

Report to: **Cabinet**



Date of Meeting 12 May 2021

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Review date for release N/A

Poverty Strategy

Report summary:

This report presents a Poverty Strategy for adoption following the investigation and research undertaken by the Poverty Working Panel. The series of thematic Panel meetings have allowed a strategy and action plan to be drafted having regard to national good practice, local experiences and the contributions of partners.

The Poverty Strategy is ambitious and is directed at alleviating poverty in the district by aligning existing efforts, working in partnership and identifying a range of new interventions aimed at improving the quality of life for our residents affected by poverty.

This is our first Poverty Strategy reflecting the priority that Council is giving for poverty prevention, financial resilience, a strong local economy, targeted action and improved health and wellbeing. There are choices to be made about how much resource is to be focused on alleviating poverty in the district.

Is the proposed decision in accordance with:

Budget Yes ☐ No ☒

Policy Framework Yes ☐ No ☒

Recommendation:

That Cabinet:

1. Adopt the Poverty Strategy and Action Plan, and
2. Ask the Head of Paid Service to assign a Strategic or Service Lead to coordinate the activities of Services through an officer project board or steering group to deliver the Poverty Strategy, and
3. Extend the work of the Poverty Working Panel to oversee the monitoring and delivery of the Poverty Strategy and tracking good practice.

That Cabinet recommend to Council:

4. To agree a budget of £30,000 to 'pump prime' the delivery of initiatives and projects contained in the Poverty Strategy and Action Plan.

Reason for recommendation:

To agree a strategic approach towards alleviating poverty in the district and improving the quality of life of those households affected by poverty.

Portfolio(s) (check which apply):

- ☐ Climate Action and Emergencies
- ☐ Coast, Country and Environment
- ☐ Council and Corporate Co-ordination
- ☐ Culture, Tourism, Leisure and Sport
- ☐ Democracy and Transparency
- ☒ Economy and Assets
- ☒ Finance
- ☐ Strategic Planning
- ☒ Sustainable Homes and Communities

Equalities impact High Impact

The Poverty Strategy has equality issues central to its purpose and direction of travel, and seeks to level up differences in those that have and those that do not have adequate resources to lead a good quality of life.

Climate change Medium Impact

Risk: Low Risk; The Poverty Reduction Strategy is designed to reduce inequality and improve the quality of life for those who are struggling to access life essentials

Links to background information [Agenda and Minutes of the Poverty Working Panel](#)

Link to [Council Plan](#):

Priorities (check which apply)

- ☐ Outstanding Place and Environment
 - ☒ Outstanding Homes and Communities
 - ☒ Outstanding Economic Growth, Productivity, and Prosperity
 - ☒ Outstanding Council and Council Services
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1. Background

