

TITLE	The Impact of Covid-19 on People with Low Income the Unemployed and the Homeless
FOR CONSIDERATION BY	Overview and Scrutiny Management Committee on 21 October 2020
WARD	None Specific
LEAD OFFICER	Director, Communities, Insight and Change Keeley Clements

OUTCOME / BENEFITS TO THE COMMUNITY

As part of the composite programme for scrutiny of the Council's response to Covid-19, this report provides an overview of the impact of Covid-19 on individuals and families with low incomes, unemployment, homelessness and the Council's approach to these issues.

RECOMMENDATION

It is recommended that the Overview and Scrutiny Management Committee consider the report and highlight any issues for inclusion in its report to the Executive on the Council's response to the Covid-19 pandemic.

SUMMARY OF REPORT

This report provides an overview of the impact of the pandemic upon income levels, unemployment and homelessness and where available, local data has been provided. It also provides an overview of the Council's approach to supporting individuals and families with the causes and effects of low income, which can be wide ranging, impacting detrimentally upon health and wellbeing, in particular mental health and social inclusion.

Whilst Wokingham Borough has consistently been one of the least deprived unitary authority areas in England (ranking least deprived in 2019 Indices of Multiple Deprivation) individuals and families living on low incomes are present and there are challenges to ensure the opportunities that exist within the Borough can be accessed by all.

The Social Metrics Commission 2020 Poverty report, identifies the South East as having an overall poverty rate of 18%, with 27% of children living in poverty (after housing costs). At a more local level, the End Child Poverty report estimates 17% of children are living in poverty after housing costs in the Borough.

The impact of the pandemic, in particular the shut-down of entire sections of the economy has significantly affected many individuals and families in a number of ways, including in terms of their financial prospects and access to employment opportunities such as:

- increase in claims for out of work benefits of 223% between February and August 2020
- 21,700 people in Wokingham were furloughed at August 2020
- Nationally, it can be evidenced that workers who are from a Black, Asian, Minority Ethnic background, women, young workers, low paid workers and disabled workers, have been most negatively economically impacted by the pandemic

- The largest proportion of people in Wokingham accessing out of work benefits is age group 25-49 years.
- 120 young people are at risk of being Not in Education, Employment or Training (NEET), significantly more than previous years (up to 20 young people)
- Increase in demand for support from Citizens Advice for benefit claims, employment related queries and housing issues, with the most common debt issue being Council Tax arrears
- Community Engagement team has seen an increase in total referrals (to support organisations) through June-August 2020 of 3 times that of the previous year
- 220% increase in people accessing Wokingham Foodbank during March – August 2020 compared with previous year, although demand during August and September has returned closer to pre-pandemic levels
- 479% increase in children eligible for free school meals (March-August 2020) compared with same period last year

In response to the pandemic, the Council and partner organisations have implemented a number of interventions to support vulnerable residents including:

- Citizens Advice 'One front door'
- Supporting rough sleepers into accommodation through the 'All in' policy
- Administering £20m in Business Support grants and £20m of other reliefs
- Financial support to eligible providers within the voluntary and community sector through the service sustainability fund
- Supporting flexible repayment plans for council tax and distributing the Council Tax Hardship Fund
- Support provided to residents through the Community Engagement Team including referrals to other organisations that support with hardship
- Support for council tenants through the tenancy sustainment team

The impact of the Government's decision to lift the temporary ban on evictions is yet to become fully apparent but it is expected that this will increase the need for housing support from the Council and this will be closely monitored over the coming months.

Although the full impact upon unemployment is not known, it is possible that unemployment will continue to rise as the furlough and self-employed financial support schemes taper off.

As the pandemic response and recovery phase progresses, the need for support with the effects of the economic downturn, job loss and financial uncertainty appears likely to increase, although it is too early to fully understand the extent of the issues.

The council will be working with its partners to continue to deliver established interventions as well as securing the following:

- A full time debt management worker, in partnership with Citizens Advice Wokingham and voluntary sector
- Providing temporary accommodation for rough sleepers to March 2021
- Provision of a private rented sector access fund
- Rough Sleeper Coordinator post for WBC
- Housing first units – homes designed with wraparound support to help rough sleepers
- Enhanced mental health support provision in partnership with the voluntary sector

- Influencing economic recovery through the Economic Renewal recovery workstream and Business task force
- Developing actions through the Berkshire Recovery Group Hardship workstream

Whilst there are a number of intervention points where the Council can prevent, mitigate or ultimately strive to undo the detrimental consequences of low income, not all issues can be resolved wholly at the local level as in some instances the Council is restricted by Central Government policy or may not be best placed or able to deliver the necessary solution.

