


Cabinet 22 September 2021	 TOWER HAMLETS
Report of: Sharon Godman, Director of Strategy, Improvement and Transformation	Classification: Unrestricted
London Borough of Tower Hamlets Poverty Review	

Lead Member	Councillor Mufedah Bustin, Cabinet Member for Planning and Social Inclusion (Job Share) - Lead on Social Inclusion
Originating Officer(s)	Frances Winter, Strategy and Policy Manager – Children and Culture
Wards affected	All wards
Key Decision?	No
Reason for Key Decision	This report has been reviewed as not meeting the Key Decision criteria.
Forward Plan Notice Published	29 June 2021
Strategic Plan Priority / Outcome	People are aspirational, independent and have equal access to opportunities.

Executive Summary

The Council conducted a Poverty Review which focused on our interventions designed to address poverty and recommends a series of a short-term actions to support residents to recover from the financial impact of the pandemic. In the medium term, it recommends a focus on three strategic priorities: early financial intervention; employment and skills; and a bright future for the new generation.

The Poverty Review Report and Recommendations is attached at appendix 1.

Recommendations:

Cabinet is recommended to:

1. Note the review report and findings, and agree the recommendations set out in the report.
2. Agree an annual report to Cabinet outlining the progress made implementing the recommendations including our work with partners.
3. Note the equalities considerations as set out in Paragraph 4.

1 REASONS FOR THE DECISIONS

- 1.1 Social justice lies at the heart of the Tower Hamlets Plan, with a shared commitment to tackling inequality and building a strong, inclusive and fair borough. The Council's contribution is found in our Strategic Plan which sets out key priorities designed to ensure fairness and the improvement of social and economic outcomes for the residents of Tower Hamlets.
- 1.2 The Poverty Review was conducted to provide an evidence base and recommendations that will help influence and shape future council and partner actions to address poverty. It fulfils a commitment in the 2021 – 24 strategic plan to “explore options on the borough's approach to tackling poverty and addressing the additional impact of the pandemic in the borough”.

2 ALTERNATIVE OPTIONS

- 2.1 The original intention was to host a Child Poverty Commission. These plans were delayed following the start of the Coronavirus pandemic, and the need for an urgent partnership response to the murder of George Floyd and the Black Lives Matter movement which was fulfilled through the Black, Asian and Minority Ethnic Inequalities Commission. In early 2021, the Poverty Review started with a scoping exercise which concluded that a focus on council-supported interventions would support a timely analysis and response to the pandemic and its impact on residents' livelihoods.
- 2.2 An alternative approach would have been to not conduct the review. This would have represented a missed opportunity to understand the impact of the council's considerable investment in tackling poverty.

3 DETAILS OF THE REPORT

- 3.1 The London Borough of Tower Hamlets Poverty Review was a member-led review. It focused on interventions implemented or funded by the council.

- 3.2 The review aimed to develop strategic recommendations to inform future short term and longer-term poverty reduction interventions by the council and its partners, with a particular focus on child poverty and poverty affecting older residents.
- 3.3 The review was informed by engagement and consultation with residents and partners, and relevant data, research, and evaluation, including a poverty profile and mapping of council-supported poverty interventions. Toynbee Hall was commissioned to carry out community-led research with residents who experience living on a low income. The review also drew on the findings of the Black, Asian and Minority Ethnic Inequalities Commission, the council's Covid Impact Assessment, and work underway to develop a digital inclusion action plan.
- 3.4 Poverty is defined as not being able to afford the essentials for life in London today. Residents told the review that finances matter, but so do a multitude of other factors: feeling safe, good mental and physical health, green spaces, opportunities to learn and have fun, and a sense of belonging and community. Tackling poverty and improving the quality of life for low-income residents go hand in hand.
- 3.5 Tower Hamlets residents face amongst the highest rates of poverty in the country. Poverty is sustained by above-average levels of worklessness, in-work poverty, high living and housing costs, and an inadequate social security safety net. Families with a disabled member, lone parents with dependent children, residents from Black, Asian, and Minority Ethnic backgrounds and larger families are more likely to live in poverty. The pandemic has intensified inequalities and created new vulnerabilities, with economic consequences which are still unfolding.
- 3.6 Despite a £200 million reduction in central government funding since 2010, the council has maintained and added to a large and relatively-well funded local safety net prevents residents on low incomes falling into even greater difficulties. Importantly, it helps to reduce poverty, improve incomes, reduce the cost of living, and support residents in financial hardship. In many service areas – including children's centres, support to free school meals, advice provision including that found the voluntary sector, the council's Tackling Poverty programme, and council tax reduction - the level of investment compares favourably with other local areas. A striking feature is the stability of the programmes with multi-year financial commitments which offer predictability of the provision for residents and partners.
- 3.7 There is unmet potential to adopt a more systematic and proactive approach to financial inclusion and income maximisation across council services and

possibly other partners. Residents and staff report difficulty getting information about the support available to them. Greater impact could be achieved through more effective use of data and information as well as building on existing relationships the council has with residents who are at risk of poverty.

