

COMMITTEE	Finance, Policy and Resources
DATE	20 th September 2016
DIRECTOR	Pete Leonard
TITLE OF REPORT	Opportunities for Tackling Poverty and Inequality
REPORT NUMBER	CHI/16/002
CHECKLIST COMPLETED	Yes

1. PURPOSE OF REPORT

This report follows decision of the Committee on 16th of February 2016 to instruct officers to bring forward an update of Opportunities for Tackling Poverty and Inequality for consideration in 6 months.

2. RECOMMENDATION(S)

1. To note the proposed establishment of a short term working group of officers and community partners to provide advice and guidance on the activities that are being undertaken to alleviate poverty and inequality in Aberdeen under the key themes of Fuel Poverty; Food Poverty; Child Poverty; Income Maximisation; and Housing.
2. To ask officers to report back to Finance Policy and Resources Committee on the 16th of February 2017 with an Anti-Poverty strategy on these key themes and provide an action plan to tackle poverty and inequality.

3. FINANCIAL IMPLICATIONS

None at present

4. OTHER IMPLICATIONS

None at present

5. BACKGROUND/MAIN ISSUES

To effectively tackle poverty and inequality in Aberdeen, the City Council, public sector bodies and community partners will be required to work together with residents to provide the opportunities and means

for households to alleviate poverty. At the same time there needs to be recognition that some of the critical drivers of poverty, such as the global economy and welfare reform are outside of the control of the Council and partner organisations.

Poverty presents many challenges to residents of Aberdeen and is a significant cost to public resources. The Joseph Rowntree Foundation in August 2016 published a report stating that the estimated total cost of poverty in the UK is £78 billion. This included costs for health services, education and child services, police and criminal justice services, fire and rescue services, transport and local environmental services.

Since the last Committee report work has continued with Council services to gain an understanding of what actions and resources are already in place to tackle poverty in Aberdeen. This has focused on the activities ongoing within communities and discussions with services.

The Aberdeen City Strategic Assessment 2016 developed for Community Planning has been used to develop the key themes for the anti-poverty strategy. The Council recently purchased household income data which will allow for further analysis of the interaction between households income and other local characteristics to help plan actions and services.

A new Inclusion and Welfare Manager took up position in July to cover the substantive postholders secondment. Addressing the challenges of further Welfare Reform remains a priority and there will be significant cross over between this and the Anti-Poverty strategy. A consultation has been launched by the Scottish Government on the benefits devolved to the Scottish Parliament and how they will be delivered in Scotland.

A stage 1 European Social Fund (ESF) bid has been developed, referred to below, to tackle poverty and social inclusion. A report on the ESF bid on the employability pipeline will be submitted to Communities, Housing and Infrastructure Committee on the 25th of August.

The Anti-Poverty strategy will identify opportunities within the Council for services to work with partners to address poverty and inequality together. Themes have been chosen to represent key areas where the Council can have a direct influence or enable action.

A short term working group of Council Officers, residents from the Regeneration Matters forum and a trade union representative will be invited to look at the current situation, what action the Council is taking on each theme, future plans, identify gaps in provision and recommend opportunities for joint working.

Police Scotland, Aberdeen City Health and Social Care Partnership, ACVO and the Scottish Fire & Rescue Service will also be consulted on the strategy and invited onto the group.

It is proposed that the strategy is supported through the Welfare Reform Programme Board, which is part of Community Planning.

The strategy will also connect to the new Local Outcome Improvement Plan and the locality plans which are being developed will underpin the delivery of the Anti-Poverty strategy.

The proposed timeline for the group to discuss the themes is:

October 2016	Fuel Poverty
November 2016	Income Maximisation and Child Poverty
December 2016	Housing
January 2017	Strategy Drafted
February 2017	Report to FP&R Committee

A separate meeting for food poverty has not been timetabled due to the development of a 'Tackling Food Poverty – a sustainable food approach' referred to in report CHI/16/187 within this agenda.