The council will be closely monitoring data and insight, working with partners locally and Berkshire wide to understand need and to establish the most effective intervention points to support individuals and families with both the effects of low income and to enable financial resilience and self-sustaining lifestyles.

Background

The National Poverty Picture

The causes and effects of low income can be wide ranging, impacting detrimentally upon standards of living, accessibility of opportunities and health and wellbeing, in particular mental health and social inclusion. These effects can ultimately lead to an increase in the likelihood of residents needing to access Council services for support.

Trends in poverty levels are driven by changes in four main factors; the employment rate; earnings; benefits and other income like pensions; and housing costs and therefore linked to a complex and interdependent set of issues that cannot be wholly addressed at the local level.

There is no single definition or measure of poverty that the Government or any national body consistently uses to monitor poverty. The Joseph Rowntree Foundation (JRF) recommend using relative measures of poverty after housing costs are taken into account to ensure that societal changes in what constitutes a decent standard of living and the impact of housing costs are factored into the measure, particularly pertinent to Wokingham given the relatively high cost of housing in the Borough compared with other regions.

The JRF is strongly supportive of the measure currently in development by the Social Metrics Commission which is underpinned by years of research and collaboration however the measure is still being refined and does not identify poverty at a Borough level, only regional. In any case the key trends identified by the commission are insightful when considered in conjunction with local knowledge to establish where best to direct interventions.

The most up to date data from the Social Metrics Commission Measuring Poverty Report (2020) (Attached as **Appendix 1**) identifies the South East as having an overall poverty rate of 18%, with 18% of working age adults, 27% of children and 8% of Pension age adults living in poverty. The South East has the lowest rates of all regions although the South West and East of England have very similar rates.

The Social Metrics Commission report also identifies the following key findings:

- Poverty in the UK remains a significant issue. 14.4 million people in the UK are living in families in poverty. 4.5 million are children (33% of all children), 8.5 million are working age adults (22% of all working-age adults) and 1.3 million are pension-age adults (11% of all pension-age adults).
- The older you are, the less likely you are to be in poverty. 33% of children aged four and under are in poverty, compared to 23% of those aged between 40 and 44 and 10% of those aged 75 and over.
- Deep poverty has increased in the last two decades. 4.5 million people (7% of the population) in the UK now live in the deepest form of poverty (more than 50% below the poverty line), compared to 2.8 million people (5% of the population) in 2000/01.
- Families in poverty who work less than full time are more likely to experience deep and persistent poverty
- Poverty rates are highest amongst families with children

- Poverty rates are higher for black and minority ethnic families and people in black and minority ethnic families are between two and three times as likely to be in persistent poverty as people in white families.
- Nearly two thirds (63%) of people in poverty live in a family where someone works at least part time.
- Poverty rates are higher for people living in families that include a disabled adult or child.
- One in five people (20%) in poverty live in families where no one has any formal qualifications compared to less than one in ten (8%) of those families not in poverty.
- Nearly three in ten people (27%) in poverty live in a family that is behind with paying bills compared to less than one in ten (7%) of those not in poverty. The majority of people in poverty (70%) live in families where no one saves compared to 38% of those not in poverty.
- The proportion of people in poverty who live either in lone-parent or single pensioner families has fallen (by 7% since 2000/01)

To provide greater depth of understanding, the commission has identified the poverty line – the household available resources required each week (after housing costs), below which one would be considered to be in poverty as set out below.

Family type	2018/19 poverty line (£ available resources per week)
Single, no children	£157
Lone parent	
<i>One child</i>	£211
<i>Two children</i>	£325
Couple, no children	£271
Couple with children	
<i>One child</i>	£325
<i>Two children</i>	£439
Pensioner, single	£157
Pensioner couple	£271

Notes: Indicative poverty thresholds are calculated by typical family type - in one child cases, the child is assumed to be under 14. In two-child cases, one is assumed to be under 14 and one is assumed to be over 14.

