


Cabinet	
22 September 2021	
Report of: Denise Radley, Corporate Director – Health, Adult and Community Services	Classification: Unrestricted
Understanding the impact of Covid-19 in Tower Hamlets – Follow-Up Report	

Lead Member	Mayor John Biggs
Originating Officer(s)	Joanne Starkie (Head of Strategy and Policy – Health, Adults and Communities)
Wards affected	All wards
Key Decision?	No
Forward Plan Notice Published	n/a
Reason for Key Decision	n/a
Strategic Plan Priority	All

Executive Summary

This report and appendix describe the impact of the Covid-19 pandemic on Tower Hamlets so far and attempts to predict the impact going forward. The report is a follow-up to an earlier impact assessment carried out in summer 2020, and it focuses on the following thirteen topics:

- i. Wider impact on physical health
- ii. Mental health
- iii. Social care and safeguarding
- iv. Economy, business and the voluntary and community sector
- v. Deprivation and employment
- vi. Homelessness and rough sleeping
- vii. Domestic abuse
- viii. Crime and anti-social behaviour (ASB)
- ix. Substance misuse
- x. Education and learning
- xi. Transport, air quality and cities
- xii. Community cohesion and involvement
- xiii. Local authority finances and services

Each of the thirteen topics are analysed in Appendix I, with an overall summary provided on Slide 2. The analysis of each topic includes a description of:

- The situation in Tower Hamlets before the Covid-19 pandemic
- The key impacts felt to date. This includes an analysis of whether there has been a disproportionate impact on particular groups.

- A prediction of the challenges and opportunities going forward, over the next 12-18 months and longer-term.

This cover report then further categorises and summarises the topics (please see section 3) into:

- 'Temporary' impacts that are reverting to pre-pandemic levels: Crime, substance misuse and air quality impacts.
- Changing impacts that have varied over time: Need for mental health support, children's social care, adult safeguarding referrals, domestic abuse, feelings of community cohesion.
- 'Cushioned' impacts that may emerge when interventions are phased out: Employment, business, deprivation, homelessness and rough sleeping.
- Longer-term 'persistent' impacts: Physical health impacts, mental health impacts, deprivation, impact on education and learning, changes to urban environments, community involvement and inequality.

Finally, this report describes the wider equalities implications of the Covid-19 according to age, ethnic background, sex, disability and socio-economic status; and the interfaces between the wider impact of the pandemic, local authority finances and service provision.

This analysis has been carried out at a point in time, and notes that many of the impacts (including the extent and speed of economic recovery) are still emerging. It should also be emphasised that the analysis has been carried out on the assumption that strict social distancing restrictions or lockdowns will not be reimposed, but the actual likelihood of this is unknown given that the pandemic is not over. The reintroduction of these restrictions would again change the shorter and longer-term impacts of the Covid-19 pandemic.

Overall, it remains clear that the physical, mental and social repercussions of Covid-19 go far beyond the virus itself. One of the main cross-cutting themes in this report and Appendix I is that Covid-19 may have shone a light on inequalities, but these could be exacerbated further going forward: Leading to poorer outcomes for residents, higher demands for support and increased financial pressures on the council. However, the assessment also identifies areas of positive impact, raising a question on how we can capitalise on opportunities to the benefit of residents and the council.

Whilst this report does not focus on our response to the Covid-19 pandemic or its wider impacts, it should be noted that a programme of work is in place to address key challenges and maximise opportunities, working closely with partner organisations. We have prioritised addressing key impacts through our Strategic Plan, through the Covid-19 recovery fund and through a range of detailed work programmes.

Recommendations:

The is recommended to:

- i. Note the contents of this report summarising the impact of the Covid-19 pandemic on Tower Hamlets to date and predicting the medium and long-term challenges and opportunities going forward.

1. REASONS FOR THE DECISIONS

- 1.1 To provide evidence and insight in order to inform short and longer-term strategic planning over the next 12 to 18 months.

