

Report to: **Cabinet**



Date of Meeting 6 January 2021

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Exemption applied: None

Review date for release N/A

Poverty – our response to the crisis

Report summary:

This report has been prepared in response to the Council motion considered on 9th December 2020. The report provides an update on the work being undertaken through the Poverty Working Panel and addresses the specific points contained in the motion.

Council **RESOLVED** that: This Council endorses the work of the Poverty Working Panel in seeking to identify and address poverty within the District. We are pleased to note that the 'policy vision' is being included in the strategy, that meetings are now being held in public and past minutes and agendas are also being made public.

Whilst acknowledging the work already being carried out by the Council across numerous service areas and the work of the Poverty Working Panel, this Council is concerned about the unprecedented challenges now being faced by many residents. In recognition of the worsening poverty crisis, Council hereby refers the motion to the first Cabinet meeting of 2021 to be held on 6th January for Cabinet to give it urgent consideration and to decide whether a further report should be prepared to identify practicable and affordable further actions with a view to:

- identifying any emergency actions for prioritisation;
- helping address gaps in the benefit system;
- applying for all available grants;
- strengthening families and communities with clear signposting;
- improving communication with towns and parishes around financial resilience;
- promoting long term economic growth potential;
- addressing issues affecting all age groups with regard to mental health and employment;
- assessing how the Poverty Strategy and action plan can be expedited by the Poverty Working Panel without compromising the evidenced based programme of work.

Recommendation:

That Cabinet supports the work of the Poverty Working Panel and encourages them to come forward with a draft Poverty Strategy at the earliest opportunity.

The Poverty Working Panel completes its thematic sessions and incorporates the learning into an action plan for inclusion in the Poverty Strategy.

The Poverty Strategy includes the five objectives set out in this report and the original Council motion that - No one in East Devon is to be destitute without immediate help, and nobody should be in involuntary poverty for more than two years duration.

Reason for recommendation:

To meet the requirements of the Council motion and report on the progress being achieved by the Poverty Working Panel.

Officer: John Golding Strategic Lead – Housing, Health & Environment

Portfolio(s) (check which apply):

- Climate Action
- Coast, Country and Environment
- Corporate Services and COVID-19 Response and Recovery
- Democracy and Transparency
- Economy and Assets
- Finance
- Policy Co-ordination and Regional Engagement
- Strategic Planning
- Sustainable Homes and Communities

Financial implications:

There are no direct financial implications at this stage from the recommendations in this report. It is expected that the Poverty Panel recommendations is likely to request additional resources and this is highlighted in the Council's draft budget paper to Cabinet for 2021/22.

Legal implications:

The report does not raise any specific legal implications requiring comment.

Equalities impact High Impact

The Council's proactive approach to addressing poverty and the priority it has established for this work will have a positive impact on equalities.

Climate change Medium Impact

Risk: Medium Risk; Despite our best efforts there are factors beyond our control that have a greater impact on poverty such as national social policy and welfare benefits policy.

Links to background information [Poverty Working Panel agenda and minutes](#)

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 prevention and alleviation is a priority for this Council. This ambition is prominent in the recently published **Statement of Intent**.
- 1.2 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.
- 1.3 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