Source: Family Resources Survey and HBAI dataset (2018/19), SMC analysis.

The impacts of low income and the insecurity and instability that it can bring can result in wide ranging detrimental impacts upon quality of life and outcomes for individuals and families. A growing body of evidence has shown that there is a strong link between socioeconomic circumstances and likelihood of developing and experiencing health problems, including mental health.

Financial hardship and poverty at any stage of life can lead to later negative consequences and also impacts opportunity for social mobility and for children, lower educational attainment and life chances that can persist into adulthood.

The links between debt and mental health run both ways, being in debt can impact on your mental health and having a mental health problem can affect your finances. The most common triggers for debt problems are unemployment and redundancy (Mental Health Foundation 2020) and the ability to access employment can be impacted by a number of factors including disability, insecure housing, caring responsibilities and barriers resulting from the area in which you live such as poor public transport, lack of affordable childcare or lack of suitable secure job opportunities.

The Wokingham Poverty Picture

The Social Metrics Commission Report (2020) identifies the South East regional position to be 18% of the population living in poverty, with 18% of working age adults, 27% of children and 8% of Pension age adults living in poverty.

The latest data published by 'End Child Poverty' estimates 17% of Wokingham Borough Children are living in poverty after housing costs (2017/18 data).

The Indices of multiple deprivation (IMD) also provide useful insight into overall levels of deprivation based on small areas, each with a similar total population, covering 7 domains; Income deprivation; Employment Deprivation; Education; Health; Crime; Barriers to Housing and Services; and Living Environment. The measures provide useful insight regarding overall intensity of deprivation, how deprivation is distributed across a ward or Borough and the overall volume or 'scale' of deprivation.

Wokingham Wards with highest levels of child poverty are as follows:

Ward	Children in poverty before housing costs	Children in poverty after housing costs
Arborfield	12.7%	23%
Bulmersheand		
Whitegates	13.9%	22%
Norreys	12.8%	21%
Shinfield North	13.6%	21%
Shinfield South	12.6%	21%
Swallowfield	11.7%	21%

Source: Indices of Deprivation 2019

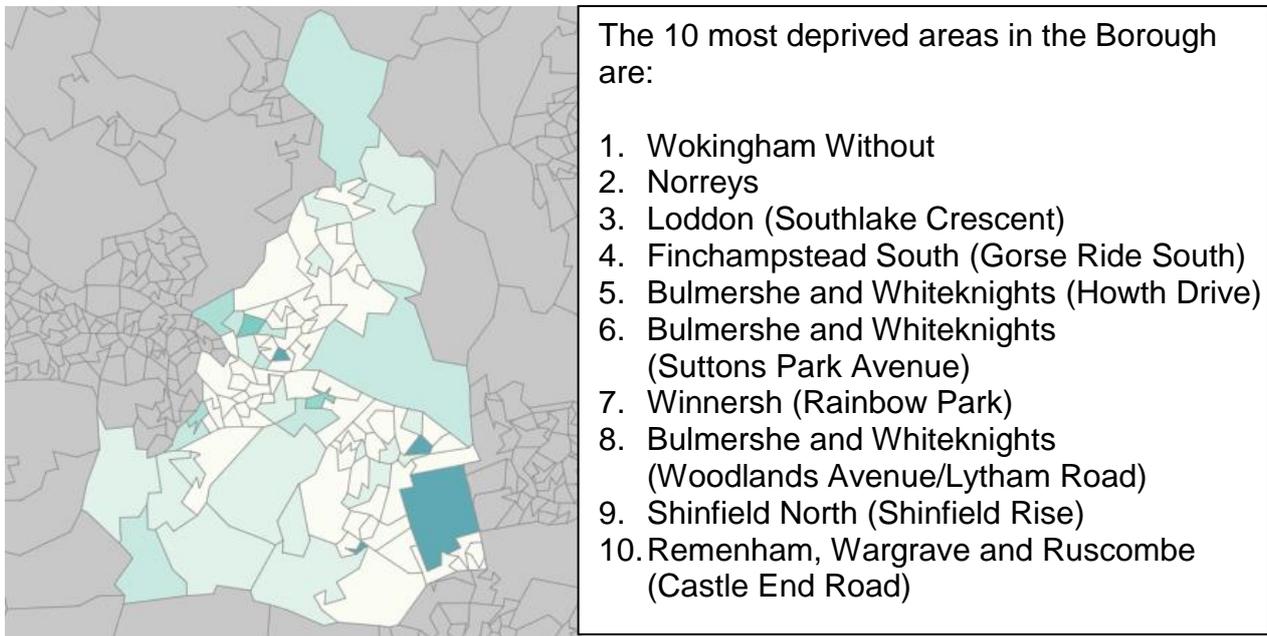
Wokingham Borough has consistently been one of the least deprived unitary authority areas in England and ranked as the least deprived (out of 151 upper tier authorities) in 2019. In comparison, Windsor and Maidenhead ranks 150, West Berks 146, Bracknell Forest 144, Reading 90 and Slough 53.

