

Corporate Overview and Scrutiny

Management Board (COSMB)

2 December 2022

Poverty Strategy and Action Plan

Ordinary Decision



Report of Corporate Management Team

Paul Darby, Corporate Director of Resources

John Pearce, Corporate Director of Children and Young People's Services

Councillor Alan Shield, Portfolio Holder for Equality and Inclusion

Councillor Ted Henderson, Portfolio Holder for Children and Young People's Services

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 To present the revised Poverty Strategy and Action Plan following a consultation exercise undertaken April to August 2022.
- 2 To present the updated Child Poverty Action Plan as a separate document which focusses on addressing child poverty and is aligned with the wider Poverty Strategy and Action Plan.

Executive summary

- 3 At its meeting on 6 April 2022, Cabinet agreed to consult on a revised County Durham Poverty Strategy and Action Plan, which sets out a comprehensive response to the impacts poverty and its related issues are having on our residents across the county.
- 4 The Poverty Strategy and Action Plan aligns to and underpins the key aim of the County Durham Partnership Strategy: *Fewer people will be affected by poverty and deprivation in the county* and the priority theme of the Council Plan that *Durham has a thriving and inclusive economy with more*

and better jobs and fewer people suffering from the hardships of poverty and deprivation.

- 5 The consultation, which commenced following the April cabinet meeting and lasted up to 25 August 2022 was aimed at reaching out to partners and key voluntary sector organisations to determine the council's approach to tackling the issues surrounding poverty and to develop an action plan which clearly sets out what will be done to address and reduce poverty across the county.
- 6 The consultation proposed four key objectives under the overarching vision of ***“to work together so fewer people will be affected by poverty and deprivation in the county”***. The proposed strategic objectives of the action plan are to:
 - use intelligence and data to target support to low-income households;
 - reduce the financial pressures on people facing or in poverty;
 - increase individual, household and community resilience to poverty; and
 - reduce barriers to accessing services for those experiencing financial insecurity.
- 7 The consultation asked a range of questions to determine if these objectives were the right ones; identify any gaps and to build on the work to ensure that the council's approach aligned with that of key partners; using their insight to determine the actions and outcomes which would result in the biggest impact on addressing poverty.
- 8 It is recognised that the Inclusive Economic Strategy is fundamental to opening up the routes out of poverty and will be key to ensuring communities are supported to thrive. Maximising money going into our local communities, job creation and supporting businesses to start up and grow are key determinants in terms of tackling systemic and generational poverty issues. The consultation on the Poverty Strategy and Action Plan was therefore undertaken in tandem with the consultation to develop the Council's Inclusive Economic Strategy.
- 9 The consultation was undertaken during a time of significant financial insecurity as the country continued its recovery from the impacts of the COVID-19 pandemic and then entered a period of rising energy, food, and other household costs, the 'cost-of-living crisis', due to the war in the Ukraine and resulting economic uncertainty. This situation, most recently compounded by soaring inflation and increased interest rates impacting on mortgage repayments has heavily influenced the context and feedback from the consultation exercise as both the council and its partners have experienced – and continue to see – increased demand for financial support/advice services. At the same time, our partner organisations have

seen reduced donations and face challenges in relation to volunteering/recruitment.

- 10 Discussions and feedback have therefore heavily reflected the need to have strong mechanisms in place to support those experiencing immediate financial hardship – as well as focussing on the medium to longer term strategies to enable our households to have access to incomes which support them to have a decent quality of life.
- 11 The decision to extend the current Local Council Tax Reduction scheme in its current form, into 2023/24 will help to continue to provide essential assistance to those low-income households across the county in terms of their Council Tax liability. The council also continues to fund the Welfare Assistance Scheme through the core budget of £1m, which provides support for those in crisis, which this year has been supplemented with additional funding from the Welfare Assistance Reserve given the increased demand.
- 12 Through robust partnership arrangements and in line with its commitment to ensure a focussed, coordinated approach to tackling poverty, through the Poverty Action Steering Group and Child Poverty Working Group, the Council continues to communicate and offer a range of support and advice mechanisms for Durham residents. This report provides an outline of those support mechanisms.
- 13 Feedback from the consultation exercise on the draft poverty strategy and action plan confirmed that the draft objectives presented to Cabinet in April were the right ones; the main changes resulting from the consultation are in relation to the action plan. The action plan has been updated to incorporate updated actions which reflect key areas of work both across the Council and through partners that were not reflected in the initial draft presented to Cabinet in April.
- 14 The Poverty Strategy and Action Plan sets out the council's intentions and provides details of the key mechanisms being deployed to reduce poverty across the county. This is an ever-changing landscape and actions and initiatives need to be informed by the current context and data/intelligence coming through from services and partner organisations; the Action Plan will therefore remain under constant review and subject to updates and monitoring through PASG.

