

Rother District Council

Report to	-	Overview and Scrutiny Committee
Date	-	14 October 2019
Report of the	-	Executive Director
Subject	-	Poverty in Rother

Recommendation: It be **RESOLVED:** That: an anti-poverty Task and Finish group be established to investigate the causes and effects of poverty locally and make recommendations to Cabinet to inform future Council policy.

Head of Service: Joe Powell

Introduction

1. A report from the Sussex Community Foundation (SCF) has presented data to indicate rates of child poverty in East Sussex. The report highlighted that three wards within the Rother District are among the highest for rates of child poverty in East Sussex. Sidley is ranked as having the 12th highest rate with 47.6% of children living in poverty; Rye 31st with 40.4% and Bexhill Central 33rd with 40.3%. The full table can be found at Appendix A.
2. The purpose of this report is to respond to questions raised by Members, citing the SCF report, that seek to establish the scale of child poverty and its effects within the Rother District. The questions posed also ask how Council policy and services impact on poverty, particularly when delivering key service functions such as the Housing Needs and Housing Benefit services. The detail of the questions from Members and corresponding answers that relate to Council services can be found at Appendix B.
3. The causes of poverty and child poverty are multiple and complex. To this end, the report will focus on poverty in general and not on child poverty exclusively. The environment in which partners operate to tackle poverty has changed in recent years as we have faced new challenges following the financial crisis of 2008. While in the intervening period we have seen welcome increases in rates of employment nationally, we have also experienced a reduction in public sector budgets as a result of the austerity agenda. We have, for example, seen reductions in working age and housing benefits alongside a rise in homelessness and food bank use. The reductions in funding for public sector services have occurred in parallel with a rise in demand for social care and health services associated with supporting an ageing population.
4. This report will summarise some of the key indicators of poverty locally, providing an overview of the scale of the challenges faced. The report will also provide an overview of current Council policy that relates to poverty and child poverty through policy aims and objectives.

5. The report makes the recommendation that Members consider a more formal review of the causes of poverty and investigate the role of Council services in supporting the delivery of effective solutions with its partners. It is recommended that Members consider the formation of an anti-poverty task and finish group with the following objectives:
 - investigate the ‘whole system’ of partner services that exists to prevent and alleviate the effects of poverty;
 - review the role and effectiveness of Council policy within the context of the whole system and
 - make recommendations to inform future Council policy direction that support the system and avoid service duplication.

Policy Context

6. Poverty and its effects have wide ranging implications on the lives of some of the poorest and most vulnerable members of the community. There are implications for low education and employment outcomes; poor health and reduced life expectancy as well as barriers to accessing safe and affordable housing. To this extent, in order to tackle poverty effectively a range of services and agencies must work together, across sectors, these include:
 - Social Care Services
 - NHS
 - Education
 - Criminal Justice
 - Department for Work and Pensions
 - Local Housing Authorities
 - Registered Providers
 - Third sector organisations
 - Voluntary groups
7. The Council has a longstanding role in tackling poverty and raising aspirations with its partners, something that is at the centre of the aims of its Corporate Plan 2014-2021:
 - An Efficient, Flexible and Effective Council
 - Sustainable Economic Prosperity
 - Stronger, Safer Communities
 - A Quality Physical Environment
8. The Council’s Housing, Homelessness and Rough Sleeping Strategy 2019–2024 and its action plan has objectives focused on alleviating the symptoms of poverty associated with homelessness, high housing costs and poor quality housing. The priorities of the Strategy are to:
 - Support the provision of well-designed homes, across all tenures, that are affordable, sustainable and suitable for people's needs; bring into use long term empty homes.
 - Work with partners to reduce homelessness by meeting the housing and support needs of those who are homeless or at risk of or homelessness, including rough sleepers.

- Address fuel poverty issues and improve the quality and suitability of housing in the district.
9. As Members will be aware the Council fulfils its duties under the Housing Act 1996 through its Housing Needs Service. The Council service offers advice, assistance and support and is focussed on homelessness prevention. We are able to offer practical assistance in the form of social housing, rent in advance and deposits to support access to private rented accommodation and temporary accommodation to all households with children. We work closely with our partners in social and health services to ensure households with children are supported.
 10. Housing Benefit is administered by the Council. It is a heavily regulated benefit and its scope is determined by National Government. It supports low income households meet the rental cost of accommodation. Since the introduction of Universal Credit there has been a steady decline in the number of working households in Rother eligible to claim Housing Benefit.
 11. As Members will be aware from the work of the Housing Task & Finish Group, the amount of Housing Benefit does not necessarily cover the full rental cost. This is primarily the case for those households renting in the private sector. Rents in the private sector can be significantly more than Housing Benefit is allowed to pay. The Council does have access to funds from the Government to help households on a temporary basis with their rent until more affordable property can be found. In total for 2019/20 £171,000 is available through the Council's Discretionary Housing Payment Scheme.
 12. The Council also helps to alleviate poverty through its Council Tax Reduction Scheme. This provides relief from Council Tax up to a maximum of 80% for working households. Pensioners still have access to the nationally set scheme which provides up to 100% relief from Council Tax.
 13. This means low income households in a Council Tax Band C property could typically pay £350 per annum towards their Council Tax against a full charge of around £1,740. There is an Exceptional Hardship Fund in place to help those households experiencing severe financial difficulties. As part of accessing this fund the Council works closely with organisations such as Citizens Advice to provide guidance and support in households to manage their money.