There are areas within the Borough that are ranked as more deprived relative to other areas and these are shown by the darker colour in Figure1 map below. Some areas may rank higher overall because they suffer higher levels of deprivation in terms of barriers to housing and services (such as Remenham, Wargrave and Ruscombe) due to the rural nature of the area for example, rather than due to the number of people in the area that are income deprived.

Therefore the indices of multiple deprivation must be used appropriately and should not be used solely as a marker of poverty. Whilst none of the areas within Wokingham are within the 10% most deprived nationally, there may be families and individuals living

within these areas who are suffering deprivation comparable with more deprived areas of the country.

Figure 1 Indices of Multiple Deprivation Ward information



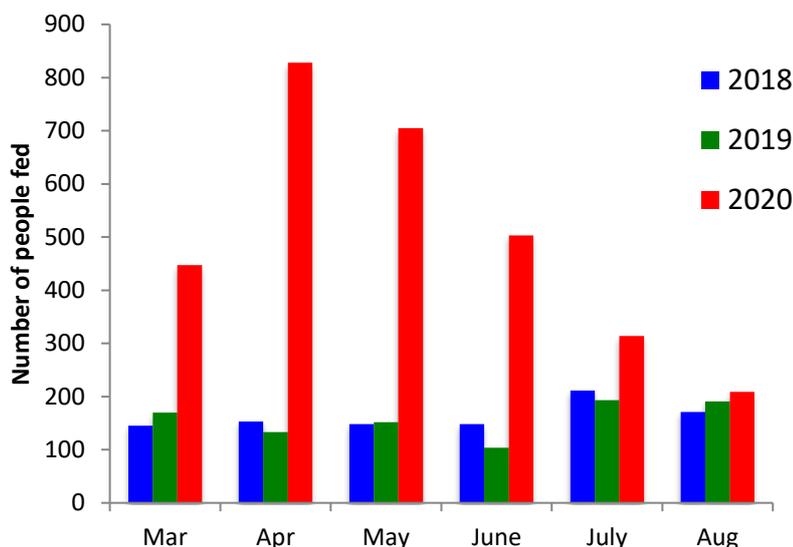
It is therefore of benefit to consider a range of indicators to understand the poverty position in Wokingham Borough and the following indicators provide further useful insight into the poverty picture for Wokingham.

Food Insecurity

There are 3 foodbanks in the Borough, Wokingham and Crowthorne Foodbanks are independent charities seeded by the Trussel Trust and Woodley Foodbank is operated by the Pilot Light trust. There are other food charities in Wokingham such as 'Share' that operates in Norreys Ward.

Through March – August 2020 Wokingham Foodbank responded to increased demand of 218% when compared to the same period last year providing much needed food to 1,668 adults and 1,338 children, the most common reason for this need being household low income. A significant proportion of referrals to the Foodbank came from Berkshire Womens Aid, SMART (Drug and Alcohol recovery service) and referrals from Council officers which include the Community Engagement Team. Wokingham 'Share' food charity does not require referral.

Wokingham Foodbank has started to see demand reduce through August and September returning close to pre-pandemic demand levels, however levels of need for foodbanks are projected to rise throughout 2020, representing a 153% increase on the previous year, with most vulnerable being the unemployed and self-employed workers. (National Institute of Economic and Social Research (NIESR) for the Trussel Trust)



Free School Meal Eligibility

The number of children eligible for free school meals has increased during the period March – August 2020 by 479%, a significant increase compared with the same period last year. Further analysis is required to better understand the reasons for this trend but would indicate an increase in lower income households.

