

Title of Report	Cost of living and Poverty Reduction - update
For Consideration By	Health and Wellbeing Board
Meeting Date	9th November 2022
Classification	Open
Ward(s) Affected	All
Report Author	Sonia Khan

Is this report for:

<input type="checkbox"/>	Information
<input checked="" type="checkbox"/>	Discussion
<input type="checkbox"/>	Decision

Why is the report being brought to the board?

The report sets out the response that the Council has developed to respond to the Cost of Living crisis, which is also seeing already high levels of poverty becoming even more entrenched.

The report is being brought to the Health and Wellbeing Board to ensure that the opportunities to work across the system to support residents are maximised.

The Board is asked to consider in particular the development of a system wide plan and governance, which the Council is working closely with the Director of Delivery – City and Hackney Place Based Partnership to establish.

Has the report been considered at any other committee meeting of the Council or other stakeholders?

Internal management meetings and meetings with partners.

1. **Summary**

- 1.1. Poverty Reduction was a political and corporate priority throughout the last administration and continues to be so. The response to the short, medium and long term impacts of the pandemic greatly informed the Council's evolving approach to poverty reduction. In late 2020, a working framework for poverty reduction was adopted and put into practice to guide the continued pandemic response, particularly with regards to supporting those in material need. Partnership working was key to this response, to reach all residents in greatest need and to prevent a worsening situation for individuals and communities. The [framework was formally adopted](#) by Cabinet in March 2022.
- 1.2. The report outlines how we have used this framework to accelerate a response to the escalating cost of living crisis, building on the existing poverty reduction work. The report focuses on, and is limited to the way we mitigate impacts for our residents which is Objective 3 of the Poverty Reduction Framework.
- 1.3. An overview of the Framework and the section that covers Objective 3 is included in this report for information.
- 1.4. Objective 3 covers actions under Emergency Support, Community Partnerships and Income Maximisation and Advice. This update also provides progress updates under these sections although emergency support and income maximisation are merged to reflect the way support is being delivered.

2. **Recommendations**

- 2.1. To provide feedback on the response set out and how we are ensuring strong links to the Health and Wellbeing Strategy - noting in particular the development of a system wide plan and governance, which the Council is working closely with the Director of delivery – City and Hackney Place Based Partnership to establish.

3. **Background**

By poverty we mean: 'When a person's resources (mainly their material resources) are not sufficient to meet their minimum needs (including social participation)'

By the cost of living crisis we are referring to the significant pressure on our residents' disposable income due to the dramatic increase in living costs including housing, childcare, food, travel, fuel and other essentials, driven by rising energy costs (and the increase of the price cap on fuel) and the level of inflation which, at 10% is already the highest level since the 1980s and expected to peak at 14%. The cost of living crisis will move more people into financial need, will make those already

in poverty even more vulnerable and will put those who have complex needs at even more immediate risk. The Institute for Fiscal Studies has consistently found that the cost of living crisis will [disproportionately impact lower income groups](#), so poverty will become more entrenched.

Poverty Reduction was a political and corporate priority throughout the last administration and remains a priority as we respond to the worsening cost of living crisis. The response to the short, medium and long term impacts of the pandemic greatly informed the Council's evolving approach to poverty reduction. In late 2020, a working framework for poverty reduction was adopted and put into practice to guide the continued pandemic response, particularly with regards to supporting those in material need. Partnership working was key to this response, to reach all residents in greatest need and to prevent a worsening situation for individuals and communities. The [framework was formally adopted](#) by Cabinet in March 2022.

A conscious decision was made that the responses and partnerships developed during the pandemic should evolve into the ongoing way of meeting material needs, as we anticipated poverty would be far greater, coming out of the pandemic.

This report provides an update on the ways that this work has been accelerated in response to the crisis.