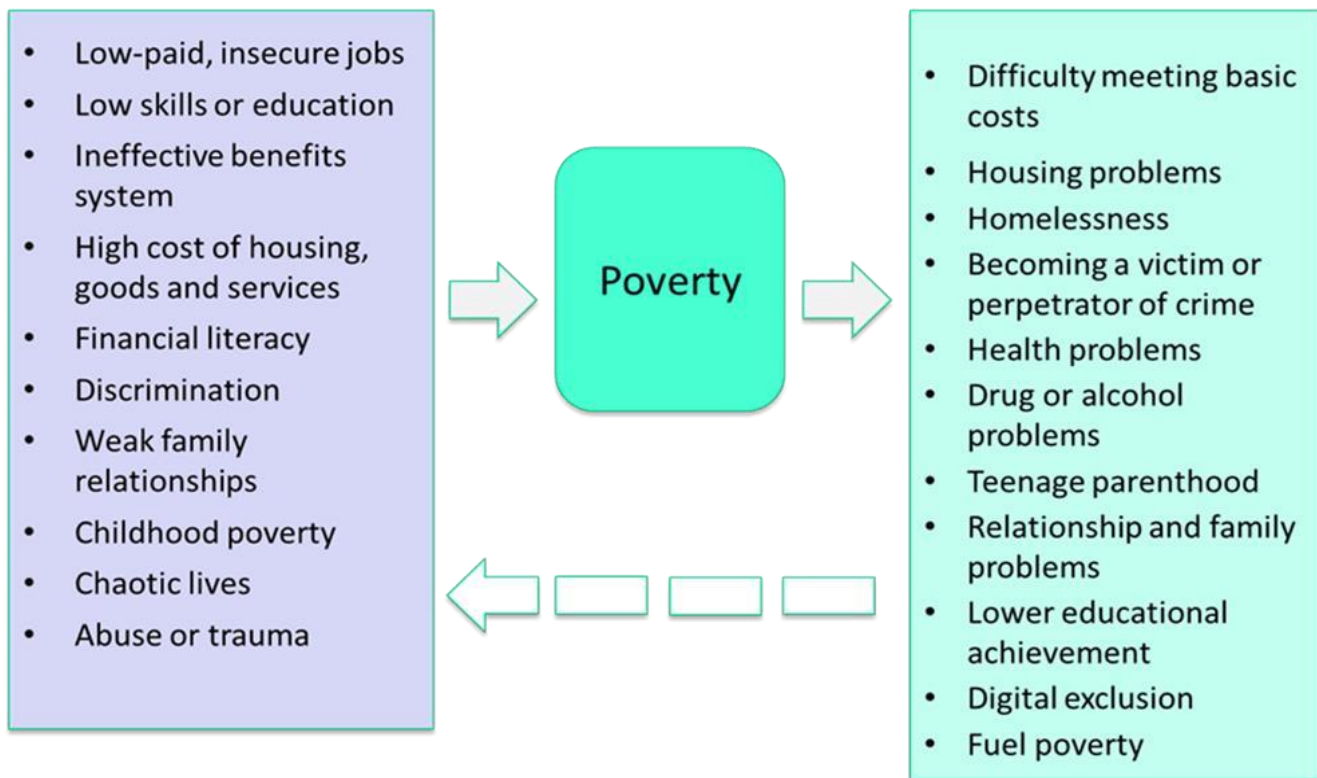
affordable housing; administering benefits and hardship payments; enabling full employment and quality jobs; business support and economic development; supporting community development; promoting public health initiatives and enabling health & wellbeing activities; funding financial and debt advice; supporting community and voluntary groups; etc.

- 1.4 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.
- 1.5 The Council established a **Poverty Working Panel** to explore the complex issues causing poverty and the opportunities to alleviate the effects. The Poverty Panel have been asked to produce a Poverty Strategy and after three meetings we are well positioned to produce a strategy in the next few months.
- 1.6 It is important to define poverty clearly and included in the Poverty Working Panels terms of reference we included the working definitions of poverty (see **annex 1**).
- 1.7 Integral to the work of the Poverty Working Panel is an appreciation of our sphere of influence and where we can best target our energy and resources. My research indicates that adopting a Poverty Strategy is relatively rare for district councils and more common at top tier level authorities and unitary councils.

2. Towards a Poverty Strategy

- 2.1 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).
- 2.2 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.
- 2.3 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.
- 2.4 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.
- 2.5 Six types of poverty have been recognised – situational; generational; absolute; relative; urban; and rural.

The causes and effects of poverty are summarised below:



2.6 The Poverty Panel have considered a Plan on a Page overview (**annex 2**) 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. Poverty emergency

3.1 It has been suggested that we declare a **poverty emergency**. Declaring a poverty emergency would be a political decision, but I would say that we are already treating this as a corporate priority as evidenced by the prominence of poverty in the recently published **Statement of Intent**.