Recommendation(s)

- 15 COSMB is recommended to:
 - (i) note the contents of the report and
 - (ii) note Cabinet's approval of the new Poverty Strategy and Action Plan 2022-2026, endorsement of the underpinning Child Poverty Action Plan and agreement to receiving annual updates on the progress of

the new Poverty Strategy and Action Plan and Child Poverty Action Plan.

Background

- 16 With around 21% of households living in relative poverty¹ before housing costs, and many more at risk of being pushed into poverty by an unexpected expense, unemployment, or change in family circumstances, poverty is a major issue for many County Durham residents and sits at the heart of many of the social and economic challenges we face.
- 17 The effects of poverty are widespread and not only confined to income. Due to poverty, there is significant inequality within our communities in relation to aspiration and opportunity, participation and social isolation, access to essential services, and health (both physical health and mental wellbeing).
- 18 Poverty across the county is driven predominantly by high levels of deprivation and insecure low-paid employment, and although poverty was prevalent pre-covid, the pandemic exacerbated the situation by disproportionately affecting low-income households and pushing many further into poverty.
- 19 The council is continuing to tackle all aspects of poverty. Its efforts are co-ordinated through the Poverty Action Steering Group (PASG) which works closely with key partners to help residents cope with poverty related issues and the impact of welfare reforms. Although our ambition is to do more than passively help residents claim benefits or support those in crisis, many poverty drivers, such as the strength of the economy, employment, or wage rates, are beyond the council's direct control.
- 20 On 6 April 2022 Cabinet considered and agreed to consult on a revised County Durham Poverty Strategy and Action Plan, which sets out a comprehensive response to the impacts of the wide-ranging poverty issues across the county.
- 21 Child poverty in County Durham continues to be on the rise with an estimated 28.9% of children under the age of 16 living in relative poverty in the year 2020/21, with the number of children eligible for free school meals also increasing to 21,200 eligible pupils. The council also recognises that many children and young people are victims of poverty due to the causes of child poverty not being separated from the causes of adult poverty. The council's Child Poverty Working Group (CPWG) sits under the PASG, and membership is made up of representatives from cross council services, key partner organisations such as education, health, police, and voluntary and community sector organisations.
- 22 The CPWG has also undertaken a refresh of its' plan on a page and associated action plan to reflect the changes in the overarching Poverty strategy and action plan and feedback through the Growing Up in County Durham Strategy consultation.

¹ Living in households with less than 60% of median household income.

Context

- 23 Welfare reforms, economic impacts resulting from the pandemic, and the current 'cost-of-living crisis' are affecting people across the county in different ways and all of which affect the underlying issues of poverty and wealth, however previous reports have highlighted the lack of cumulative impact assessment of these various components.
- 24 The latest information suggests that the county's child poverty rates in the under 16's has continued to increase over the last six years and now stands at 28.9%, this is over ten percentage points above the national average of 18.5% and the gap has increased by 2 percentage points since 2015/16.
- 25 Levels of employment in the county are consistently below national levels and currently stand at 71.2% of the economically active population, compared to 75.1% nationally. This comes coupled with lower weekly wages in the county of £450 compared to £510 nationally. The county's industrial heritage is still prevalent in the distribution and types of business and jobs in the county which are higher in the manufacturing and skilled trade and caring industries when compared to England – this is a major contributing factor to lower wages and therefore, a higher likelihood of a household experiencing poverty.
- 26 This industrial heritage has led to poorer health and lower life expectancies in the county compared to England. In deprived areas the gap in healthy life expectancy is even greater, with County Durham residents living up to 7.5 years less than those nationally.
- 27 Additionally, the county has higher levels of poor housing stock, particularly higher proportions of terraced housing, which were more prevalent in the east of the county in areas associated with heavy industry and mining. The 2011 Census indicated that 38.4% of all housing stock in the county was terraced compared to 24.5% nationally.
- 28 These higher levels of poorer housing conditions, coupled with the more rural nature of the county means that the county's residents also experience higher levels of fuel poverty (also linked with lower household incomes and lower levels of energy efficient homes). The latest data shows that 14.7% of households in the county experience fuel poverty compared to 13.2% nationally due to lower household incomes and living in lower energy efficient homes.
- 29 National commentary, and local partners, are advising of an increase in demand for help and support. According to Joseph Rowntree Foundation, about 7 million struggling families in the UK are living through a "frightening year of financial fear", going without food, heating, toiletries and even showering as they try to cope with the 'cost-of-living crisis'. The charity states that many people are falling deep into debt as they try to