2. ALTERNATIVE OPTIONS

- 2.1 N/a – the report is presented for information and discussion.

3. DETAILS OF THE REPORT

3.1 'Temporary' impacts that are reverting to pre-pandemic levels

3.1.1 Crime

Crime dropped overall with lockdown but is rebounding to 'normal' levels in some areas and adapting in others. The biggest change in crime patterns were due to lockdown (e.g. a reduction in burglary as more people were at home) and so are unlikely to persist into the medium of longer term.

3.1.2 Substance misuse

Lockdown caused initial changes to drugs markets; however, this trend did not persist as methods adapted. Things like the 'Everyone In' scheme contributed to an increase in substance misuse treatment referrals, however feedback is that this is unlikely to cause a substantive, long-term change in overall substance misuse levels in the borough.

3.1.3 Air quality

Air quality improved with the first lockdown as all forms of transport plummeted. As car use has risen faster than public transport use and as lockdown lifts, we are seeing rises in levels of nitrogen dioxide. However, these levels do not yet appear to be back at pre-pandemic levels and shifts towards more walking and cycling will likely help air quality trends in the longer-term.

3.2 Changing impacts that have varied over time

3.2.1 Need for mental health support

Demand for mental health support decreased when we went into the first lockdown, thought to be due to changes in service provision and less face-to-face interaction between staff and residents. An increase in demand was later than expected but has been seen from spring 2021 onwards across services for young people and adults, exceeding pre-pandemic levels in a number of areas. This is thought to be due to increase in mental health needs from the general population due to the wider impacts of Covid-19, and 'pent up' increased demand for mental health support as lockdown lifts. Feedback is that the complexity of casework has increased.

3.2.2 Children's social care

Demand for children's social care decreased when we went into the first lockdown, thought to be heavily impacted by school closure and less face-to-face interaction between staff, children and young people. However, this has since increased and is now significantly higher than pre-pandemic levels. Feedback is that the complexity of casework has increased, and that serious youth violence is rebounding to an extent.

3.2.3 Adult safeguarding referrals

Pre-Covid, Tower Hamlets had seen an increase in adult safeguarding concerns each year between 2017 and 2020, thought to be at least partially due to increased awareness levels. After an initial dip with lockdown, concerns increased and the number of safeguarding concerns is higher in 2020-21 than the year before.

3.2.4 Domestic abuse

As with (3.2.2-3), demand for domestic abuse support services dipped when we went into the first lockdown, but referrals for support then increased and exceeded pre-pandemic levels. This is considered to be reflective of worsening domestic abuse levels over lockdown.

3.2.5 Feelings of community cohesion

There are some indications that people's sense of unity and community improved in spring and summer 2020, then decreased back towards pre-pandemic levels. However, there are also indications that the local picture is more positive and consistent than the national picture, providing an opportunity to further build on this.

3.3 'Cushioned' impacts that may emerge when interventions are phased out

3.3.1 Employment

The pandemic has had an uneven but largely negative impact on employment levels, but the Job Retention Scheme has essentially cushioned the full impact of this. 14% of the Tower Hamlets population was furloughed in April 2021. The number of people who will return to employment and the number made redundant will not be clear until the furlough scheme ends on 30 September 2021.

3.3.2 Business

The wave of business failure that was predicted in 2020 has not yet been seen and the full impact has been cushioned through things like bounce-back loans to be paid back

over the next ten years. The full impact now depends on the level of economic recovery and the ability of businesses to get through the next stage.

3.3.3 Deprivation

Increased food bank use, an increase in the number of people hitting the benefits cap and an increased number of people reporting they are experiencing financial pressures indicates a potentially negative impact on deprivation in real terms. However, the full impact has not yet been seen because Universal Credit and working tax credits increased by £20 per week at the start of the pandemic. This increase is currently due to end by October 2021. This and the end of the furlough scheme will likely have further significant impacts on levels of deprivation. Likewise, holiday hunger schemes have cushioned some of the impact on children and families but are not being supported nationally in the medium or long-term.