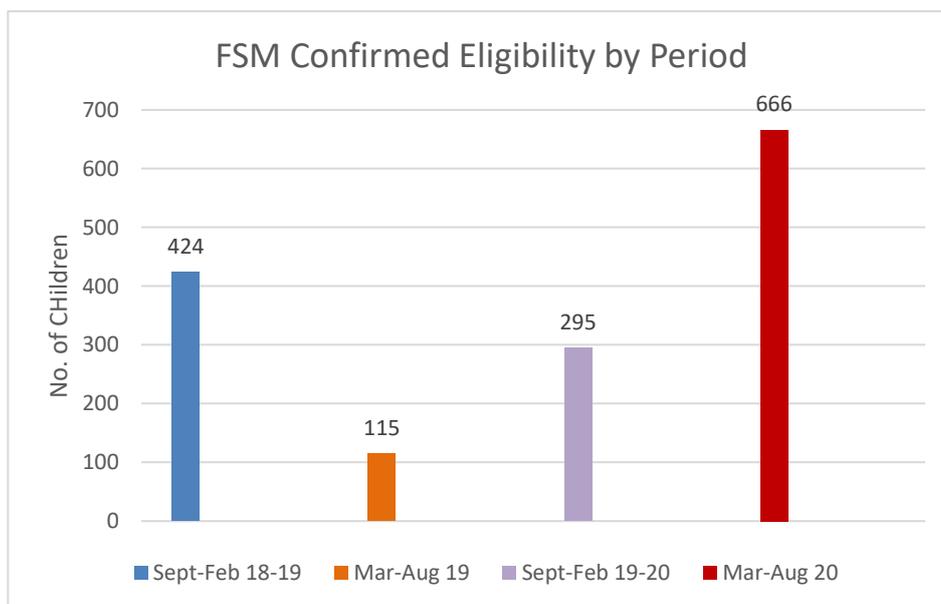


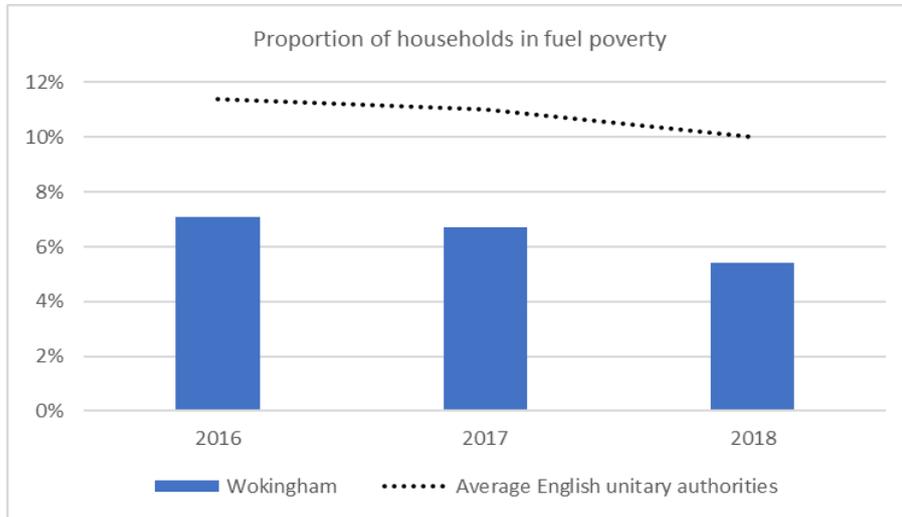
Figure 2 Free School Meal Eligibility

Fuel Poverty in Wokingham

A household is classed as being in fuel poverty if their fuel costs are above average and their disposable income (after housing and fuel costs) is below the poverty line. Households that pay for their electricity by prepayment meter remain more likely to be fuel poor than other payment types but have the lowest fuel poverty gap. As figure 3 below shows, households in fuel poverty reduced in 2018, this is likely due to improvement in energy efficiency and the pre-payment price cap that was introduced in April 2017.

5.4% of households within Wokingham were considered Fuel Poor in 2018, which equates to approximately 3,498 households. This compares to 8% in the South East and 10% across England (Reading 9%, West Berks 6.6%, Windsor and Maidenhead 6.1% and Bracknell Forest 5.2%).