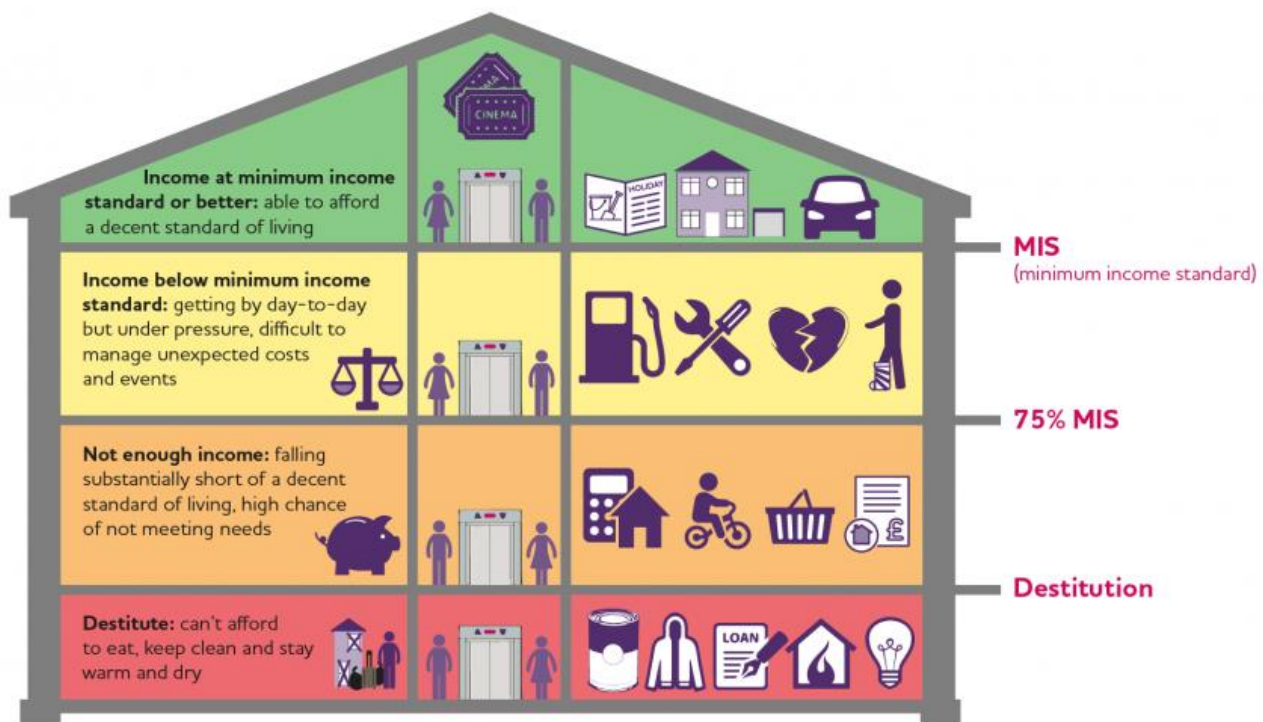
- 1.1 Poverty is an unnecessary evil in the twenty first century. It ruins life chances and spoils the quality of life of those impacted. In terms of national social policy we have made little impact on persistent poverty in recent years, and it impacts on a high proportion of people, even in so called affluent communities. Many of our Council services are steeped in the prevention and alleviation of poverty, from the administration of welfare benefits, through to public health interventions, tackling rough sleeping and economic and community development activities.
- 1.2 There is more than one definition of poverty and it can mean different things to different people, but it is generally considered that someone is in poverty when they are not able to heat their home, pay their rent, pay for food or buy the essentials for their children. There are 4 levels of poverty according to the Joseph Rowntree Foundation, 2019:
 - **Income at minimum income standard or better** – able to afford a decent standard of living
 - **Income below minimum income standard** – getting by day-to-day but under pressure, difficult to manage unexpected costs and events

- **Not enough income** – falling substantially short of a decent standard of living, high chance of not meeting needs
- **Destitute** – can't afford to eat, keep clean and stay warm and dry

1.3 Poverty is most commonly measured using either:

- People in relative low income – living in households with income below 60% of the median in that year;
- People in absolute low income – living in households with income below 60% of (inflation adjusted) median income in some base year, usually 2010/11.

Levels of poverty



There are 3 levels of poverty

- 1.4 Poverty prevention and alleviation is a priority for this Council. This ambition is prominent in the recently published **Statement of Intent**.
- 1.5 We are witnessing a stubborn level of poverty nationally and locally with signs of this worsening with the economic damage done by the Covid-19 pandemic.
- 1.6 For many years a number of our Services have been supporting low income groups maintain a quality of life through providing subsidised housing; assisting access to affordable housing; administering benefits and hardship payments; enabling full employment and quality jobs; business support and economic development; supporting community development; promoting public health initiatives and enabling health & wellbeing activities; funding financial and debt advice; supporting community and voluntary groups; etc.
- 1.7 During the pandemic we have been administering hardship funds; test & trace payments; Local Restrictions Support Grant; Additional Restrictions Grants; Business Rate Relief; Community Support Hub; Corona virus Community Food Fund; Covid-19 Prompt Action Fund; as the main sources of financial support that relate specifically to the pandemic.

2. The Poverty Working Panel

- 2.1 The Poverty Working Panel was established by Cabinet in February 2020 (delayed start due to Covid -19). In so doing Cabinet agreed the following as the purpose of the Panel:

To assist Cabinet in the development of an East Devon Poverty Strategy, to monitor progress against the Strategy once adopted and to review the Strategy on an ongoing basis and to make recommendations to amend it as appropriate. Also to consider the progress of the actions in relation to poverty agreed to by Cabinet at its meeting of 8th January 2020.

