Whereas originally the team focused primarily on delivering Cost-of-Living support through grants, the new structure of the service now includes:

a. Crisis support : Focused on the continued disbursement of welfare and hardship support through a range of grants, including targeted, proactive awards such as support for low-income pensioners, school holiday hunger vouchers and maternity grants, as well as reactive support for those struggling to make ends meet or facing one-off emergencies. Outreach is a key part of the delivery model, helping to identify and engage with residents who are less likely to come into contact with the Council and may be unaware of the support available.

b. Financial resilience support: A new capacity to deliver specialist, holistic and relational support to residents who need it. This team includes: Financial Support Coordinators, who can help residents understand and manage their budgets and apply for reductions and discounts, maximising their income and acting as first point of contact and able to connect to expert support as needed; Welfare Rights Advisors, to support residents in ensuring they are claiming their full benefit entitlements and represent at tribunal for appeal cases; and Debt Advisors, supporting residents with more complex cases of debt to manage their payments and ensure their situation does not escalate further.

c. Data capacity: Alongside this, the team has also built data capacity and continued collaborating closely with the Strategy and Design team to bring design capabilities to the way it works. This has allowed a greater focus towards delivering work that is data-led and proactive, reaching out to residents who we know are likely to be struggling, increasing the potential reach and impact of the work.

1.3 During its first year of delivery the team has focussed on three key areas:

- i) Provide financial support via grants and cash transfers to residents experiencing financial hardship.
- ii) Providing accessible, trusted, quality advice and support to those in and at risk of debt
- iii) Better understand the experience of people who owe debts to the Council and use these insights to drive changes in our own revenue collection, ensuring we collect debt ethically and effectively, and prevent it from escalating.

Work delivered this year

2. Crisis Financial Support

2.1 Camden has continued to provide substantial cash support to residents impacted by the Cost-of-Living Crisis, investing an additional £2 million alongside the government-funded Household Support Fund (HSF), bringing the total amount of financial support available to residents to £4.7 million.

2.2 Crisis grants remain a key mechanism for residents to access financial support. Between 1 April 2024 – 31 March 2025, £2,705,202 has been disbursed in 7,705 grants to residents in financial hardship:.

Funding source	Sum of grants awarded	No of grants awarded
Household Support Fund	£ 1,127,000	3,303
Cost of Living Fund	£ 1,577,902	4,402
Grand total	£ 2,705,202	7,705

The grants team delivers a strong programme of community outreach into schools, Family Hubs, community hubs and voluntary sector settings to widen access to grants across the community.

2.3 In the past year, there has also been an increasing focus on proactive financial support – using Council data and insight to identify groups who could benefit from grant support and providing this without the need for an application. Examples of this include:

2.3.1 Camden’s holiday food support for low-income families, which provides holiday food vouchers to 9,000 households and 16,000 children. Camden continues to provide a substantial scheme, allocating £2 million of Household Support Fund budget to offer support to all families in receipt of free school meals, as well as families claiming Housing Benefit and Council Tax Support.

2.3.2 A new maternity grants programme, developed in partnership with Family Hubs, Public Health, UCL, and Nesta. The pilot takes a proactive, data-driven approach, identifying eligible families through data-matching between Camden’s benefits data and NHS health records. Every eligible family is offered a £500 unrestricted cash grant to use as they wish during pregnancy.

3. Financial Resilience Support

3.1 2025 has been the first full operational year for Money Advice Camden, representing an intentional move to support residents in crisis towards greater financial stability by bringing together Cost of Living grants programmes with access to advice delivered by in-house welfare rights and debt advisors.

3.2 Money Advice Camden operates entirely on a proactive basis, identifying residents through triaging crisis-grant applications and through data-driven outbound campaigns. This approach enables support to be provided to residents who wouldn't ordinarily seek advice from the council and allows for preventative work by identifying residents at risk of severe hardship at earlier stages.

3.3 In the first year of operation (1st October 2024 – 30th Sept 2025) Money Advice Camden has delivered 11 advice campaigns including: council tax early intervention, support with Universal Credit managed migration and proactive debt support in homelessness prevention.

3.4 The Money Advice Camden team has worked on over 1170 advice cases, collectively delivering £885,722 in financial gains for residents through increasing uptake of welfare benefits and discretionary awards, and by supporting resident to manage and reduce debts owed.

3.5 Additionally, we joined a Greater London Authority (GLA) driven campaign to support Pension Credit uptake amongst low-income older residents – resulting in 221 new claims for Camden residents worth £1,025,314.

4. Debt Transformation

4.1 We know that many of Camden's lowest-income households owe multiple priority debts to the Council. Our long-term objective is to ensure that council debt is collected both ethically and effectively, in a way that improves the financial resilience of both residents and the council simultaneously.

4.2 There is robust evidence that ethical and supportive approaches to debt collection can deliver mutual benefits for both creditors and debtors. This is especially pertinent in the local government context, where unresolved debt can lead to broader system costs when residents experience financial hardship due to liabilities owed to the Council.

4.3 In 2025 we progressed our programme of work to adapt best practice from other sectors to the local government environment. This includes conducting interviews with creditors, drafting a charter of best practice, and launching pilot initiatives in three priority areas: Council Tax, communal heating charges, and residents with multiple council debts. Insights from these pilots will inform changes to operational practice in collaboration with revenues teams.

4.4 A steering group consisting of Officers from Revenue Collection and Money Advice Camden met regularly to progress the work to apply the insights gathered from external research and from direct delivery of support campaigns to debt effected residents. We acknowledge that this is a long-term and complex project, requiring coordination across multiple revenues teams and careful management of the balance between resident support and the need to maintain effective and sustainable collection practices.

5. Delivery Plan for the year ahead

5.1 The forthcoming replacement of the Household Support Fund (HSF) with the Crisis and Resilience Fund (CRF) from April 2026 is significant for this area of work, since HSF is the current primary source of external funding. Final guidance for the CRF is expected in late Jan 2026 and is likely to encourage a shift away from ongoing cash support, and towards greater support for resident financial resilience. Camden is well positioned for these changes, as the composition and focus of the Money Advice Service already makes significant provision for financial resilience support. However, the extent to which Camden services need to adapt because of funding changes will be known only with the publication of further guidance in January 2026. The following plans are subject to change depending on the final guidance received for Crisis and Resilience fund.

5.2 In our Financial Support offer, we will continue to maximise opportunities to use data and Voluntary and Community Sector (VCS) partnerships to target cash support proactively to cohorts of residents in known hardship, particularly those who would not otherwise contact the council for support, and those at identified moments of financial vulnerability. We will continue to develop our data capability and infrastructure to deliver this support as efficiently as possible. We anticipate continued delivery of a reactive/ open crisis grants scheme, though the size and shape on this scheme will depend heavily on CRF guidance.

5.3 In our Financial Resilience offer, we will continue to develop targeted welfare rights and debt campaigns, again using data and insights to identify cohorts in need of support. There will be a particular focus on key areas of resident debt (council tax and rent arrears) and support for families in temporary accommodation.

5.4 In our Debt Transformation work we will continue to fully leverage the growing body of insights from our advice work with debt-affected residents to improve and develop our debt collection practices, this will include a particular focus on residents who owe multiple debts to the council and exploring new approaches to consolidating or streamlining approaches to multiple debt collection.

6. Finance Comments of the Director of Finance

The Director of Finance has been consulted, and his comments are included in the body of the report.

7. Legal Comments of the Borough Solicitor

The Borough Solicitor has been consulted and there are no further comments to be included in the body of the report.

REPORT ENDS