The strategy is being developed under the principles of the improvement cycle: Study, Plan, Act, Do.

This will be an iterative process to establish an evidenced based approach to tackling poverty in Aberdeen and measure the impact of policies and interventions that the Council undertakes.

Study – The study has led to the development of the key themes. This included looking at work underway in other local authority areas, understanding of the current situation in Aberdeen and desktop research into the impact of poverty.

Act – The proposed meetings will bring together partners in Aberdeen to identify opportunities for improvement and to tackle poverty in the city.

Plan – This will be the Anti-Poverty Strategy and action plan. The strategy will set out actions for the Council and partners to develop long term solutions to poverty in Aberdeen.

Do – After the Anti-Poverty strategy is developed and approved this will be the implementation phase. The strategy will need to have an influence on services across the City and will provide a focus to ensure Council actions are tackling poverty.

Where appropriate the strategy will utilise existing performance measures from within services or from national organisations. If necessary it will recommend the development of further SMART

objectives which will be reported to Committee to clearly articulate priorities to tackle poverty and measure performance.

As previously reported the principles which will underpin ways of working in delivering this strategy and action plan include:

- Fairness and inclusiveness – across all services and partners;
- Person centred - to minimise people's need to repeat their circumstances and help drive joined-up service delivery;
- Community based – there will be a presumption of community based delivery of services;
- Collaboration – including increased commitment to the co-location of services to improve collaboration across services and partners to improve customer service and use of resources.

In addition it is recommended that the following point is added to those principles

- Prevention – there is a commitment to prevent poverty in Aberdeen by designing services and policies which will break cycles of poverty.

The strategy will take into account how poverty impacts different communities to ensure that the support and assistance the Council and partners are offering meets those needs.

Certain household characteristic increase the likelihood that there is poverty within the household. In Scotland, lone parents are most at risk of poverty, with 24% of single people with dependent children in poverty, the next highest category is single pensioners 23% of whom are in poverty.

Households with a disabled adult or child within them are more likely to be in poverty than those without and households with a background other than White – British are also more likely to be in poverty.

Employment is often seen as the best route out of poverty, at the same time many people have a limited capability to work and therefore may be reliant on state benefits.

The Scottish Government have announced that the latest Scottish Index of Multiple Deprivation (SIMD) be published on the 31st of August which will be used to help understand poverty in Aberdeen.

Included below is the reason for identifying the themes and, where available, the updated statistics from the Scottish Government. More local information was included in the previous report CHI/16/002.

Fuel Poverty

Fuel poverty is defined where a person needs to spend more than 10% of their income on fuel and extreme fuel poverty where fuel costs are greater than 20% of income. Fuel poverty can be influenced by low incomes, changing fuel costs and the energy efficiency of buildings.

Approximately 45% of households in Scotland in fuel poverty are both fuel and income poor. Within Aberdeen 29% of households are fuel poor and 9% in extreme fuel poverty.

The strategy will look at the work the Council and partners are undertaking to reduce fuel poverty amongst households on lower incomes.

Food Poverty

A Sustainable Food City strategy is being developed and is referred to in Committee Report CHI/16/187 within this agenda. Action on food poverty will be led by Food Poverty Action Aberdeen, a key working group within the Sustainable Food City structure.

Child Poverty

Poverty impacts on a child's physical and mental health in addition to their education and social outcomes. After housing costs, 22% of children in Scotland were in relative poverty in 2014/15.

Early years support for children and their families will be considered as will the range of work underway to close the attainment gap within schools. The strategy will need to look at how these efforts can be linked to other interventions aimed at supporting families and reducing adult poverty. It also provides the opportunity to understand efforts to break the cycle of inter-generational poverty through such actions as the Priority Families Project.

The Scottish Government have recently announced a consultation on a new Child Poverty Bill. The aim of the new bill is to place in legislation the ambition of eradicating child poverty and re-introducing income based measures and targets of child poverty, the consultation also looks at how national and local child poverty strategies could interact. In addition Naomi Eisenstadt has been re-appointed the Scottish Government's Independent Poverty Advisor for another 12 months.