- 3.8 The review identifies several cross-cutting issues for further consideration: including impact evaluation, communication, involvement of residents in strategic responses to poverty, and coordination of interventions. Further work is recommended to support a response to specific identified challenges including insecure work, residents with no recourse to public funds, and to increase take-up of free early education.
- 3.9 The review recommends that future work on poverty is focused on three strategic priorities. The priorities are local actions that will make a real and sustainable difference to residents at risk of poverty. They are cross-cutting and require collaboration across different council services, as well as across the Tower Hamlets partnership. In particular, the review highlighted the importance of working alongside trusted institutions including schools, and voluntary, community and faith groups, to build on grassroots support and improve access.
- i. **Early financial intervention** - taking a whole systems approach to increasing incomes, reducing costs and averting financial crisis and homelessness.
 - ii. **Employment and skills** – developing and extending our partnership programme to improve skills and improve access to decent work with opportunities for progression. Investigating a partnership response to low paid and insecure work.
 - iii. **A bright future for the new generation** – sustaining a relentless focus on achieving the best for all our children and young people, so that they have the skills, confidence, and best possible mental and physical health they need to flourish as adults.
- 3.10 An immediate priority is to support residents to recover from the financial impact of the pandemic. The review makes a number of short-term recommendations, with a focus on supporting residents to access available support from the council, partners and national programmes.
- 3.11 Work is well underway on many of the priority areas identified by the review:
- The Tackling Poverty team and the Children and Culture Directorate are exploring the roll-out of early financial intervention and use of the Benefits and Budgeting Calculator across children’s services, with initial support from the Local Government Association.

- From autumn 2021, the review findings and recommendations will be used as part of the evidence base for transformation of frontline services.
- A revision of the Tower Hamlets Growth and Economic Development Plan is being scoped in light of the economic impact of the pandemic on the borough. This will consider how best to implement the recommendations on employment and skills, along with more immediate steps already being put in place to support economic recovery.
- The Early Help & Children and Families Service is working to increase take up of free early education places, with a focus on the disadvantaged two-year old offer.
- The new Tower Hamlets Connect digital portal has launched. It includes user-friendly information on money management, debt and paying bills, with links to local information and advice.
- Discussions are planned to scope a proactive approach to identifying residents likely to be in rent arrears and advice to enable them to sustain their tenancies, through joint work between the Tackling Poverty and Housing Options services.

3.12 During the course of the review, residents and stakeholders raised several important broader issues. They highlighted the importance of good mental and physical health, a green environment, community safety, opportunities for learning, cultural enrichment and youth provision, and community hubs and spaces for residents to come together and support one another. The Tower Hamlets Partnership is built on a shared commitment to social justice, and the Tower Hamlets Plan sets out partnership actions to tackle inequality and build a strong, inclusive and fair borough. These actions provide the backdrop for specific poverty focused interventions. A briefing on the Poverty Review and the findings of the consultation and engagement process will be prepared for relevant partnership boards as a basis for discussion about how these broader issues can be addressed.

3.13 Following publication of the Poverty Review the council will consider the implications of the recommendations and determine future action across a range of functions from communication, customer services, commissioning, and frontline service delivery. However, the council will also need to collaborate with its partners and discussions will take place at the different partnership boards and with partner organisations. The council will provide the Mayor and Cabinet Member for Social Inclusion with a progress update in six months and an annual report at Cabinet.

4 EQUALITIES IMPLICATIONS

- 4.1 Poverty and inequality go hand in hand. The review explored how systemic inequalities in access to employment and opportunities put some groups of residents at a greater risk of living in poverty. London-wide data shows that children, disabled people, people from Black, Asian, Minority Ethnic backgrounds, and lone parents (the majority of whom are women) are more likely to live in poverty. Those residents who have no recourse to public funds are particularly vulnerable to poverty, as they face barriers to accessing housing or welfare support. A background paper sets out the detailed evidence on poverty and inequality underpinning the review.
- 4.2 The review also drew on the findings of the Black, Asian and Minority Ethnic Inequalities Commission, the council's Covid Impact Assessment, and work underway to develop a digital inclusion action plan, all of which included detailed consideration of equalities issues.
- 4.2 Implementing the recommendations will require a combination of system-wide changes, combined with careful attention to inequalities and the diverse needs and circumstances of different residents.

5 OTHER STATUTORY IMPLICATIONS

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:
- Best Value Implications,
 - Consultations,
 - Environmental (including air quality),
 - Risk Management,
 - Crime Reduction,
 - Safeguarding.
 - Data Protection / Privacy Impact Assessment.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 The implementation of any recommendations or next steps arising from this report will need to be contained within agreed approved budgets.

7 COMMENTS OF LEGAL SERVICES

- 7.1 The recommendations shown in the appendix are within the Council's legal power.

- 7.2 However, the review is informative in nature and any further schemes developed to implement both recommendations will be subject to separate approval in accordance with the constitution.
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Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

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

- Poverty Review Scope
- Review Process and resident and stakeholder engagement
- Mapping (March 2021)
- Evidence base and updated Poverty Profile 2021
- Toynbee Hall Community Research Report

Officer contact details for documents:

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