

North Tyneside Council

Report to Cabinet

Date: 21 September 2020

Title: Poverty Intervention Fund

Portfolio(s):	Deputy Mayor Finance and Resources	Cabinet Member(s):	Councillor Bruce Pickard Councillor Ray Glindon
Report from Service Area:	Corporate Strategy and Customer Service		
Responsible Officer:	Jackie Laughton	Tel: (0191) 643 5724)	
Wards affected:	All		

PART 1

1.1 Executive Summary:

The purpose of this report is to set out the proposed approach for the delivery of the Poverty Intervention Fund which was included in the Authority's Budget for 2020/21. The overall aim of the Fund is to enable support to families and individuals to alleviate the impacts of living in poverty.

1.2 Recommendation(s):

It is recommended that Cabinet:

- (1) Agrees the proposed priorities and initiatives for the Poverty Intervention Fund;
and
- (2) Authorises the Head of Corporate Strategy and Customer Service, in consultation with the Deputy Mayor and Cabinet Member for Finance, to take all other steps necessary to implement these proposals.

1.3 Forward Plan:

Twenty-eight days' notice of this report was not possible, due to need to put support in place as soon as possible having already been delayed due to the impact of the coronavirus pandemic.

1.4 Council Plan and Policy Framework

This report relates to the following priority in the 2018-2021 Our North Tyneside Plan: our people will be cared for, protected and supported.

The Fund will also support the delivery of the Children and Young People Plan which is the Council's Child Poverty Strategy. Also, the Fund will support the way in which North Tyneside recovers from the Covid-19 pandemic.

1.5 Information:

Background and Context

1.5.1 Policy Aim and Objectives

As agreed by Cabinet on 29 June 2020, the overarching policy aim for the Poverty Intervention Fund is:

- “To help to alleviate the impacts of poverty on families and individuals across North Tyneside with particular emphasis on children, by providing support to those who need it”

In order to deliver that policy aim, the Fund will have the following lower level policy objectives:

- to address the **financial impacts of poverty** by targeting support to areas where people are struggling to make ends meet to be able to afford the basics or where they are having to go without certain things which others take for granted;
- to address the **social impacts of poverty** by targeting support so that people can play a full role in society and for activities which will have a positive impact; and
- to address the **health impacts of poverty** by targeting support on relevant areas such as risk-taking behaviour and mental health and well-being.

1.5.2 What is meant by poverty?

Based on the definition used by the Joseph Rowntree Foundation, poverty is when an individual's resources are well below their minimum needs. This means not being able to heat their home, pay their rent, or buy the essentials they need. There is no single measure of poverty in the UK but:

- there is relative income poverty where households have less than 60% of the contemporary median income;
- there is material deprivation where individuals cannot afford essential items and activities; and
- there is destitution where individuals cannot afford basics such as shelter, heating, food and essential toiletries.

1.5.3 Delivery Approach

As agreed by Cabinet, the delivery approach with the Fund will be guided by the following set of principles:

- evidence based – to ensure both that the Fund is targeted to meet need and is based on proven best practice/research;
- inclusive – the Authority will engage externally and internally to inform its approach;
- fair – the Authority will conduct an Equality Impact Assessment to ensure that the approach provides opportunities for the widest possible reach and that no-one is disadvantaged;
- targeted – the Fund will be used to meet the greatest levels of evidenced need in the Borough;
- funding will be allocated to groups or organisations via a mix of grant funding and commission-based approaches;
- collaborative – working in partnership to deliver the best outcomes to meet need;
- creative and flexible – to respond to changing need (particularly key in the Covid-19 situation); and
- measured – we will ensure that we are able to monitor, measure and evaluate outcomes.

1.5.4 Governance

As agreed by Cabinet, the delivery of the Fund will be overseen by:

- a Steering Group comprised of 1 elected member per ward (with appropriate arrangements for mixed wards) and also to include the Young Mayor/Cabinet Member with representation from relevant external organisations. The Steering Group will meet at least quarterly; and
- a Delivery Group chaired by the Deputy Mayor to include relevant Cabinet Members to meet on a monthly basis to have oversight of the detailed operation of the Fund.

1.5.5 Evidence and Engagement

Prior to the first meeting of the Steering Group on 15 July 2020, engagement and desk-based research was carried out, in line with one of the principles of the fund, which is that it is evidence based. Officers engaged with Cabinet Members, schools, the voluntary and community sector and the Young Cabinet to get a clearer picture of poverty in North Tyneside.