stay afloat, using credit cards or cash from loan sharks to pay for food and other basics and building up arrears on energy bills.

- 30 A recent study of the Index of Deprivation combined with a bespoke Community Needs Index (which measures the lack of access to/availability of community facilities and assets), identified 255 areas in England that had been 'left behind'. County Durham was the upper tier authority with the highest number of these left behind neighbourhoods with 16 areas identified within the county.
- 31 The 'cost-of-living crisis' that the UK has experienced since late 2021 will lead to more residents experiencing poverty for the first time, for example low-income households spend a larger proportion than average on energy and food so will be more affected by price increases. Prices are continuing to rise at their fastest rate for more than 40 years, driven by higher petrol and food costs. UK inflation, the rate at which prices rise, jumped to 9.9% in the 12 months to August 2022, as reported by the Office for National Statistics (ONS).
- 32 Our local partners including County Durham Foodbank and East Durham Trust are both reporting an increase in demand for food, financial support for utility bills, and advice around debt. They are also experiencing a reduction in donations.
- 33 The council's housing solution service are reporting an increase in the number of families presenting for help with their housing situation, an increase in the number of residents losing their private rented tenancy and an increase of residents in work and at risk of homelessness.
- 34 The increased pressures seen on our most vulnerable households has resulted in increased demand for support through the Welfare Assistance Scheme (WAS), which has seen unprecedented demand and call volumes regularly exceeding 500 per week and awards for Daily Living Expenses costing an average of £43,643 per month during the last quarter compared to £37,156 during the same period in 2020/21 – a 17.5% increase. Demand for Discretionary Housing Payments (DHPs) also continues to be high.
- 35 Whilst we recognise as a local authority, we cannot entirely protect our residents, there are increased expectations on local authorities to help ease the immediate hardship of the 'cost-of-living crisis' and prepare for longer term impacts. This response would include:
 - (i) ensuring residents get what they are entitled to through income maximisation and benefits take up;
 - (ii) improve generosity and take up of council tax support;
 - (iii) avoid heavy handed debt collection practices;

- (iv) make it easy to tap into all the help on offer – the ‘no wrong door approach’; and
- (v) learn from pandemic approaches to funding local charities and community groups and take a far more collaborative approach to working with their local voluntary sector.

Support Mechanisms

- 36 The council continues to have a strong approach to supporting financial inclusion and has maintained its commitment to effective “core” support mechanisms for low-income households through delivery of the Local Council Tax Reduction Scheme (LCTRS), Discretionary Housing Payments (DHP) scheme, and Welfare Assistance Scheme (WAS) for those in crisis, plus through the council’s commitment to supporting advice provision. These schemes have been augmented with a range of other interventions.
- 37 As the cost of living continues to put financial pressure on many of our residents, it has been important to ensure that information has been communicated across our communities and with partners on what support and advice is available. Frontline teams have been asked to play a proactive role when in contact with residents to ensure that they are referred to those services which can offer expert advice or provide additional financial support. The most up to date information can be found on our [Help with your money](#) page on the Council’s website. The financial support leaflet has also been sent to every household which receives Durham County News and has been circulated to GP Practices, partners in the Advice in County Durham Partnership, The Fire and Rescue service as well as libraries, leisure centres and community groups to ensure the information is disseminated as widely as possible.
- 38 This support includes a further allocation of £4.6m from the Government’s [Household Support Fund](#). This will be used to support residents between 1 October 2022 and 31 March 2023. The Council will continue to work with our partners to provide support to households in need, particularly those struggling with the cost of energy. The fund can also be used to support with costs associated with food, energy and water bills and wider essentials. In cases of genuine emergency, it can also be used to help with housing costs. Previous funding to support this scheme has been augmented with funding from the Welfare Assistance Reserve
- 39 Although applications for the [council tax energy rebate](#) payment have now closed; those households who have no Council Tax liability and have not yet been in touch to claim the payment, have been urged to contact the Council. Frontline Teams and partners have been asked to ensure that any dialogue with a resident about their financial situation includes asking whether they have received this. A further mail out to residents in this situation is underway and work is being done to ensure engagement with these households.

