



CABINET

10th April 2024

Subject Heading:

Poverty Reduction Strategy

Cabinet Member:

Councillor Gillian Ford, Deputy Leader,
Cabinet Member for Health and Adult
Social Care

ELT Lead:

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Place

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Policy context:

The Havering Place-based Partnership will work together to collectively address the underlying causes of poverty, facilitate community action and build resilience to alleviate the effects of poverty. Partners will seek to embed this approach across all programmes of work.

Financial summary:

There are no financial impacts of approving this strategy.

Is this a Key Decision?

Indicate grounds for decision being Key:

(c) Significant effect on two or more Wards

When should this matter be reviewed?

April 2025

Reviewing OSC:

Overview and Scrutiny Board

The subject matter of this report deals with the following Council Objectives:

People - Things that matter for residents X

Place - A great place to live, work and enjoy X

Resources - A well run Council that delivers for People and Place. X

SUMMARY

1. Our vision for poverty reduction in Havering
- 1.1 The Havering Place based Partnership will work together to collectively address the underlying causes of poverty, facilitate community action and build resilience to alleviate the effects of poverty. Partners will seek to embed this approach across all programmes of work.

RECOMMENDATIONS

2. To approve the Havering Poverty Reduction Strategy 2024 attached at Appendix 1.

REPORT DETAIL

3. In response to the rising cost of living and potential negative impact on local people, partners in Havering came together to form the Cost of Living Working group which has achieved a lot in the past year in terms of supporting local people. The group and its work have:
 - Provided a political and strategic focus on supporting local people to mitigate against the impact of the cost of living crisis
 - Established an effective partnership within the council, and with health and voluntary sector
 - Transformed the use of data and developed a proactive marketing approach to engaging with residents. Through this process residents were risk assessed and targeted according to their anticipated vulnerability, allowing us to target our support to those in greatest need
 - Resulted in an increase in the uptake of benefits to those who are eligible
 - Established the Energy Doctor Scheme in partnership with AgeUK and Mears.
 - Set up warm and cool hubs across the borough, supporting over 5,000 local people over the past year to access a cool space during the summer, and a warm space during the winter, where they could also access wider well-being support and activities.
 - Transformed the information on the council website to ensure that it is accessible and easy to use.
- 3.1 However, the primary cause of vulnerability to the impact of the cost of living is still there: those who are living near, or in poverty.

- 3.2 There are significant pockets of deprivation across Havering, particularly in areas such as Harold Hill and Rainham, where residents experience poorer outcomes than others in the borough. Residents living in the most disadvantaged decile of the borough have a significantly lower life expectancy (7.3 years less for males and 7.6 years less for females) than peers in the least deprived decile. However, there are also residents living in extreme poverty in the more affluent parts of the borough.
- 3.3 Any long lasting and effective approach for Havering requires a focus on reducing poverty and building resilience in order to address the wider determinants of health and reduce the impact of rising cost of living on local people. Addressing the root causes of poverty will have a significant impact on the health and wellbeing of local people, as well as their future prospects. This is the key focus of this strategy which is being developed as a partnership in Havering, spanning the Council, NHS and Community and Voluntary sector.
- 3.4 This strategy aims to support as many local people as possible who are struggling with increases in the cost of living which is impacting on their physical and emotional wellbeing. The definition of poverty will apply as below, recognising that there will be people outside of this criteria in the borough who will need support.
- 3.5 Our approach for Havering will seek to build on work to support local people with the cost of living increases. A Poverty Reduction working group has been established to develop, and oversee this strategy.
- 3.6 The working group is embedded in the Place based Partnership, and the strategy is being developed and adopted by all partners across Havering, acknowledging that we need a single cohesive approach to seek to reduce poverty in the borough. The strategy has a clear action plan, owned by all partners, setting out how we will seek to address the root causes of poverty within the borough
- 3.7 Through the development of the strategy we have sought to embed an approach that will benefit the work of all partners within the Place based Partnership by developing comprehensive approaches to communications and engagement that focus on marketing, sharing information and data that can be used as a framework to support other programmes, and other such legacy work
- 3.8 Feedback from, and experiences of local people are central to the development of this strategy.

Our vision for poverty reduction in Havering

- 3.9 The Havering Place based Partnership will work together to collectively address the underlying causes of poverty, facilitate community action and

build resilience to alleviate the effects of poverty. Partners will seek to embed this approach across all programmes of work.

3.10 Strategy Objectives

- Help people on low incomes to maximise their household income and minimise their costs, building financial resilience and reducing indebtedness
- Strengthen families and communities, including supporting groups of people that are more likely to experience poverty, and community and voluntary groups working to combat poverty.
- Promote local people to be economically active, raising skills and improving access to a range of employment opportunities for people on low incomes.
- Improve housing affordability and quality
- Improve health outcomes for people on low incomes, reducing health inequalities; including access to good diet, health care, and support people to remain healthier for longer.