According to the Joseph Rowntree Foundation, nationally poverty impacts on the following key groups:

- Children – 30% of children were in poverty in 2018/19

- Working age adults with children – 25% of families were in poverty in 2018/19
- Older people – 16% were in poverty in 2018/19 (this has been on the increase since 2012/13)

Children

In North Tyneside, an estimated 31.4% of children were living in poverty in 2017/18. The Children's Society national research explains that children feel stigma around the impacts of poverty. Struggling with school costs often leads to embarrassment and bullying and that children are usually aware of financial strain and will modify their behaviour accordingly, such as not passing on notes to parents or carers from school about trips or other events where a cost to the parent/carer would be incurred.

The Joseph Rowntree Foundation analysis of poverty trends and figures in 2017 found that education and skills are the strongest predictors of future poverty, and that the gap in attainment between students from richer and poorer backgrounds remains significant. In North Tyneside, at key stage 4, the gap between disadvantaged and non-disadvantaged pupils widened in 2019 and was larger than the national gap.

It is important to recognise that mental health problems can also be a causal factor and impact of poverty. Young people aged 10-15 with a low socio-economic status are more likely to suffer anxiety and depression than wealthier peers¹. Mental health problems in childhood can disrupt education, limit attainment and impact social participation.

Working age adults with children

According to the Children's Society, the key drivers that push families to financial crisis include the benefits system and debt. Working age adults with families often face a 'poverty premium', whereby they pay more than other families for basic goods. For example, having to buy cheaper school uniform or clothing and replace it numerous times, or being unable to bulk buy. It is also known that 'in work' poverty is an increasing problem. Seven in ten children in poverty are now in a working family².

Another important issue, that was mentioned through the engagement process, was domestic violence and abuse (DVA). It is well known that domestic violence and abuse can affect any family, regardless of financial situation and that poverty does not cause DVA. However, there is evidence of an association between poverty and DVA. It is important to recognise financial abuse, which can make it difficult for a parent to buy basic goods for children or themselves.

Older people

National research has shown that some groups of older people are significantly more likely to be in poverty than others. For example, 30% of older women who are separated are in poverty, compared to 21% of women who are divorced. Older people who are Pakistani are more likely to be in poverty than any other ethnicity.

The Joseph Rowntree Foundation finds that many older people are struggling to navigate the benefit system. This includes being unaware of benefits entitlement or unsure of how to claim. It is clear that many older people need more than just information and signposting, but support to process information and make informed decisions.

¹ Joseph Rowntree Foundation

² Joseph Rowntree Foundation

It is also known that loneliness and poverty are closely associated in old age. Age UK have found that one of the biggest risk factors associated with loneliness is low income.

Loneliness and the inability to navigate the benefit system can go hand in hand. For example, a research paper by North East branches of Age UK gave a case study of a woman in North Tyneside. After a benefit check which helped her to identify entitlement to Attendance Allowance, she was enabled to socialise and visit her family, as well as accessing the local Taxi Link service.

1.6 **Proposed priorities and initiatives**

1.6.1 Proposed Priorities for Funding

An assessment of evidence of how poverty impacts across North Tyneside, including the outcome of engagement with individual Cabinet Members and key external stakeholders, was presented to the cross-party Steering Group in July 2020. Based on this evidence, the Steering Group considered which key groups to target with the fund and what the impacts of poverty are on those groups.

The Steering Group were presented with evidence on the impacts of poverty in North Tyneside as follows:

- children – key impacts being their experience at school and on their mental health
- older people – key impacts being not taking up full benefit entitlement and social isolation/loneliness
- families with children – key impacts being not being able to afford essentials such as school uniform and food during school holidays and domestic violence or abuse

The Steering Group supported the proposed priority groups to be targeted through initiatives supported by the Fund. The Steering Group also gave feedback on other issues to be considered. This will be discussed further at the next meeting of the Steering Group in September 2020.

1.6.2 Proposed initiatives to be funded by the Poverty Intervention Fund

Based on the evidence-based discussion at the Steering Group it is proposed that the fund will be delivered in a phased approach, with the first phase focusing on four priorities:

- for children – focusing on the key impact which living in poverty has in relation to their experience at school (there are currently 5641 children in North Tyneside who are entitled to free school meals due to low income)
- for older people – focusing on the key impact of not taking up full benefit entitlement
- for families with children – focusing on the key impact of not being able to afford the essentials of clothing for school and food during school holidays (where they do not have access to free school meals)

It was also a priority for the Steering Group that these initiatives wherever possible be delivered in partnership with or by local organisations in particular from within the community and voluntary sector.