- 40 All households will receive a £400 discount this winter to help with their rising energy bills. The government has now confirmed that support equivalent to this amount will also be available for households who will not be reached through the Energy Bills Support Scheme, including those that do not have a domestic electricity meter and heat network consumers on a private wire system. More detailed information on how residents can save on their energy bills can be found on our [help with your heating page and energy bills](#) web page.
- 41 The Council's Welfare Rights Team continue to offer benefit checks to ensure people are claiming all the support they are entitled to and are assisted, if needed, when encountering difficulties with benefit determinations. The team also produces [factsheets on benefits](#). The Customer Services team also provide support to complete forms or access online information in relation to financial support
- 42 Residents struggling with debt can access a free-to-use [MoneyHelper](#) service. Residents can also find further [debt advice](#) on the Council's website, including details of organisations in Durham and their areas of specialism.
- 43 The Council continues to work with [NEfirst Credit Union](#) to promote affordable loans and a cashback loan scheme for the purchase of furniture and white goods to support residents who don't qualify for Welfare Assistance.
- 44 Work with the County Durham Community Foundation to offer funding to the voluntary and community sector to create a network of warm spaces where people can get warm also continues. Residents are able to access a directory at [Durham Locate](#) with further information on the warm spaces network available on the website: [Warm spaces - Durham County Council](#)

Revised Poverty Strategy and Action Plan 2022-2026

- 45 The revised strategy aims to provide focus, strategic direction, and priorities for improving services and opportunities for residents in County Durham who are experiencing poverty or temporary hardship because of the 'cost-of-living crisis' and will cover a four-year period up to 2026.
- 46 The aim is to do more than just support residents to claim benefits and pay their rent or deal with those in crisis, though these remain important components. The PASG is seeking to improve the evidence and analysis and to make it everyone's business to support residents and mitigate the impacts of all forms of poverty and is exploring predictive modelling to enable more targeted and proactive interventions to prevent and alleviate the impacts of poverty.
- 47 The council should aspire to developing a compassionate coherent culture that seeks to maximise the value of our collective resources and appreciates the obstacles that internal and external silos create to supporting our financially vulnerable residents.

- 48 Although, the poverty strategy and action plan aim to reduce poverty across all ages and personal circumstances, it acknowledges that certain groups face a much higher risk of living in poverty than others. The strategy seeks to reflect the needs of vulnerable people and disadvantaged communities most at risk of poverty and identifies a range of factors that contribute to people's risk of experiencing poverty.
- 49 The Inclusive Economic Strategy is fundamental to opening up the routes out of poverty and will be key to ensuring communities are supported to thrive. Maximising money going into our local communities, job creation and supporting businesses to start up and grow are key determinants in terms of tackling systemic and generational poverty issues.
- 50 The review of the Poverty Strategy and Action Plan (Appendix 2) undertaken by the PASG has considered the council's Economic Strategy and wider policy and considered how we can increase access to fresh, healthy, affordable food, support residents struggling with increases in the 'cost-of-living crisis' and loss of income, and how we can help residents improve their overall financial circumstances. It will help the council prioritise support for longer term, particularly in relation to:
- (i) debt: the debt built up over this period will not disappear once inflation eases. Households, especially those on low incomes, will be burdened with arrears and other debts for many months and years to come;
 - (ii) mental health: we know from previous recessions and crises that those experiencing the worst hardship often also experience serious mental health consequences, and these are exacerbated by on-going debts and financial insecurity;
 - (iii) civil society: a long-term strategy for collaboration between organisations in their area and for investment in their local social sector, from philanthropic as well as public sources, designed to maximise the sector's impact and effectiveness.
 - (iv) better jobs: to reverse the long term rise in working poverty, through the council's Economic Strategy; and
 - (v) affordable housing: increase the supply of low-cost rented homes, through the council's Economic Strategy.
- 51 The Vision for County Durham 2035 was written together with partner organisations and the public and sets out what we would like the county to look like in 15 years' time. It was approved by Council and launched by the County Durham Partnership in 2019.
- 52 The Vision for County Durham is structured around three ambitions, namely:
- (i) More and better jobs