1. Emergency support and income maximisation

1.1 Hackney Money Hub launches on 1st November, with two clear goals:

Improving access to crisis funds

- To date, the Council has run three different discretionary and crisis schemes, all requiring separate application forms, making the process difficult and time consuming for residents and support workers
- We have combined all three - into one simple process

Improving benefits uptake across the borough

- We know that nationally £15bn a year gets lost in underclaimed benefits, due to a combination of stigma and complex application processes
- We are using our data to identify residents who are missing out, making proactive contact, and supporting people to apply
- Our initial focus will be on Pension Credit and Free Childcare, both of which are only claimed by 50% of eligible households in Hackney

1.2 Independent advice - support was increased from £750k to £1m for 2022/23

1.3 New tranche of Household Support Fund is confirmed for October to March and will be distributed as follows:

-
- 0-19 year olds supported during school holidays via children's centres, schools (free school meals register) and colleges and VCS, as well as social workers
- People in hostels, supported living and temporary accommodation, foster carers and those leaving care

- Vulnerable groups are being prioritised via a network of trusted referral partners in statutory services and the voluntary sector -some of the referrals will be made into Money Hub

1.4 Holiday Activity and Food programme will run for four days during Christmas holidays. This provides activities and lunch for children on FSM.

2. Community partnerships network

2.1 Bolstering the capacity of community partners and working closely to address capacity issues: non-recurrent funding has been secured via the Integrated Care System to shore up food networks over the next 4 months (£96k). We are also ensuring community partners are well positioned to help residents to access other local and essential services through the wider poverty reduction work, income maximisation, by becoming trusted referral partners who can make referrals for emergency support, and through the Neighbourhoods and the anticipatory care work.

2.2 Part of this work will be about further developing support around place based partnerships developed during the pandemic and being further developed through the Neighbourhoods work. This brings together local community anchor organisations and grassroots community groups and links to the wider plans and commitments to deliver housing surgeries and community hubs and develop the role of libraries and create a network of warm hubs.

2.3 Developing a more sustainable food offer: Whatever short term measures we need to put in place, we want to ensure that support is as sustainable as possible, community led, and that residents can access affordable, healthy, culturally-specific food rather than relying on handouts of food or vouchers that restrict their options.

3. Developing a system wide plan

System wide governance and a system wide plan is being established in partnership with the City and Hackney Neighbourhood Health and Care Board.

4. Communicating the support

- Fortnightly “Tools for frontline workers sessions” are being held to ensure that all the live support available is widely shared across the system. Contact john.davies@hackney.gov.uk to sign up
- Cost of living panel 9th November- outlines support offered and support needed and gathers insight about impacts
- <https://www.eventbrite.co.uk/e/here-to-help-supporting-residents-through-the-cost-of-living-crisis-tickets-451686706097>

- Cost of living booklet and webpages will be kept updated, and a wider communications plan is being developed
<https://hackney.gov.uk/hackney-money-help>

5. Overview of Poverty Reduction Framework

Poverty Reduction Framework adopted in March 2022

Summary of framework:

The areas of focus

Long term prevention	Tackling market drivers	Mitigation
1. Prevention, early years and early help	2. Tackling low wages and cost of living	3. Responding to the material needs of poverty
Aim: to focus on prevention, early years and early help for all ages, as a key way to improve life chances and tackle poverty.	Aim: to take actions to address low wages and the cost of living, as key drivers of poverty in London.	Aim: to better meet people's immediate material needs and offer more preventative help.
Strategic objective: to support children and families in a child's early years and to provide early help to prevent crisis points and needs becoming more complex as someone gets older.	Strategic Objective: to maximise opportunities for affordable housing and good quality employment, making the case for national policy change when needed.	Strategic Objective: to develop a more coordinated emergency support and advice offer, with more preventative help, and to make the case for a better benefits system.
We will focus on identification and prevention of harm, escalation of need and crisis by strengthening our early help offer for residents of all ages.	We will take long term action to address what is driving poverty in London, specifically low wages, housing costs and the cost of living.	We will take action in response to the direct material needs of people already experiencing or at risk of experiencing poverty and destitution.
Cross cutting		
4. Prioritising poverty reduction across the system		
Aim: to ensure poverty reduction is a priority across the system		

Strategic objective: to ensure the needs, drivers and impacts of poverty are understood and that responses are embedded into key strategy

We will influence the whole system so we are better able to tackle poverty because poverty is a complex issue which cuts across many other areas.

5. Ways of working

Aim: to help people on low incomes address all the issues which matter, not just the presenting issue.

Strategic Objective: To offer training, support and resources to all staff across sectors so they can work with residents in a strengths based way.

We need to look at how all services that come into contact with residents understand the impact of poverty and the approaches that are needed to work preventatively and in a strength based way. This work has already started during the pandemic and will be a priority to continue in the first year of this framework to build momentum, and because it underpins the other areas of focus.

6. Section from Poverty Reduction Framework on responding to the material needs of poverty

Aim: to better meet people's immediate material needs and offer more preventative help.