3.3.4 Homelessness and rough sleeping

The impact of economic pressures arising from lockdown on homelessness levels has been cushioned by the eviction ban. This was put in place at the start of the pandemic, ending on 31 May 2021 as a phased return to pre-pandemic eviction notice periods from 1 October 2021. Whilst the ban has enabled early interventions and support to be provided to households at risk of homelessness, the concern is that the economic impact of the pandemic will result in a spike in homelessness applications when the ban fully lifts. The impact on rough sleeping is more complex, but there are clear indications that the 'Everyone In' scheme had a positive impact on this and on the lives of those who were provided with emergency accommodation.

3.4 Longer-term 'persistent' impacts

3.4.1 Physical health impacts

The wider, physical health impacts of the pandemic are likely to longer-term in nature. These centre around three issues: disruption to 'business as usual' health services over the pandemic that will likely mean some people living in poorer health for a longer time; 'Long Covid' as an emerging issue; and health behaviours that changed with lockdown and may result in longer-term changes. The wider determinants of health (e.g. employment levels) have also changed. There is a risk that health inequalities in the borough will increase with subsequent implications for services, and Tower Hamlets may be hit harder than average given our existing health inequalities.

However, going forward there is also an opportunity to capitalise on people's interest in staying healthy to encourage things like smoking cessation and active travel. The NHS is also likely to accelerate system changes and retain aspects of their pandemic response that worked well, such as digital consultations.

3.4.2 Mental health impacts

Some of the negative impact on mental wellbeing is tied to lockdown and will therefore likely be temporary, improving as lockdown lifts. However, the mental health impacts on individuals who have experienced extreme difficulties or trauma during the pandemic will likely be longer-term in nature. This includes those who have lost loved ones, frontline health and care workers, and victims of abuse during lockdown. At the same time, the wider determinants of mental health (e.g. employment levels) are changing which could result in a longer-term, negative impact.

However, there are also indications that there are greater awareness levels of the importance of mental health. This could accelerate the de-stigmatisation of mental health and lead to longer-term improvements in this area.

3.4.3 Deprivation

Whilst the full impact on deprivation is being cushioned (as described in section 3.3.3), in essence a slow economic recovery coupled with the removal of interventions like the furlough scheme risks an increase in financial hardship and deprivation levels that will be longer-term in nature. The ramifications of this will be felt across communities and services.

3.4.4 Education and learning

The full impact of the last 18 months on learning and education is still emerging, but the general consensus is that a loss in learning time in the classroom has impacted academic progress and potentially widened the attainment gap. There is a significant concern that lockdown has impacted the wellbeing, learning and development of very young children in their early years, and that this impact will be perhaps harder to recover from compared to older children. This is likely to reverberate into the future as children and young people grow into adulthood.

For a borough with comparatively high attainment levels and high child poverty levels, the longer-term consequence is that the disruption to education could undermine the gains made in educational achievement to date and widen inequalities; and whilst attempts to tackle the digital divide are useful, this is unlikely to be sufficient. The wider health and wellbeing implications of most children and young people missing so time in school over the last 18 months are also significant and are likely to reverberate into the future.

3.4.5 Changes to urban environments

If increased levels of home working persist in the longer term, this could have wider implications in a number of areas. This is particularly relevant for London and Tower Hamlets as home working levels over the pandemic are higher here than elsewhere. The wider impacts include the local economy in Tower Hamlets if more people are at home, transport habits if there are less people commuting, anti-social behaviour concerns if the increase in ASB concerns is being at least partially driven by more people spending more time at home and population movement in the borough. There is speculation that the pandemic may result in more higher earners leaving London, risking the worsening of place-based inequalities to the detriment of deprived areas. Increased remote working, decreased reliance on city centres for shopping and demand for larger and more affordable housing may deplete city and town centres

3.4.6 Community involvement

Volunteering levels increased with the pandemic and have remained high since, often operating at a hyper-local level. Whilst the availability of volunteers may diminish as people to return to previous routines, increased levels of volunteering and community involvement provide an opportunity to strengthen this area in the longer-term.