- (ii) People live long and independent lives
 - (iii) Communities are well connected and supportive of each other
- 53 Each of the three ambitions contains a number of objectives; the following objective which supports ‘more and better jobs’ has been adopted as the vision of the PASG, with the wording “to work together” added in:
- To work together so fewer people will be affected by poverty and deprivation in the county***
- 54 To achieve the best possible outcomes for residents experiencing poverty, it is proposed that the revised strategic objectives will be:
- Objective 1: Use intelligence and data to target support to low-income households;
- Objective 2: Reduce the financial pressures on people facing or in poverty;
- Objective 3: Increase individual, household and community resilience to poverty; and
- Objective 4: Reduce barriers to accessing services for those experiencing financial insecurity.
- 55 The strategy is underpinned by a revised action plan which focuses on new actions and commitments which will enable the council to deliver the key priorities that have identified as being most important for reducing poverty levels in County Durham and achieving our vision.
- 56 Although a major focus of the last 24 months has been effectively supporting vulnerable households impacted by COVID-19 restrictions, moving forward the focus will be on a strong strategic approach to supporting residents through co-ordinated advice and guidance, with partners playing a key role in delivery. It will involve helping residents move away from accessing food/financial support through crisis intervention support such as foodbanks, energy banks and welfare assistance etc. by working with key providers such as the credit unions to improve access to low-cost loans and supporting work to address fuel poverty and digital exclusion etc.
- 57 The CPWG has undertaken a refresh of its’ plan on a page and associated action plan to reflect the changes in the overarching poverty strategy and action plan and feedback from the Growing Up in County Durham strategy consultation.

Child Poverty Plan and Action Plan

- 58 The CPWG has undertaken a refresh of its’ plan on a page and associated action plan (Appendix 3) to reflect the changes in the overarching poverty

strategy and action plan and to ensure that its outcomes will contribute to the achievement of the overarching objectives in para 41.

59 The CPWG overarching vision is:

Children, young people and families have the resources to meet their basic needs, including accessing opportunities to take part in society.

60 To achieve the best possible outcomes for children, young people and families experiencing poverty, the revised objectives for the CPWG will be:

Objective 1: To understand the level and impact of poverty on children, young people and families in County Durham in order to better target support and resources;

Objective 2: Practitioners across the County Durham Partnership have the skills and knowledge to identify and support children and families who are affected by poverty at the earliest opportunity;

Objective 3: Promote social inclusion and family resilience to help ensure all children, young people and families have access to culture, leisure, sport and wellbeing activities; and

Objective 4: Raise aspirations and resilience of children and young people making the move into further education, training or employment.

61 The Child Poverty Plan and Action Plan has also considered and will align to wider policy developments within Children and Young People's Services including the Early Help provision, Family Hubs, and Start for Life Programme. This programme aims to help further develop our current Family Centre offer, ensuring services such as Midwifery, Health Visiting, DCC's One Point Service (Early Help), Voluntary and Community Sector (VCS) and other key partner organisations, working with families, to provide an integrated, accessible offer of support which is designed and delivered using co-production, based on the County Durham Approach to Wellbeing Principles.

62 The refreshed Child Poverty Plan and Action Plan will also build on the success of existing initiatives, such as 'Cutting the cost of the school day' and 'Fun with food' programmes to further improve and enhance these offers to meet the changing needs of our families and the increased demand we are starting to see from families experiencing financial hardship for the first time.