2.2 At the 8th January 2020 Cabinet meeting, it was resolved that the following recommendations from the Overview Committee be agreed:

1. *Consider funding the creation of an East Devon Poverty Strategy to further develop and target the areas identified within this report that we are able to influence and to support a corporate approach to ensure consistency across Council Services.*
2. *Carry out a review of the funding and delivery arrangements for Money Advice to ensure that we're focussing on the key issues identified in the report.*
3. *Recommend that Council protect the existing funding levels contributed for Money Advice to Homemaker South West and Citizens of circa £120,000 for 2020/21 to enable the review (Recommendation 2) to be undertaken.*
4. *Update Corporate Debt Policy to include; Breathing Space in-line with proposed Government changes & to consider any other supportive measures that may be beneficial.*
5. *Agree to the Council's frontline services, in collaboration, setting up a series of local events across the District with key stakeholders that focus on Universal Credit, Money/Debt advice (including how to avoid Loan sharks), budgeting, fuel poverty etc. with the over-arching aim of supporting people to become more financially resilient.*
6. *Consider lobbying central Government directly and/or through our MPs in the following areas;*
 - *Right to Buy*
 - *Removing the freeze on Local Housing Allowance Rates in order to be reassessed to reflect market rents.*
 - *Universal Credit – More financial support to be given to customers to help with the transition. More funding to be given to local Councils to reflect the support that customers need with moving onto this Benefit.*
7. *Continue to explore opportunities to increase our supply of social housing through either redevelopment of existing stock and/or building new Council Housing, in conjunction with a review of the current Housing Revenue Account business plan.*
8. *Agree to the Council working alongside East Devon foodbanks to better understand demand and eradicate dependency that could lead to a reduction and possible extinction of the need for foodbanks in the district.*
9. *Undertake a detailed analysis of fuel poverty in the district with a view to developing a separate action plan.*

2.3 The Poverty Panel's primary outcome for the work it is undertaking should be aiding in the production of the East Devon Poverty Strategy with a view to tackling poverty in the district.

2.4 The key question, therefore, is:
How can the Council's tackling/anti-poverty approach be coordinated, improved and captured in a corporate strategy document that improves the situation for households in poverty in East Devon?

2.5 The Poverty Working Panel included in its scope poverty relating to income & employment; debt & financial vulnerability; food & nutrition; affordable warmth & water; affordable housing & homelessness; and health equality.

2.6 The Poverty Working Panel adopted a series of Lines of Inquiry these included:

Anti-Poverty Strategy: How can the Council tackle poverty in the district? How should it be framed and targeted? How do we measure the impact? How do we ensure this is a genuine cross cutting theme mainstreamed across council services?

Target Areas: This policy is central to the Council Plan priorities and achieving sustainable communities. Are the target areas of policy intervention being consistently delivered and understood?

Partnership Working: The Council cannot tackle poverty in isolation. What are the limitations on the Council's influence and ability to tackle poverty? What should the role of East Devon Public Health Strategy be in future? How do we best coordinate partnerships to deliver shared anti-poverty ambitions? How do we work effectively with community and voluntary groups?

2.7 Aligned with this thinking the Poverty Working Panel attempted to ensure the following:

Outcomes: While the strategy is intended as a long term commitment it is important to know what outcomes are expected, and what will be achieved in the short term. Can these outcomes be identified, and are the long term ambitions realistic, achievable, measurable and appropriate?

Resources: The strategy might signal a fundamental shift in the way that the Council operates. To what extent will the strategy influence the council budget and attract sufficient resources?

Councillors: Councillors play an important and active role in their communities and will be critical in delivering the strategy. How can this be achieved? How can we best lobby for change in social policy that addresses poverty?

Cross Cutting: To be effective the strategy needs to influence how every Service operates. Has this happened to date? How could the strategy be cross cutting and meaningful?

Awareness: To have impact the strategy needs to be widely understood. How do we ensure that stakeholders, partners and residents understand the strategy and what it means for them?

What Works and what doesn't Work: What has the Council's approach on poverty achieved to date? How can the Council do more of what works?

3. Towards a Poverty Strategy

3.1 The Poverty Strategy will tie together the existing activities we undertake across our Services, with some new projects and stretch targets to reflect the current picture of poverty across the district and the anticipated worsening due to the impact of the pandemic and Brexit projections (reasonable worst case scenario).

3.2 The Council's approach set out in this emerging Poverty Strategy reflects evidence on the nature of poverty in East Devon and changes in the national social policy over the past decade. Poverty is a cross cutting theme with a number of Council Services involved in our interventions.