Levels of Poverty

14. In Rother 30.5% of households are defined as being in income poverty. This is above the average for the South East (22.9%) and England (28.3%). Income poverty is defined by an income that is below 60% of national median household income, which in 2015 was £17,217.

Households in poverty – Rother relative to East Sussex, South East and England

	Total number of households	Number of households below 60% of national median	Percentage of households below 60% of national median
England	22,818,109	6,453,002	28.3
South East	3,692,838	845,538	22.9
East Sussex	239,884	68,802	28.7
Rother	41,741	12,731	30.5

Households in poverty – Rother relative to East Sussex districts and boroughs

	Total number of households	Number of households below 60% of national median	Percentage of households below 60% of national median
Eastbourne	46,264	15,085	32.6
Hastings	41,994	14,588	34.7
Lewes	44,037	11,549	26.2
Rother	41,741	12,731	30.5
Wealden	65,848	14,850	22.6

Source: CACI household income estimates, 2014

15. However, aspects of poverty are related to more than just low incomes. There are a range of poverty indicators that include low education and employment outcomes; poor health and reduced life expectancy as well as barriers to accessing safe and affordable housing. The Indices of Multiple Deprivation (IMD) brings these factors together to provide an indication of the relative poverty of different areas within England. Rother is the 148th most deprived of English local authorities. The table below indicates that residents in Rother are experiencing particular challenges in employment and barriers to housing.

Indicator	Rother Ranking
Income	144
Employment	114
Education	128
Health	176
Barriers to Housing	121

16. While the average IMD score for poverty is not particularly high overall - compared to the rest of England - a more detailed view of the distribution of poverty throughout the district highlights a polarised picture between areas. The IMD segments England into Local layer Super Output Areas (LSOAs). Council wards are comprised of multiple LSOAs to enable a more precise statistical picture of England.
17. Rother has one LSOA (within Sidley) that is in the most deprived 10% in the UK. Rother also has five further LSOAs that are in the bottom 20% (within

Sidley, Rye, Bexhill Central (x2) and Eastern Rother). Rother also contains some of the least deprived LSOAs in England with five in the top 20% and one in the top 10% - all of which are in rural areas of the district.

Conclusion

18. The questions raised by Councillors raise important questions about the nature and scale of poverty in the district and the Council's role as a lead agency in coordinating an effective response. The questions posed invite Councillors to review the role of the Council in meeting the challenges poverty presents as well as the role it wishes to take in the future.
19. The report highlights that there are pockets of significant deprivation in Rother concentrated in parts of Bexhill and Rye. The causes of poverty and child poverty are multiple and complex and effective solutions that address the causes of poverty are likely to be similarly complex to achieve. The Council will be required to continue to coordinate with the full range of services tasked with alleviating the symptoms of poverty.
20. There are significant constraints in the influence the Council and local partner agencies can have on the factors that cause poverty and future activity is likely to continue to focus on alleviating its symptoms.

Recommendation

21. The Committee consider the formation of an anti-poverty Task and Finish group, consisting of six Members, to investigate the causes and effects of poverty locally and make recommendations to Cabinet to inform future Council policy. If agreed, Terms of Reference for the Task and Finish group will be developed.

Malcolm Johnston
Executive Director

Risk Assessment Statement

The ability of households to meet the cost of daily living has become more challenging in recent years and has contributed to a rise in homelessness, food bank use and associated costs to the Council. There is a risk that costs to the Council will be higher than they would otherwise have been if the Council chooses not to review its effectiveness within the wider system of agencies tasked with alleviating the symptoms of poverty, as is recommended.