3.4.7 Inequality

The wider impacts of the Covid-19 pandemic are uneven, and there is a sense that the last 18 months have shone a light on existing inequalities that now risk being widened further. Section 4 of the report describes this in more detail.

3.5 Interfaces with local authority finances and services

The pandemic has put extreme pressure on local authority finances, and government funding has not yet been enough to mitigate this. There are then a number of interfaces between our financial position and the wider impacts of the pandemic: If economic recovery slow, this will result in continued pressure on council income from things like Council Tax and Business Rates. If increases in demand for support for things like mental health services, social care and domestic abuse support are sustained or increase further; this is likely to result in greater financial pressures. This interface highlights the need for us to address key challenges and to maximise opportunities in partnership with partner organisations and residents.

3.6 Our response to the wider impacts of Covid-19

3.6.1 This report does not focus on our response to the Covid-19 pandemic or its wider impacts¹. However, it should be noted that a programme or work is in place to address key challenges and maximise opportunities, working closely with partner organisations. We have prioritised addressing key impacts, as articulated in our Strategic Plan. Work to address the wider impacts of Covid-19 include the following examples:

- The £3 million Covid-19 Recovery Fund, aimed at kickstarting the economic, health and social recovery from Covid-19 in Tower Hamlets.
- Completing the Tower Hamlets poverty review, which will include our response to government Covid-19 interventions coming to an end (e.g. the £20 per week increase in Universal Credit and working tax credits coming to an end).
- A detailed programme of work to support children and young people's mental health and wellbeing following lockdown.
- Joint working with health partners focused on the system recovering from the pandemic. This includes utilising the National Mental Health Recovery Fund and working together to reduce waiting times.

4. EQUALITIES IMPLICATIONS

The following protected characteristics have been identified as particularly impacted by the Covid-19 pandemic. A full assessment of all nine protected characteristics has been carried out in a 2020 Covid-19 Equalities Impact Assessment.

¹ A report on our response to the Covid-19 pandemic was presented to Cabinet on 30 June 2021. This was focused on our response in five key areas: work to (i) prevent and limit the spread of Covid-19, (ii) support the most vulnerable through the pandemic, (iii) support children and families through lockdown and school closure, (iv) help to make Tower Hamlets as safe a place as possible, (v) work in close partnership with our communities.

4.1 Age

- 4.1.1 At one end of the spectrum, old age is a major risk factor for severe and fatal Covid-19 cases, and greater numbers of older people will have experienced trauma and grief from this. Older people are vulnerable to loneliness, possibly exacerbated by many not using technology to maintain social contact in lockdown (the 'digital divide'). Older people are overrepresented in safeguarding adult cases so will be more affected by emerging risks. They are also more likely to be in poorer health, so will be also disproportionately impacted by any disruption to health and care services. There are also indications that those aged 50 plus are being disproportionately impacted by unemployment.
- 4.1.2 Covid-19 for children and young people has been less about direct health risks and more about wider social impacts. The impact of school closure has caused disruption to education and had wider implications for children's social and physical wellbeing. There are strong indicators that both the mental health impacts and the unemployment impacts of the pandemic are more prevalent in young people, with the mental health impacts in particular being significant and reflected in demand for support. For a young borough with high but improving levels of child poverty, high childhood obesity and good levels of educational attainment, there is a real risk that the progress made so far is disrupted by Covid-19.