Consultation and engagement

- 63 Consultation on the development of the strategy and plan and engagement in delivery is fundamental to achieving better outcomes for the residents of County Durham.
- 64 The PASG, with support from the CPWG have undertaken an extensive consultation exercise between April to August 2022 to give all key partners and stakeholders the opportunity to comment and contribute to the ongoing development of the revised Poverty strategy and action plan.
- 65 Nearly 500 individuals including residents, partners, elected members, DCC staff etc. attended face to face presentations with opportunities to comment and contribute via the following groups:
- (a) 14 Area Action Partnerships;
 - (b) County Durham Partnership;
 - (c) County Durham Together Partnership;
 - (d) County Durham Health & Wellbeing Board;
 - (e) County Durham Better Together Forum;
 - (f) Advice in County Durham Partnership Network;
 - (g) The County Durham Economic Partnership;
 - (h) County Durham Housing Provider Forum;
 - (i) Children, Young People and Families Partnership Board;
 - (j) Tobacco Alliance;
 - (k) DCC Extended Management Team; and
 - (l) DCC Strategic Management Team
- 66 For group members who were unable to attend, or did not comment during these sessions, there was the additional option of sending comments/feedback/suggestions etc. via a dedicated email address and electronic survey. 73 completed surveys were submitted and 27 e mails were sent to the dedicated inbox.
- 67 In line with the County Durham Approach to Wellbeing the CPWG undertook co-production activities throughout the summer months utilising the 'Fun and Food' programme to work with children, young people, and parents/carers to help shape and influence the key objectives and help partners to deliver help and support which is accessible, acceptable and builds family and community resilience.

Comments and feedback received

- 68 Consultation was structured around considering the following three questions in relation to the poverty strategy and action plan:
- (a) Question 1: Are these the right objectives?
 - (b) Question 2: Where are the gaps/what more do we need to do?
 - (c) Question 3: Are there any groups of people missing?

General

- 69 Although some feedback and requests for action are not within the power of local authorities and partners to deliver, it must be acknowledged the role local politicians can play in lobbying government on these issues e.g. threshold for benefits is too low, eligibility for free school meals (FSM) is too low and narrow, £20 uplift to Universal Credit (UC) should be re-instated, and the country needs a Universal Basic Income set at an adequate and realistic level, all employees should be paid the living wage as a minimum.
- 70 Even though most respondents agreed that stronger links to economic activity through the new inclusive economic strategy was the way forward and the overarching poverty strategy and action plan would address the wider long-term poverty issues experienced by many residents (both pre- and post-pandemic), there was a clear sense of urgency around actions which help support residents through the current 'cost-of-living crisis'. Many respondents felt the situation is now so critical it should take precedence over the longer-term actions to address the wider poverty issues.
- 71 Many partners and services are reporting seeing cohorts of residents experiencing poverty for the first time, and there was a general interest in how we can work together to identify and reach these residents to provide help and support.
- 72 There was a strong emphasis on working in partnership with respondents highlighting the need for effective links between organisations, particularly in relation to improved and simplified data sharing which would enable targeted interventions for those in most need. For example, knowledge of who is eligible for free school meals would enable targeted support around school uniforms, kids' clubs etc. Respondents also emphasised the need for the plan to be flexible to address emerging issues in a constantly changing environment and expressed the need to assess progress through key milestones and measurable targets.
- 73 There was a recognition that needs are becoming more complex and more joined up service delivery would deal more effectively with people with multiple issues such as financial difficulties and mental health, reducing duplication and being less reactive.

- 74 Many respondents were concerned about funding and resourcing. The pandemic has led to some partners reducing, moving online, or withdrawing service provision, and all organisations are experiencing budget pressures arising from the 'cost-of-living crisis'. There is concern that the Voluntary and Community Sector will be called upon to fill any gaps in service provision, at a time when it is becoming increasingly difficult to attract and retain quality staff and volunteers, and cope with increased demand of a more complex nature.
- 75 It is acknowledged that stigma is still widely prevalent and remains a barrier to some residents reaching out for help and support – more so for residents who are finding themselves in financial hardship for the first time, and pride can make asking for help difficult and even impossible for some.

Question 1: are these the right objectives?