Income Maximisation

Poverty and Income Inequality in Scotland: 2014/15 states that 15% of people in Scotland were living in relative poverty before housing costs and 18% after housing costs. The measure after housing costs is more relevant to Aberdeen where there are comparatively high rents. After housing costs, the relative poverty threshold in Scotland for 2014/15 was £243 per week.

Being in poverty also increase barriers to essential goods and services, Citizens Advice Scotland estimate there is an average increase in cost of 10% due to the Poverty premium. This includes accessing services and the costs of prepayment mobile phones and meters compared to other services on offer. The strategy will look at opportunities for the Council to enable households to utilise their income more effectively.

The Council and partners can provide opportunities to increase household income through enabling employment opportunities, provision of adult learning services, advice and support through front line services and the provision of money and benefits advice.

This theme will also address in work poverty. After housing costs across Scotland 58% of adults in poverty were living in working households in 2014/15 and 66% of children in poverty lived in households where someone was in work. The strategy will also consider the action the Council is taking to supports its' staff.

The impact of further welfare reform and the current Aberdeen employment market will make tackling poverty and inequality more challenging. Therefore strategy will need to link to key economic growth projects including the City Region Deal and Regional Economic Strategy.

Housing

Across Scotland there is a 3 percentage point increase in poverty after housing costs, suggesting affordable housing continues to be a reason for poverty. Welfare Reforms, including the benefit cap and the introduction of the Local Housing Allowance cap on housing benefit or the housing cost element of universal credit is likely to have an impact across all rented housing types and reduce household income further. The Council has a responsibility to provide housing options guidance and assess households who have presented as homeless, and many households who present as homeless would be considered to be in poverty.

Housing is a basic need for a person or family to give them the foundation to tackle poverty and therefore sustainable housing needs to be considered as part of any plan to tackle poverty.

European Social Fund

A stage 1 Social Inclusion & Poverty - Strategic Intervention Application has been submitted to the Scottish Government for European Social Fund. The Strategic Intervention will focus on regeneration areas within the City, to increase and improve the coordination and volume of support available in the area to actively identify and engage with individuals who suffer poverty and social exclusion. Individuals will be offered the support they require both in the immediate short term, but also to help their longer term sustainability and quality of life.

This bid will be developed by Council officers in conjunction with community partners and a separate report brought to Committee once it has been approved.

This intervention will complement the European Social Fund – Employability Pipeline project which will deliver an enhanced employability pipeline service in Aberdeen.

6. IMPACT

Improving Customer Experience –

By inviting representatives from the regeneration forum it will ensure that our customers' voices and experiences of poverty are heard.

Improving Staff Experience –

Through the development of the strategy staff from across Council services will be asked to contribute. The strategy will also look at action being taken for its own staff.

Improving our use of Resources –

The strategy will identify opportunities for working across Council departments and partners to tackle poverty.

Corporate -

This proposal contributes to Aberdeen: The Smarter City through:

Smarter Living (Quality of Life)

- We will work with our partners to seek to reduce the levels of inequality in the city

Public –

This proposal will be of interest to the public given the interest in inequality and wide ranging understanding and attitudes around poverty.

An EHRIA has not been completed for this report but will be completed when the strategy and action plan are brought back to the committee. This proposal will impact positively on poverty and social inclusion and is expected to impact positively on groups with protected characteristics.

7. MANAGEMENT OF RISK

This proposal is expected to impact positively on customers and staff experience and the Council's reputation in having a clear strategy to tackle poverty and inequality.

8. BACKGROUND PAPERS

CHI/16/002

CHI/15/320

Citizens Advice Scotland - Still Addressing the Poverty Premium –
August 2015

Poverty in Scotland

Poverty and Income Inequality in Scotland: 2014/15

Counting the Cost of UK poverty

Scottish House Condition Survey: Key Findings 2014

9. REPORT AUTHOR DETAILS

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