4.2 Ethnicity

- 4.2.1 People of a Black, Asian and minority ethnic background have been disproportionately impacted by Covid-19², and greater numbers of older people will have experienced trauma and grief from this.
- 4.2.2 Across the UK and in Tower Hamlets, people of BAME backgrounds are overrepresented in some of the occupations directly dealing with the pandemic, they are more likely to live in poverty compared to those of a White British ethnic background and are more likely to diagnosed with a mental health problem. Again, there is a key risk that the indirect impacts of Covid-19 will exacerbate racial inequalities described here.
- 4.2.3 Self-reported levels of trust in government advice were lower in BAME communities at the peak of the pandemic compared to those of a white ethnic background, and BAME communities also reported a greater decline in feelings of cohesion; both suggesting the negative impacts in these areas were more keenly felt.
- 4.2.4 The direct and indirect impacts of Covid-19 on those of a Black, Asian and minority ethnic background have coincided and interfaced with a period of increased social activism aimed at tackling racial discrimination and inequality, aimed at producing positive and lasting change.

² June PHE report: People of Bangladeshi ethnicity around twice risk of death as White British when other factors accounted for. Chinese, Indian, Pakistani, Other Asian, Caribbean and Other Black ethnicity: between 10 and 50% higher than White British.

4.3 Sex

- 4.3.1 There are indicators that the mental health impacts and the economic impacts of the pandemic have disproportionately impacted on women. Women are more likely to have caring responsibilities, and any negative aspects of this will have been exacerbated through lockdown and school closure. This has led to speculation that the pandemic is reinforcing gender roles, risking reversing the progress made in gender equality over recent decades.
- 4.3.2 Women are the main victims of a rise in domestic abuse. One UN report estimates Covid-19 will undermine global efforts to end gender-based violence, reducing progress towards ending it by 2030 by a third.
- 4.3.3 Long Covid is also thought to be more prevalent in women.
- 4.3.4 Locally and nationally, men are overrepresented in those sleeping rough and in the number of people with harmful or dependent drinking patterns. Changes in these areas (largely positive changes in rough sleeping, potentially negative changes in harmful drinking levels) will likely impact men to a greater degree than women.

4.4 Disability

- 4.4.1 There is a clear association between Covid-19 fatalities and some underlying health conditions, and people who are 'clinically extremely vulnerable' are also more likely to be seen in this group. Those who have had to shield as a result are potentially at a greater risk of worsening physical and mental health as a result of stricter social distancing guidelines. One report describes the risk of loneliness and social isolation as being “frequently triggered by feeling unable to access society safely”³ for people with a disability.
- 4.4.2 People with a disability (including children with special educational needs and disabilities) are more likely to be in contact with health and social care services and will be disproportionately impacted by the disruption to them. There are also indicators that Long Covid is more likely to impact people with a disability.
- 4.4.3 People with a disability are overrepresented in safeguarding adult cases so will be more affected by emerging risks, such as financial scams. They are also at an increased risk of domestic abuse, so the negative impact of the pandemic on this area will have impacted this group.
- 4.4.4 People with a disability will also be particularly impacted by employment changes, given the barriers that can already exist for people with a disability in this area.

4.5 Socio economic

- 4.5.1 Those on lower incomes are more likely to suffer financial hardship, more likely to experience food poverty and are less likely to have access to the technology used to cushion some of the blows of lockdown (e.g. to enable social contact, service provision

³ Covid-19 Outreach and Messaging Programme (Real, Healthwatch Tower Hamlets, DeafPlus, Foundation CIC) July 2021

or home learning). Those suffering financial hardship are more likely to face homelessness.

- 4.5.2 The key issues now are what happens when the furlough scheme, eviction ban and universal credit increase of £20 per week fully end; and the extent and speed of economic recovery. Things like an accelerated move to digital service and business provision in the longer-term has ramifications for job opportunities, where people live and work and how they get help when they need it; with subsequent impacts for different socio-economic groups.
- 4.5.3 The impacts of a sustained increase in deprivation levels are long-term and include poorer physical health, mental health and a higher likelihood of substance misuse and being in contact with the criminal justice system.