Set out below are the initiatives which are proposed to be funded through the Poverty Intervention Fund to address the key impact of poverty on the priority groups for North Tyneside:

Initiative	INITIAL ALLOCATION	DETAIL
Poverty Proofing the School Day	£172,755	<p>This programme has been run by Children North East since 2011. Working through schools, it seeks to better understand what child poverty looks like from a child and young person's perspective. Each school involved is fully supported to be able to put in place an action plan to alleviate this in the school setting and to reduce the stigma and discrimination faced by children who live in poverty. It has already been successfully rolled out in some schools in North Tyneside and the proposal is that the Poverty Intervention Fund is used to enable every school in the borough to be able to take part. The outcome would be to ensure more equity of experience, opportunity and learning for pupils in poverty.</p> <p>Poverty proofing leads to positive outcomes for children, parents, schools and teachers. Where the programme has already been implemented in schools there are improved rates of attendance and attainment for disadvantaged pupils as well as a direct impact by reducing the cost of the school experience for pupils and their families, thereby alleviating some of the pressures on parents in poverty. Where the programme has been delivered there have also been improvements in relation to mental health and wellbeing amongst children and young people. Schools have implemented actions such as free musical instrument tuition for all pupils, supplying bus passes, alternatives to non-uniform days for fund-raising, not sending debt letters home with pupils and challenging staff over whether asking pupils to write about their holidays or presents was appropriate. However, one of the biggest impacts for schools is a cultural shift. One school told evaluators that previously, they had done things without 'necessarily being aware of what the impact on disadvantaged pupils would be', but that after the programme, they 'now consider the impact first'.</p> <p>The recommended approach is for this initiative to be borough wide to take into account the fact that in North Tyneside whilst there are certain parts of the borough which are more deprived than others, there are also children living in poverty in the more affluent areas. This approach would give the same opportunity to all children and young people across the borough regardless of where they live. The proposal would be to fund the programme</p>

		through Children North East and to work in partnership with them to encourage and support schools to take part in the initiative.
Benefits take-up campaign and support	£100,000	<p>Citizens Advice and Age UK have advised that the impacts of living in poverty for some individuals and families is compounded by people not taking up their full entitlement to benefits. This is recognised in particular for older people (and especially for older people with disabilities) who often struggle to navigate the often-complex system of benefits and allowances or for whom, the digital nature of benefits administration and claiming processes are not always easy to access. It is expected that this will become even more of an issue beyond older people given the economic impact of the pandemic.</p> <p>It is proposed that the Authority commissions a provider or providers to deliver an end-to-end targeted benefits take-up campaign. This would include raising awareness and providing information to people of what benefit support is available through proactive communications and marketing activity. It would also include advice workers to work with older people to understand their potential entitlement to benefit as well as support to make a claim.</p>
School appropriate clothing	£253,845, based on current numbers of children on free school meals	<p>The Authority's engagement has shown that families with children who are living in poverty often struggle to be able to afford the regular costs for school uniforms, shoes or winter coats and that this can contribute significantly to the key impacts of poverty. This can be a particular issue where schools require their own branded items of clothing to be worn.</p> <p>The proposed approach would be to provide funding for every pupil in receipt of free school meals due to low income. This would be provided through a voucher scheme where vouchers (up to a maximum value of £45) would be able to be used to purchase for clothing for school.</p> <p>The preferred delivery route would be to partner with a provider. The provider would be funded to be able to bulk buy uniform items, winter coats and shoes (including branded items) which would therefore reduce the individual costs of each item. The provider would set up a dedicated area to be a 'shop'. Families would be able to choose what they needed to purchase using the vouchers provided to them. Preferably, the provider will have access to recycled school uniform already, which families can access for free to supplement what they need. Families would be encouraged to donate items back to the scheme once they no longer needed the clothing so that would support the scheme to also continue to be available for recycling.</p>

		<p>Consideration is also being given as to how the scheme is fully accessible to families with limited access to transport.</p>
Holiday Food	£200,000	<p>It is known that families living in poverty face particular financial difficulties during the school holidays where children do not have access to free school meals. This has been recognised during the coronavirus pandemic where a Government voucher scheme was provided to give financial help to families during the Easter and Summer school holidays so that they could purchase additional food. As things currently stand, there are no plans for the Government to continue this for other school holiday periods during the rest of the 2020/21 financial year (which amount to four weeks in total). The proposal is that the Authority uses the Poverty Intervention Fund to continue this provision for these weeks.</p> <p>The Government food voucher scheme provided a £15 voucher per child entitled to free school meals due to low income.</p> <p>In North Tyneside there are also a number of ways in which families have been supported during school holidays in the past including the Bay Foodbank and local schemes delivered by community and voluntary sector organisations (which often combined the provision of food/meals with some out of school activities).</p> <p>The proposed delivery approach is to commission a provider (or providers) to provide access to food or meals during the school holiday periods. This would need to have ease of access by families. Consideration is also being given to an option to include access to holiday activities as well as food or meals.</p>