3.3 It also builds on the learning from the Council's existing approach to supporting individuals and communities. This learning includes:

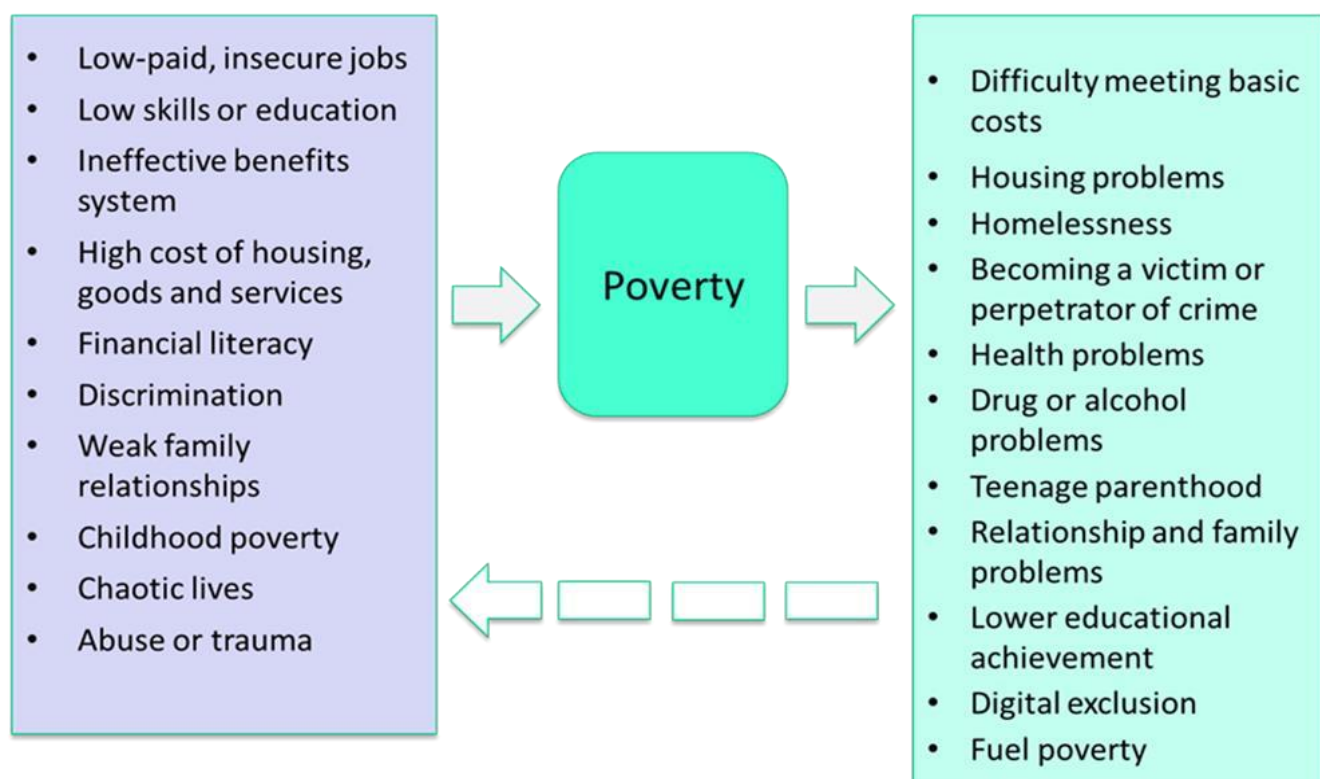
- The importance of balancing efforts to address the immediate effects of poverty, with preventative work to address the root causes of poverty.

- Being clear on which issues can be addressed by direct delivery by Council services, which issues can be achieved through partnership working (where more can be achieved through collaboration), and which issues require influencing and lobbying activity (where powers lie with Government or other agencies).
- A need to build the capacity and resilience of residents and communities.

3.4 Poverty is defined in different ways including not having enough possessions or income for a person's needs; the condition of being extremely poor; a person or community that lacks the financial resources and essentials for a minimum standard of living; household income below 60% of the average.

3.5 Six types of poverty have been recognised – situational; generational; absolute; relative; urban; and rural.

The causes and effects of poverty are summarised below:



3.6 The Poverty Panel have considered and approved a Plan on a Page overview (**annex 1**) and five high level objectives that broadly sit with our Services:

- 1 Helping people on low incomes to maximise their household income and minimise their costs, building financial resilience and reducing indebtedness. Lead Service – Finance.
- 2 Strengthening families and communities, including supporting groups of people that are more likely to experience poverty, and community and voluntary groups working to combat poverty. Lead Service – Housing.

- 3 Promoting an inclusive economy, by raising skills and improving access to a range of employment opportunities for people on low incomes. Lead Service – Growth, Development & Prosperity.
- 4 Addressing the high cost of housing, improving housing conditions, creating affordable warmth and reducing homelessness. Lead Service – Housing.
- 5 Improving health outcomes for people on low incomes, including access to good diet, health care and ill health prevention. Lead Service – Environmental Health.