- 76 94% of respondents agreed with the inclusion of objective one (use intelligence and data to target support to low-income households) and objective two (reduce financial pressures on people facing, or in, poverty).
- 77 97% of respondents agreed with the inclusion of objective three (increase individual, household, and community resilience to poverty) and objective four (reduce barriers to accessing services for those experiencing financial insecurity).
- 78 Where respondents disagreed with the inclusion of an objective, the reason given most frequently was uncertainty as to how the objective could be achieved.

Question 2: where are the gaps / what more do we need to do?

- 79 A common theme was the need for action which would prevent people from going into poverty in the first place. Respondents also expressed a need for more support in the form of financial awareness, debt prevention, and budgeting skills, with a particular focus on children at secondary school / college to prepare them for the financial responsibilities of adulthood.
- 80 Some respondents felt the council could do more to stimulate local community energy options considering the current 'cost-of-living crisis'.
- 81 Improved public transport and better access to transport schemes were recurrent themes for helping people escape poverty. Many respondents felt there was a mismatch between public transport timetables and employment, education, and training opportunities, which when combined with expensive fares and long journey times, prevent some residents accessing opportunities. It was notable that respondents in rural areas felt that for training opportunities to be beneficial to communities, they need to be local. However, other respondents believed a non-local option would encourage take-up as it would allow people to obtain help anonymously.

- 82 Feedback suggested that many people are unaware of the services available to help them. Respondents stated they would welcome wider communication that informs residents of available support and how to access it, alongside campaigns which would highlight the dangers of specific actions, such as using loan sharks, and signpost them to alternative provision, such as credit unions.
- 83 Many respondents felt schools could be utilised more as a conduit to delivering key messages and information, mainly in the form of bulletins/letters which children would take home.
- 84 Respondents suggested more face-to-face support with longer opening times (from standard office hours of Monday to Friday) would increase accessibility for residents who need to travel, have caring responsibilities or don't have access to online sources of support and information. It was suggested that local community venues, for example libraries and community centres, be used for 1-2-1 consultations.
- 85 Some food projects have already been overwhelmed so longer term are required, around green spaces, community allotments etc.
- 86 Other comments included increasing the availability of affordable housing and more action to insulate homes.

Question 3: are there any groups of people missing?

- 87 Several recurring groups of people were identified in the feedback. Although some are already referenced in the document, respondents felt they should be given more prominence.
- 88 Low-income working families on the cusp of being eligible for benefits were highlighted as vulnerable to unexpected expenditure and could be pushed from 'just managing' into poverty as the 'cost-of-living crisis' takes hold.
- 89 Respondents identified single people with their own accommodation as a group, often with the least disposable income, in need of further support.
- 90 Residents in rural communities were mentioned as a group disproportionately affected by financial pressures caused by spatial isolation, few employment opportunities across a narrow range of sectors, a reliance on seasonal jobs, limited access to the labour market (e.g., transport, education, and training), higher fuel, food and transport costs.
- 91 Respondents explained that many informal carers had to give up employment or reduce their working hours during the pandemic due to a reduction in day services, specialist provision and respite. Lack of capacity in the system is preventing those people returning to the workplace so they remain on low fixed incomes. As many carers are experiencing

increasing expenditure due to needing extra heating or energy intensive specialist equipment, they are disproportionately impacted by the 'cost-of-living crisis'.

- 92 Disabled people, especially those who are immobile, housebound or with severe mental health conditions, were put forward as a group needing additional support. Many within this group struggle to complete online benefit forms, and some also find it hard to communicate their needs and can experience exasperated financial hardship due to additional costs associated with their disability.
- 93 Respondents felt there should be an increased emphasis on providing treatment for people with addictions which can consume household budgets and become a key factor in creating debt. For many, treatment centres are not local, and the cost of transport is often a barrier to people seeking help.
- 94 Respondents also highlighted a range of people who find themselves in unexpected situations that impact their financial situation, for example, those diagnosed with a serious illness such as cancer, experiencing a bereavement or leaving an abusive relationship. The cost of travelling to appointments was highlighted as a factor detrimental to health and wellbeing.
- 95 Groups with long term expenditure were also highlighted, such as housing costs, childcare.