- 3.2 I have looked at the West Cheshire & Chester decision to declare a poverty emergency alongside their climate change emergency. This is clearly well intentioned, but might be perceived as virtue signalling. It could be argued that declaring too many emergencies dilutes the impact.
- 3.3 I would suggest that we need to have a clear purpose in doing so and what we want to achieve from it. We have no 'killer' data to justify calling an emergency, but we have seen an unacceptable level of poverty locally and anticipate this increasing due to the effects of the pandemic, and possibly exacerbated by Brexit.
- 3.4 I would also be concerned that many perceive East Devon to be an affluent area and whilst we know that there are pockets of urban and rural poverty, calling a poverty emergency could be perceived negatively.
- 3.5 Nevertheless we are seeing signs of a **worsening poverty crisis** and in response to the specific issues identified in the motion to council I would comment as follows:
- identifying any emergency actions for prioritisation – we are implementing emergency actions within our powers and responsibilities. At the moment we are prioritising implementing actions associated with the pandemic, including access to food banks and associated support, hardship payments, and support to business and people losing employment. Homelessness and rough sleeping is another priority. We have a clear focus on supporting the least well off to secure basic necessities.
 - helping address gaps in the benefit system – this is the responsibility of national government, but we are working effectively with the DWP who are attending the January meeting of the Poverty Working Panel. We try to optimise benefit eligibility when providing advice to customers and are using hardship and top up payments where we are able to do so.
 - applying for all available grants – we scan for grants that we or partners can apply for and have a track record of securing support for our priorities. We are also distributing grants and have schemes that allocate according to need and delivering the greatest positive impact.
 - strengthening families and communities with clear signposting – we see this as an integral part of our approach. Our website is constantly updated with advice and we are working more closely with community and voluntary groups. We have a clear objective around strengthening household resilience and reducing indebtedness, which we can best achieve through working with partners. There will be ideas in the Poverty Strategy on how we can improve our effectiveness in these areas.
 - improving communication with towns and parishes around financial resilience – there is scope for improvement here. Our capacity in this area is limited and this has not been seen as a priority. We will ensure that the Poverty Strategy addresses this ambition going forward.
 - promoting long term economic growth potential – this is core business for the Council and the recent presentation to the Poverty Working Panel has identified the current issues, constraints and challenges, alongside ideas to enable this ambition to be realised.

- addressing issues affecting all age groups with regard to mental health and employment – we recognise the different types and impacts of poverty in different age groups, different communities and different settings. The Poverty Strategy will include proposals to help people into work, acquire skills and critically sustain well paid employment.
- assessing how the Poverty Strategy and action plan can be expedited by the Poverty Working Panel without compromising the evidenced based programme of work – we are looking at condensing the work of the Poverty Working Panel into a tighter timetable without compromising the evidence gathering, research and thematic sessions covering each of the five objectives shown above.

3.6 Picking up the six issues in the recent motion prior to it being amended:

- (1) The 'policy vision' is incorporated immediately in the Poverty Strategy to help deliver the best response for our residents across East Devon - it has been.
- (2) Future meetings of the Panel should be in public and past meeting agendas and minutes made available; Council 9 December 2020 – they are public meetings.
- (3) To achieve faster actions the 'key issues' should immediately be addressed – these are see the narrative above.
- (4) The Poverty Working Panel should immediately review 'emergency actions' by other Councils and provide a report to Overview Committee including comment on the budgets available across local Partnerships - urgent actions are being progressed. Partnership budgets will be considered as part of the budget setting process.
- (5) East Devon's tactical response should include the 'significant priority' mentioned above – stated priorities will feature in the Poverty Strategy.
- (6) It endorses the 'strategic objectives' in the emerging Poverty Strategy and asks for action proposals to address them to be presented to Cabinet within 2 months – five objectives have been agreed by the Poverty Working Panel and are presented to Cabinet in this report.

3.7 The original Council motion from 2019 will be incorporated in the Poverty Strategy and influence the various interventions proposed. This was to ensure that - No one in East Devon is to be destitute without immediate help, and nobody should be in involuntary poverty for more than two years duration.

3.8 We might want to lobby and campaign with DCC and other districts on this issue, proposing a **poverty crisis** concern. It would be interesting to test others concerns and intentions, and explore a collaborative approach to have more impact.

4. Next Steps

- 4.1 Having established the Poverty Working Panel the Council should allow it to complete its work. The Panel have been meeting monthly with the last meeting and future meetings open to the public. Without wishing to curtail debate I would hope that the Panel could conclude its work by April and be ready to report back to Cabinet with a Poverty Strategy.
- 4.2 This is not to imply that we are delaying implementing poverty prevention and intervention initiatives as many of these activities are business as usual for the Council. However, the production of a poverty strategy presents an opportunity to promote the Council's priority work stream, coordinate activities and projects across all council services, encourage partners to work towards shared objectives, and lobby for change in areas beyond our direct control.

- 4.3 The Poverty Working Panel could continue its work beyond the new financial year by becoming a monitoring group looking at key performance indicators, producing a performance dashboard, and generally following good practice to incorporate in future updates of the strategy.