Appendix A

Child Poverty rates in East Sussex

Rank	LSOA	Ward	Local Authority District name (2013)	Income Deprivation Affecting Children Index (IDACI) Score (rate)	National rank out of 32,844 LSOAs in England.
1	Hastings 005A	Baird	Hastings	75.50%	11
2	Hastings 005D	Tressell	Hastings	65.90%	56
3	Brighton and Hove 002D	Moulsecoomb and Bevendean	Brighton and Hove	61.30%	114
4	Hastings 004B	Ore	Hastings	50.10%	767
5	Hastings 011D	Central St Leonards	Hastings	49.80%	811
6	Brighton and Hove 008C	Hollingdean and Stanmer	Brighton and Hove	49.40%	866
7	Hastings 011A	Central St Leonards	Hastings	49.40%	867
8	Brighton and Hove 025C	East Brighton	Brighton and Hove	49.30%	882
9	Brighton and Hove 008A	Hollingdean and Stanmer	Brighton and Hove	48.20%	1052
10	Hastings 003A	Hollington	Hastings	48.10%	1068
11	Brighton and Hove 025E	East Brighton	Brighton and Hove	48.00%	1086
12	Rother 007E	Sidley	Rother	47.60%	1146
13	Brighton and Hove 025B	East Brighton	Brighton and Hove	47.50%	1161
14	Hastings 011B	Central St Leonards	Hastings	47.30%	1201
15	Hastings 009C	Castle	Hastings	46.80%	1285
16	Brighton and Hove 009C	Moulsecoomb and Bevendean	Brighton and Hove	45.60%	1503
17	Brighton and Hove 002C	Moulsecoomb and Bevendean	Brighton and Hove	45.00%	1614
18	Arun 004B	Ham	Arun	45.00%	1620
19	Hastings 009B	Castle	Hastings	44.80%	1661
20	Arun 014A	Bersted	Arun	44.30%	1780
21	Brighton and Hove 027E	St. Peter's and North Laine	Brighton and Hove	43.60%	1924
22	Brighton and Hove 009D	Moulsecoomb and Bevendean	Brighton and Hove	43.10%	2020
23	Brighton and Hove 025F	Hanover and Elm Grove	Brighton and Hove	42.40%	2177
24	Brighton and Hove 013B	Hangleton and Knoll	Brighton and Hove	42.30%	2203
25	Brighton and Hove 008E	Moulsecoomb and Bevendean	Brighton and Hove	42.20%	2229
26	Arun 004A	Ham	Arun	42.10%	2260
27	Brighton and Hove 025A	East Brighton	Brighton and Hove	41.10%	2527
28	Hastings 007E	Tressell	Hastings	41.10%	2530
29	Hastings 008E	Gensing	Hastings	40.70%	2646
30	Chichester 008A	Chichester East	Chichester	40.50%	2713
31	Rother 004E	Rye	Rother	40.40%	2731
32	Crawley 013D	Broadfield South	Crawley	40.40%	2738
33	Rother 011C	Central	Rother	40.30%	2766

34	Hastings 011C	Central St Leonards	Hastings	40.00%	2835
35	Eastbourne 014C	Sovereign	Eastbourne	39.40%	3038
36	Eastbourne 001B	Langney	Eastbourne	39.30%	3059
37	Crawley 010A	Bewbush	Crawley	39.00%	3166

Answers to questions from Councillors

1. How many families with dependent children were living in temporary accommodation on 1st August 2017, 2018 and 2019 and where were they located?
 - 2017 = 17 families - total 36 children
 - 2018 = 21 families – total 43 children
 - 2019 = 35 families – total 77 children

2. How long are families with dependent children living in temporary accommodation for? (What's the average stay in reporting year ending 2017, 2018 and 2019?)
 - 2017 = 8.4 weeks
 - 2018 = 10.7 weeks
 - 2019 = 15.6 weeks

3. How many families with dependent children have had council-related debt during 2017/19 and 2018/19?

The main Council related debt relating to household will be Council Tax. Unfortunately Council Tax Records only hold details of liable parties and not the household make up. The Council does hold information on children within households if they are in receipt of Housing Benefit. It would need to be investigated whether it is possible to carry out further analysis to derive some information on Council Tax debt from cross matching these two data sets.

It has however been possible to extract from the Council's Housing Benefit System, those households with children who owe the Council overpaid housing benefit. This normally arises from a change in the finances of a household. The following table provides some detail on this type of debt:

Year	All overpayments	Overpayments on claims with children	% of overpayment amount with children in household	Total Number	Number with children	% of overpayment number with children in household
2017/18	£1,312,996.70	£772,756.23	59%	2985	1682	56%
2018/19	£1,196,074.64	£636,532.09	53%	3274	1724	53%
2019/20 (to 31/8/19)	£250,145.44	£152,854.94	61%	994	597	60%

If debts with the council are related to other services, again it is unlikely that household make up is known and therefore further cross referencing of data sets would be required.

4. How many families with dependent children have been subject to visits by bailiffs during 2017/18 and 2018/19?

As indicated above, this information is not held by the Council or the instructed Enforcement Agents, as Council Tax Records only hold details of liable parties they do not hold any information on children within the households. The Council normally only uses Enforcement Agents for Council Tax debts and this follows an extensive recovery process undertaken by Council Officers.