Strategic Objective: to develop a more coordinated emergency support and advice offer, with more preventative help, and to make the case for a better benefits system

We will take action in response to the direct material needs of people already experiencing or at risk of experiencing poverty and destitution.

Rationale:

This framework balances long term work and work to develop economic opportunity with the need to respond to pressing material needs that people face now. Focusing resources solely on these material needs is unsustainable, and would fail to have the wider impact, but ignoring these needs, which are faced by a very significant proportion of residents, would ignore the devastating impact that poverty has now and missing opportunities to intervene before a crisis and offer the early help outlined in this framework. See the [Who is Affected by Poverty](#) section and the [Effects of the pandemic](#) section for more information.

Independent advice providers have a key role to play in the work we develop. Since 2019, we have been working closely with them to develop a new personal centred advice model. During the pandemic, we started to develop the advice model further as well as a more coordinated approach to emergency support. In 2020, a Food

Poverty Action Plan was developed which considered data on need with residents' lived experience of poverty and stakeholder perspectives. The plan highlighted the need for greater coordination of emergency support and advice and join up with preventative work.

This framework takes this work further. All of this is underpinned by the way we work because if we want people to seek emergency help and to take up further help beyond that, we have to be trusted, keep people engaged and have partnerships in place to support them.

Success measures:

We will develop metrics based on service outcomes data and mapping customer journeys to understand if we are making a difference and building a more effective system of support:

Emergency Support

- Residents are accessing effective emergency support which meets immediate needs, including culturally specific needs
- Residents who apply for emergency support are provided flexible longer term support

Income maximisation and debt services

- Residents income is maximised
- Debt situations are stabilised
- Levels of access to affordable finance are increasing

Community Partnerships

- There is a community based network of provision that is accessible and meets their specific needs and these organisations can work together to offer more preventative support as well.

Immediate priority	Medium term work
<p>Emergency support We will improve access and co-ordination of emergency support for people experiencing or at risk of destitution and hardship.</p>	<p>Emergency support Learning and evaluation of emergency support to better understand the issues which are affecting residents and make system improvements.</p>

We will do this by:

Improving awareness and access to emergency forms. This includes the Council's own schemes as well as support available from other organisations such as national charities and local charities.

Ensuring that residents who receive emergency forms of support are supported to access other services, for example housing and welfare advice, to address underlying causes

Community Partnerships Network

The Community Partnerships Network is a broad network of community organisations which was developed during the pandemic response as a way of building local systems of support which make the best use of available resources when responding to the needs of residents. By working together in partnership the Community Partnership Network is better able to understand and respond to the needs of residents with material needs. We will do this by :

Developing the Community Partnership Network to support community

We will develop this support to seek to meet the immediate needs of residents as well as offer longer term solutions, by integrating emergency support with wider support to address the causes of a resident reaching crisis. We will make sure that we learn how to address where the current system is failing residents.

Supporting the development of a poverty-aware workforce to identify and respond to the needs of residents on lower incomes. This can be done by training frontline staff to have conversations about personal finances and knowing what support is available be that through hardship funds, the benefit system or employment support.

Community Partnerships Network

Developing and enabling community partnerships as a longer term system of support, working across partners to meet material needs and better pick up vulnerability and develop pathways of support.

organisations to work in partnership to most effectively support residents

Providing strategic and operational support to the local food response

Learning from the Community Partnership Network about the issues affecting residents and communities and how we can best respond

Advice model, income maximisation and debt support services

We will develop the support available for people to maximise their incomes and access debt support service. We will do this by:

Mapping the current service offer for income maximisation and debt services to create a more joined up system of support for residents.

Working in partnership with local DWP and others to deliver Universal Credit as effectively as possible for all claimants

Collaborating with Registered Providers to encourage them to put in place income maximisation strategies and make link them with wider services

From 2022/23, spend a greater share of the Community Grants budget, £1m out of a £2.5m budget in recognition of the impacts of the pandemic that has increased demand.

Advice model, income maximisation and debt support services

Developing the advice model further for 2023/24.

Building mutuality and shared responsibility for advice work, rather than seeing themselves as separately funded organisations.

Further development of advice providers ability to map the journey their clients make through a system, in order to understand impact and improvements needed.