5. OTHER STATUTORY IMPLICATIONS

5.1 n/a

6. COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 The Council has worked hard to prevent and limit the spread of Covid-19 whilst tackling the wider impact the pandemic has had on residents and businesses. The Council continues to work with partners and with residents to: prevent and limit the spread of Covid-19; support the most vulnerable through the pandemic; support children and families through lockdown and school closure; support businesses and residents through economic hardship; help make Tower Hamlets as safe a place as possible and work closely with communities. The pandemic has created cost pressures, delayed planned savings actions and an adverse impact on income collection. The full impact will begin to be experienced now and over the medium term as the shortfall on previous years' collection fund is accounted for from 2021-22 onwards.
- 6.2 The impacts on the Council's budget are reported to Cabinet on a regular basis as part of the regular budget monitoring process. The costs arising from Covid-19 are being met via various central government non-ringfenced and specific (ring-fenced) grants that have continued from 2020/21. The Council has received non-ringfenced Covid-19 emergency grant of which £3.5m has been carried forward from 2020/21 and an in-year tranche of £13m has been received for 2021/22 to date.
- 6.3 Government has provided partial reimbursement (circa 70%) of lost income in specified areas of Sales, Fees & Charges and partial support for deficits in Business Rates and Council Tax income (75% of some components of the deficits). Specific grants have been provided for Public Health and social care areas (primarily the Test and Trace Grant, Contain Outbreak Management Fund and Infection Control Fund) and support for Rough Sleepers and Reopening High Streets Safely.
- 6.4 Council agreed in the 2021-24 medium term financial strategy (MTFS) to create a £3m Covid Recovery Fund reserve, funded from the New Homes Bonus (NHB) reserve, which is funding projects to kickstart our community's recovery from the pandemic over the next 12 to 24 months.

- 6.5 Social Care Providers have been supported through the pandemic period via the use of additional Covid-19 grant funding that has been passed onto them via the Infection Control Fund, the Rapid Test Grant and the Workforce Capacity Fund (20/21 only). The Infection Control and Testing grant will cease in September 2021.
- 6.6 The 'Hospital Discharge and Community Support' guidance published by NHSE in May 2021, allows for new and additional support needs to be funded on discharge from hospital for a period of 6 months from April to September, to minimise delayed discharges. However, on cessation of this funding from October, the costs of any additional support, including designated care settings, additional support measures that have been put in place for clients etc, will need to be funded via the Council, and therefore will place an additional pressure on the Council's resources.
- 6.7 In addition, the costs of long-covid implications on additional social care needs have yet to be quantified. It is still unclear the impact of the 2% of cases that remain ill after 12 weeks have on long-term adult social care referrals, and the cost implications on future budgets.
- 6.8 With the majority of funding ending in this financial year and the longer-term impact yet unknown (including the impact on Business Rates and Council Tax income), there is uncertainty as to the total financial impact of Covid-19. The Council will need to manage the impact of Covid within approved budgets in 21/22 and over the medium/long term.

7. COMMENTS OF LEGAL SERVICES

- 7.1 Covid-19 has had a significant impact on the delivery of the Council's functions. This impact is also expected to continue and change in nature into the future. The Council is legally obliged to ensure that it obtains Best Value in relation to the delivery of all its legal functions in terms of economy efficiency and effectiveness. The obligation is a continuing one so as the impact changes so will the actions required to be undertaken by the Council to ensure the Council continues to satisfy this duty. This review is evidence that the Council is abiding with this statutory duty.
- 7.2 The Equality Act 2010 places the equality duty on the Council. Under this duty the Council must (amongst other things) eliminate discrimination when discharging its legal functions. The Covid – 19 pandemic has had differing levels of impact on differing parts of the Council's community and in particular has impacted people who have a protected characteristic differently and potentially more severely from those who do not. Therefore, continued monitoring of the impact of the pandemic assists the Council in delivery against this legal duty also.

Appendices

Appendix I: Understanding the impact of Covid-19 in Tower Hamlets follow-up slides

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- NONE

Officer contact details for documents:

Joanne Starkie – Head of Strategy and Policy, Health Adults and Communities

joanne.starkie@towerhamlets.gov.uk