1.7 Decision options:

The following decision options are available for consideration by Cabinet

Option 1

Cabinet to agree the proposed approach to operate the Poverty Intervention Fund including proposed priorities and initiatives as set out in paragraphs 1.6.1 to 1.6.2.

Option 2

Cabinet not to agree the proposed approach to operate the Poverty Intervention Fund.

1.8 Reasons for recommended option:

Option 1 is recommended for the following reasons:

This would allow the Poverty Intervention Fund to be established from September 2020.

1.9 Appendices:

None.

1.10 Contact officers:

Jackie Laughton, Head of Corporate Strategy and Customer Service, tel. (0191) 643 5724

Vicki Nixon, Snr Manager Participation, Advocacy and Engagement, tel. (0191) 643 8215

Claire Emmerson, Senior Manager Financial Strategy and Planning Strategic Finance, tel. (0191) 643 8109

1.11 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

(1) Poverty rate by person type over time, JRF

<https://www.jrf.org.uk/data/poverty-rate-person-type-over-time-after-housing-costs-ahc>

(2) Nowhere to Turn: Strengthening the safety net for children and families facing crisis, the Children's Society

https://www.childrenssociety.org.uk/sites/default/files/crisis-support-one-family-report_0.pdf

(3) Poverty and Mental Health, Mental Health Foundation and JRF

<https://www.mentalhealth.org.uk/sites/default/files/Poverty%20and%20Mental%20Health.pdf>

(4) Evidence and policy review: Domestic violence and poverty, University of Bristol and JRF

https://researchinformation.bris.ac.uk/ws/portalfiles/portal/128551400/JRF_DV_POVERTY_REPORT_FINAL_COPY_.pdf

(5) Working together: reducing chronic loneliness in the north east, Age UK North of Tyne and Gateshead

<https://www.ageuk.org.uk/bp-assets/globalassets/northumberland/local-age-uks-reducing-chronic-loneliness-in-the-north-east.pdf>

(6) UK Poverty 2017, JRF

<https://www.jrf.org.uk/report/uk-poverty-2017>

(7) Evidence Review: Loneliness in Later Life, Age UK

https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/health--wellbeing/rb_june15_loneliness_in_later_life_evidence_review.pdf

(8) Pensioner Poverty, JRF

<https://www.jrf.org.uk/data/pensioner-poverty>

(9) Poverty Intervention Fund Cabinet Report, 29/06/2020

<https://democracy.northtyneside.gov.uk/documents/s4040/Poverty%20Intervention%20Fund.pdf>

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The Authority's Budget for 2020/21 contained £1m for the Poverty Intervention Fund. Operation and delivery of the Fund will be managed within existing resources.

2.2 Legal

There are no direct legal implications arising from this report.

Under the provisions of Section 1 of the Localism Act 2010 the Authority has general powers of competence that allows the Authority "to do anything that individuals generally may do".

This is a matter that falls to Cabinet to determine pursuant to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 and the Local Government Act 2000.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

Consultation with all Cabinet Members as well as the Young Mayor and Cabinet has taken place.

2.3.2 External Consultation/Engagement

Engagement with the following key stakeholders has taken place: North Tyneside Strategic Partnership; Community and Voluntary Sector groups and organisations; Young Mayor and Cabinet.

2.4 Human rights

There are no human rights implications arising from the proposals in this report.

2.5 Equalities and diversity

An Equality Impact Assessment (EIA) has been carried out regarding the proposed approach for the Fund, this will inform the development of the detailed process for the administration of the Fund by the Steering Group and Delivery Group and the drafting of a new EIA of the administration process.

2.6 Risk management

The relevant risks have been discussed with the senior risk management advisor and will be managed in line with the agreed corporate approach.

2.7 Crime and disorder

There are no crime and disorder implications arising from the proposals in this report.

2.8 Environment and sustainability

There are no environment and sustainability implications arising from the proposals in this report.

PART 3 - SIGN OFF

- Chief Executive
- Head(s) of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Head of Corporate Strategy and Customer Service