Developing a more strategic approach to income maximisation and debt services which responds to the needs of residents

How we are already putting this into practice

Improving awareness of emergency-hardship support

We have included the Council's main forms of financial and hardship support on the Better Conversations tool which is a digital tool built to support council staff and partners to make more effective referrals for residents. By including these forms of support on the tool we aim to improve awareness and access to these schemes. We have held information briefings with the Advice Network to inform local advice providers of the main schemes available and there has been regular communication about what support is available to residents in response to the direct impacts of the pandemic and general schemes. We are looking to build on this engagement and a workshop we held with partners to improve how we make emergency forms of support and hardship schemes more accessible to residents.

Community Partnerships Network

The Community Partnerships Network is a broad network of community organisations which was developed during the pandemic response as a way of building local systems of support which make the best use of available resources when responding to the needs of residents. The Community Partnership Network includes Hackney's Food Network and wider Hackney Food Justice Alliance which leads the local food response and the development of a more sustainable food system. The Community Partnership Network also includes the Advice Network which brings together local advice providers to address shared issues. Beyond these formal groups the Network plays a key role in supporting a range of community organisations accessing resources, problem solving and organisational development. We will support the local Community Partnerships Network to better pick up vulnerability and develop pathways of support.

Food Network

The food network is a network of local partners providing immediate food support to residents. The network formally developed in Summer 2020 after the beginning of the pandemic and the end of the first lockdown. Many groups were already providing food support before the pandemic and others were new to providing food support. The network has grown in membership and become a more diverse group of organisations representing different communities and with different ways of providing food (e.g. food banks, hot meals and food deliveries). There are currently three food hubs in the borough which receive large donations of food and where smaller organisations can go to collect food for residents. The food network is mainly voluntary and community sector led with some council operational and strategic support due to the high importance of meeting the immediate needs of residents for food support.

Developing a new model for advice

Since 2019, we have been working closely with advice providers to make sure their support is more connected, and focuses on resolving people's issues (not counting appointments given) and this has made for much more effective working during the pandemic, although demand is growing. This is long term culture change across funders, advice providers and the statutory sector, but based on self assessment and case studies we can demonstrate that :

- There is now a much stronger working relationship between Council departments and advice partners.
- Advice providers are thinking beyond the presenting issue to tackle the root problem and take a person centred approach
- Providers are mapping customer journeys to form a stronger picture of impact

3.1. Policy Context:

Please detail which, if any, of the Health & Wellbeing Strategy priorities this report relates to?

<input type="checkbox"/>	Improving mental health
<input type="checkbox"/>	Increasing social connections
<input checked="" type="checkbox"/>	Supporting greater financial security
<input type="checkbox"/>	All of the above
<input type="checkbox"/>	None of the above

Please detail which, if any, of the Health & Wellbeing 'Ways of Working' this report relates to?

<input checked="" type="checkbox"/>	Strengthening our communities
<input checked="" type="checkbox"/>	Creating, supporting and working with volunteer and peer roles
<input checked="" type="checkbox"/>	Collaborations and partnerships: including at a neighbourhood level
<input checked="" type="checkbox"/>	Making the best of community resources
<input type="checkbox"/>	All of the above
<input type="checkbox"/>	None of the above

3.2. **Equality Impact Assessment**

The response has been designed based on an analysis of groups impacted by poverty. This was published in the Poverty Reduction Framework. The key indicators are kept under review so we can understand additional groups who are being impacted by the cost of living crisis.

3.3. **Consultation**

Has public, service user, patient feedback/consultation informed the recommendations of this report?

<input checked="" type="checkbox"/>	Yes
<input type="checkbox"/>	No

Have the relevant members/ organisations and officers been consulted on the recommendations in this report ?

<input checked="" type="checkbox"/>	Yes
<input type="checkbox"/>	No

3.4. **Risk Assessment**

The main risk is that the growing cost of living crisis will mean that we are not fully addressing the wider drivers of poverty and preventative work that are identified in the Poverty Reduction Framework.

Our focus has been on the more immediate pressing objective to meet material needs but we are in the process of establishing wider governance and review points to mitigate against this risk.

3.5. **Sustainability**

Through taking action to develop a local food system which is accessible and affordable and healthy, including making the local food poverty response as sustainable as possible by using local organisations and volunteers, co-ordinating food waste and developing local food systems, by working with local growers and developing food cooperatives.

Appendices

None

Report Author	Sonia Khan Head of Policy and Strategic Delivery sonia.khan@hackney.gov.uk 0208 356 5148
----------------------	--