3.7 The Panel meetings were carefully organised to cover a range of themes impacting on poverty whilst observing the scope of work set for the Panel and the sphere of influence. Outside speakers and Services contributed to the meetings

Poverty Working Panel meeting	Theme(s)
October	Set up meeting - Terms of reference, sphere of influence, shaping the lines of enquiry, review of previous poverty work, Marmot report, and impact of Covid-19 on poverty.
November	Joseph Rowntree annual report and poverty strategy, Poverty Plan on a page and high level objectives, free school meals.
December	Poverty and the economy, draft Poverty Action Plan.
January	Department of Work and Pensions, paper from Cllr Allen, EDDC administered benefits and support, poverty dashboard and key performance indicators, draft Poverty Action Plan.
February	Citizens Advice, financial support, Environmental Health & Car Parks making a difference, draft Poverty Action Plan.
March	Housing, homelessness, community development, Service Plans.
April	EDDC Poverty Strategy and Action Plan, community & Voluntary sector contributions, breathing space concept.

3.8 Through the seven meetings of the Panel the evidence has been collated and organised into a Strategy with an Action Plan this has been reproduced in **annex 2 & 3**. I am suggesting that a Strategic or Service Lead is assigned as Lead Officer for poverty alleviation and someone who can coordinate the efforts of a number of services and external partners towards the adopted objectives, and assume responsibility for delivering the Poverty Strategy, monitoring and reporting on progress and refreshing the approach as circumstances change. This might be best achieved through a project board or steering

group building on the resources and capacity of the two Financial Resilience Officers we have employed.

- 3.9 The Poverty Strategy and Action Plan needs to be dynamic such that we can adapt to changing circumstances, particularly as we anticipate that the impact of the Covid-19 pandemic is likely to worsen the position for many households. We have tried to keep the new financial demands to a minimum, working within existing budgets and using existing capacity to deliver the actions set out in the Strategy/Plan. We will need to ensure that poverty remains a corporate priority and that we effectively coordinate activity across Services.
- 3.10 It will be necessary to secure some **revenue funding** to deliver some of the projects in the Action Plan. An earlier recommendation sought £100,000 be identified in the budget as a contingency for the Hardship Fund. In addition, a project fund of £30,000 would be necessary in progressing initiatives and specific projects to ensure that they achieve the desired outcomes and are sustainable. This does represent a cautious and measured development of this work stream, building on our existing framework of interventions and growing the programme of support and interventions.
- 3.11 There are **risks** associated with this approach in so much as we could be accused of under resourcing the activity and our ambitions. What I have proposed is a minimum position that has regard to our budget position, forecast future budget constraints, and our existing capacity with some realignment of resources. The level of resourcing will not affect what we do, but the pace at which we can deliver the actions and objectives. We can obviously do more and have a greater impact with resources dedicated to the delivery of the Strategy. I can propose more expansive arrangements to deliver the Strategy, if Members desire, and bring back a wider range of options for delivering the Strategy.
- 3.12 The Council will be developing the Statement of Intent into a new **Council Plan** over the next few months and this presents an ideal opportunity for the Council to determine the degree of priority and prominence it wants to take in respect of poverty balanced against the other priorities of the Council.
- 3.13 We have undertaken an analysis of the poverty commitments in the new Service Plans for 2021/22 (reported to the March meeting of the Poverty Working Panel) and it can be seen that there are a range of ambitious commitments reflecting the intention to alleviate poverty in our communities.
- 3.14 We want to put in place a dashboard of poverty indicators, a process for monitoring and review. The Poverty Working Panel may well consider how it might transform into a monitoring group, meeting less frequently to oversee delivery of the strategy and action plan.
- 3.15 Poverty ruins lives, highlights inequalities and constrains potential. It is shameful the level of poverty in modern society. The Council has a role to play, but cannot alone eliminate poverty in the district. The Strategy and Action Plan proposed for adoption will make a positive difference for many of our residents and signal the Council's intentions to support its more vulnerable residents.

Financial implications:

There is a budget request of £30k which can be met from the unallocated budget sum in 2021/22 set aside to meet such requirements.

Legal implications:

As the Poverty Strategy does not form part of the Policy Framework it is a Cabinet decision whether to adopt it or not. Advice on individual actions will be provided as and when required. Otherwise there are no legal implications requiring specific comment.