3.11 In delivering the strategy all partners and all services within the Council need to work together and develop the actions to deliver these objectives. The action plan sets out the plans to deliver the objectives and this will be reviewed annually to ensure the actions reflect the circumstances and issues in place at the time.

REASONS AND OPTIONS

Reasons for the decision:

A House of Commons report in 2023, on the cost of living in the UK describes how the cost of living increased sharply across the UK during 2021 and 2022. The annual rate of inflation reached 11.1% in October 2022, a 41-year high, before subsequently easing. Recent data shows it was 4.6% in October 2023, down from 6.7% in September 2023.

The impact that high inflation has on the affordability of goods and services is significant, and households are paying more than ever for groceries, and gas and electricity to keep their homes warm during the colder months.

Low-income households experience higher inflation rates and have less financial resilience to cope with rising prices. ONS data shows that households with the lowest incomes experience a higher than average inflation rate, while the highest-income households experienced lower than average inflation.

Despite relatively low deprivation scores and high employment rates in Havering, the average gross income per household (£44,430 - 2018) is low

compared to the London average (£51,770 - 2018). The most income and employment deprived wards are in the north of the borough and include Gooshays, Havering Park and Heaton, meaning that our populations there are at greater risk of being impacted negatively by the increases in the cost of living.

The impact that this can have on local people is significant. Those who are struggling to afford their heating bills may live in cooler homes over winter, leaving them susceptible to ill health as a result. Increasing numbers of people are accessing the affordable food pantries in Havering, and our food banks regularly have to purchase in food as demand is outstripping supply.

For those who are young, living in a cold home during the winter months which is susceptible to further issues such as mould and damp, can have a significant impact on their development, and subsequent future prospects and wellbeing in later life. For the most vulnerable; those who are older, or with long term conditions or disabilities, the impact of a cold, mouldy, or damp home can have a very significant impact on their healthy life expectancy.

Other options considered:

The other option was to continue with the cost of living working group. This was not considered because of the nature of poverty in the borough and the need to have a long term strategy to see its reduction.

IMPLICATIONS AND RISKS

Financial implications and risks:

Budgets and programmes will feed into the strategy, but as it evolves and is re-evaluated there may be a need to revisit value for money and investment requirements. The cost of developing this strategy will be met from within existing resources and the aims and objectives will be delivered through existing programmes and budgets.

Legal implications and risks:

The Council has general powers under the Localism Act 2011 to do anything any person can and accordingly there are no apparent legal implications arising from this report.

Human Resources implications and risks:

There are no Human Recourses implications arising from this report.

Equalities implications and risks:

Any long lasting and effective approach for Havering requires a focus on reducing poverty and building resilience in order to address the wider determinants of health and reduce the impact of rising cost of living on local people. Addressing the root causes of poverty will have a significant impact on the health and wellbeing of local people, as well as their future prospects. This is the key focus of this strategy which is being developed as a partnership in Havering, spanning the council, NHS and Community and Voluntary sector. This is a focussed strategy to improve living conditions and well-being for all our residents. The specific steps will address the diverse needs to alleviate poverty and establish inclusivity for all population groups however the strategy needs to ensure how the data, evidence and our plans mitigate to create fit-for-purpose arrangements for each protected characteristics group.

Health and Wellbeing implications and Risks

Poverty, through socio-economic deprivation, harms health. Deprived people are more likely to become unwell and die early as they are more likely to be exposed to unhealthy food, pollution, anxiety and unhealthy lifestyles. Although free healthcare and education limits the consequences of poverty, unchecked poverty raises burden on the health and the care system as more people become ill and frail early due to poverty. Recently, with the cost of living crisis, an immediate effect was seen when so more people turn down their heating and shut the windows to conserve heat, resulting in cold, damp and mouldy homes.

In this Poverty Reduction Strategy, the London Borough of Havering, NHS, other public sector agencies and the voluntary sector will coordinate and collectively address the underlying causes of poverty, facilitate community action and build resilience. The strategy will use data, evidence and social marketing to invest their resources wisely. The strategy's clear, coherent set of objectives will reduce poverty and its effects and support residents to effectively utilise the resources made available to them to be more resilient and live healthier for longer.

External factors such as economic conditions, welfare system changes, national funding of the local government and international conflicts will continue to affect the more deprived residents and the organisations that work together to reduce poverty.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

Improving the thermal efficiency of homes is critical in the reduction in in fuel poverty and therefore delivering the objectives of this strategy will reduce the carbon emissions for the borough. Havering has some of the least thermally efficient housing stock in London.

Fuel Poverty Definition

The government uses the Low Income Low Energy Efficiency (LILEE) definition for fuel poverty in England; Under the LILEE indicator, a household is considered to be fuel poor if:

- they are living in a property with a fuel poverty energy efficiency rating of band D or below
- and when they spend the required amount to heat their home, they are left with a residual income below the official poverty line.



Appendices

Appendix 1. Havering Poverty Reduction Strategy 2024