New Poverty Action Strategy and Action Plan 2022-2026

- 96 The plan presented has been updated to reflect the feedback received as part of the consultation exercise, where practicable. These new and updated actions complement existing projects, initiatives and services and will be delivered alongside to further enhance and improve outcomes for our residents.
- 97 The council's PASG will continue to provide leadership and direction in delivering against the action plan and co-ordinating and joining up the response internally within the council and will explore predictive modelling to enable more targeted and proactive interventions to prevent and alleviate poverty.
- 98 Existing working groups including the CPWG will continue to work with services and partners to deliver some of the immediate actions where necessary, although it is expected a lot of the activity can be delivered through existing resources and organisations. Working with partners from across the public, private and third sector will continue to underpin our approach.

- 99 CPWG will continue under the guidance of the PASG, to be proactive and responsive to developing and implementing approaches to mitigate the impact of poverty and cost of living crisis on children and families, ensuring we do this in co-production with families and key partner organisations.
- 100 The existing relevant services, projects and initiatives from the previous action plan which have been adopted as 'business as usual' will continue to be monitored and reported via the appropriate service reporting channels and also regular updates will be given to the PASG.
- 101 Annual updates for the Poverty Strategy and Action Plan will be provided for: Cabinet; the County Durham Partnership; the Advice in County Durham Partnership; AAPs; and other partners etc.
- 102 The Poverty Strategy and Action Plan (and CPWG action plan) will be a dynamic action plan which will react to relevant policy developments and the evidence reported on the impacts being experienced by residents; with that in mind, it will be formally reviewed on an annual basis with elected members, including overview and scrutiny continuing to receive timely updates and briefings from both the CPWG and PASG.

Conclusion

- 103 The council has consistently recognised that it cannot reduce poverty on its own as this requires a system wide response: collaboration and a focus on delivering common outcomes is the key to success.
- 104 Although a major focus of the last 30 months has been effectively supporting vulnerable households impacted by COVID-19 restrictions, the council and its partners have continued to address the underlying issues experienced by low-income households and to respond to the new issues being experienced due to the current 'cost-of-living crisis'.
- 105 During the pandemic our efforts to address and alleviate poverty increased significantly but there is still much to do. By maintaining our partnership-based approach to delivering the Poverty Strategy and Action Plan, and the Child Poverty Plan and Action Plan we are making it everyone's business to respond to poverty and ensure financial inclusion.

Background papers/Other useful documents

- [Cabinet report, Poverty Strategy and Action Plan, April 2022](#)
- [Cabinet report, Poverty Issues, December 2021](#)
- [Poverty Dashboard – Durham Insight](#)

Author(s)

Mary Readman

03000 266116

Appendix 1: Implications

Legal Implications

There are no direct legal implications arising out of this report.

Finance

The council supports welfare provision and poverty alleviation through a number of service budgets across the council, such as the Welfare Assistance Fund and Discretionary Housing Payments (DHP) policy which are administered by the council's Transactional Services Teams. The council also offers discretionary Council Tax relief to individuals and households in financial hardship and has protected residents from government reductions in Council Tax Benefit through the approach it has taken to local Council Tax Support.

The longer-term financial implications for the council are at this stage difficult to quantify and are dependent on the speed of economic recovery.

Consultation

The Poverty Action Strategy and Action Plan has been through a full consultation exercise as detailed in the report.

Equality and Diversity / Public Sector Equality Duty

In terms of equality, poverty disproportionately impacts women (as they are more likely to have caring responsibilities), people with a disability and certain age groups: children in households experiencing poverty, and older age groups in particular as they generally won't be able work to mitigate the impact of poverty. Therefore, the poverty strategy, although directed at those most economically disadvantaged, will help to mitigate impact for equality groups much more likely to be disproportionately impacted by socio-economic disadvantage.

The council's Welfare Assistance Scheme, Discretionary Housing Payments policy, and Local Council Tax Reduction Scheme, have been subject to equality impact assessments where appropriate.

Climate Change

Not applicable.

Human Rights

Although there are no direct implications arising from this report, Human Rights encompass both fundamental values and specific rights; providing a framework, linked to equality and dignity for consideration of poverty and its impacts.

Crime and Disorder

Not applicable.

Staffing

Resource and staffing implications are fully considered as part of a proposal/action and will be fully considered by the service and the Poverty Action Steering Group.

Accommodation

Not applicable.

Risk

Not applicable.

Procurement

Not applicable