Figure 3: Fuel Poverty Wokingham. Source: ONS



Nationally, a larger proportion of ethnic minority households are fuel poor, 17.7% in contrast with 9.3% of white households (ONS 2018)

- A larger proportion of lone parents with dependent children are likely to be fuel poor at 18.9%, followed by other multi-person households 14.8%, couples with dependent children 14.1% and single people under 60 years old. (ONS 2018)
- A larger proportion of households that privately rent are impacted, at 17.7% compared with 9.1% social housing and 8.3% owner occupied. (ONS 2018)
- A greater proportion of households within rural areas are impacted at 12%, compared with 8% semi-rural and 10.3% urban. (ONS 2018)

Analysis of Issues

Impact of Covid-19 on people with low income

The impact of Covid-19, in particular the shut-down of entire sections of the economy has clearly had impacts upon people and families on low incomes. The Social Metrics Commission (2020) has identified that the economic impacts of the pandemic nationally are being demonstrated as follows:

- Those employed prior to the crisis and already in the deepest forms of poverty have been most heavily impacted.
- Groups already over represented amongst the population in poverty have also been most heavily impacted (eg disabled people, single adults and households with two or more children)
- The youngest and oldest workers have been impacted most compared to those aged between 35 and 44.
- Some groups with already high poverty rates have also been impacted more by the crisis such as people of Black and Asian ethnicities

The report identifies that many of those already in poverty could move deeper into poverty as a result of losing their jobs or having lower earnings because of reduced hours or pay. This would exacerbate the already increasing trend in deep poverty seen over the last 20 years. Those previously close to, but above the poverty line could move into poverty because of their changing employment status. (Social Metrics Commission 2020).

Summary of findings from other research papers are set out below and can offer some helpful insight (although the stated predicted effects should be treated with caution as the full impact of the pandemic is uncertain at this stage).

- Young people (18-24 years) are facing an increase in likelihood of facing destitution (extreme poverty) (16-20 times) in both Covid and non Covid scenarios as well as 25-54 year olds and 75 years and older (Economic and Social Research on Covid-19 Impacts and Destitution in the UK)
- Most people in the bottom tenth of the earnings distribution are in sectors that have been forced to shut down and 80% of those people are either in a shut down sector or unlikely to be able to do their job from home. Young people and those of Pakistani, Bangladeshi or black ethnicity are also more affected than others in these respects. (The Institute for Fiscal studies)
- 30% of low income households pre-pandemic said they could not manage a month if they were to lose their main source of household income. They spend a high fraction of their budgets on necessities that are hard to scale back. (The Institute for Fiscal studies).
- People on lower incomes are the most likely to have underlying medical conditions that make them vulnerable to Covid-19. (The Institute for Fiscal studies)

The Office for National Statistics does not have up to date poverty metrics nor indices of multiple deprivation to offer insight into how poverty levels have been impacted at the Borough level as a result of the pandemic. Local data shows the following trends which would indicate an increase in those experiencing financial hardship:

- Significant increase (approximately 300%) in referrals from the Council's Community Engagement Team through the period March – July 2020 compared to the same time last year, referrals are to voluntary sector organisations that support with provision of food, essential clothing and household items
- Out of work benefit claimant counts (which includes Job Seeker and Universal Credit claimants required to seek work) have increased in the Borough by 223% between February and August 2020 (Policy in Practice – ONS data)
- Increases in contact with Citizens Advice for support with employment (256%) 91% increase in benefit and tax credit queries and 118% increase in housing issues compared with the same period last year.
- Increase in pupils eligible for free school meals during March – August 2020 (479% increase on same period in 2019)

Unemployment Analysis

The number of people claiming unemployment related benefits is a useful data source for tracking changes in the labour market, although many of those who have started to claim will not be unemployed, some low paid workers falling below Universal Credit income thresholds will also be eligible for these benefits (Commons Library Briefing 22 September 2020).

Although paid employment reduces the risk of poverty, it does not relieve it entirely, whilst pre-pandemic employment levels had risen to their highest ever levels, in work poverty rose from 9.9% of workers in 1997/98 to 12.7% in 2018/19. Around 56% of people in poverty are in a working family compared with 39% 20 years ago and 7 in 10 children in poverty are now in a working family (Joseph Rowntree Foundation UK Poverty Report 19/20). In particular, people who rely on insecure employment such as manual, flexible retail and hospitality sector roles can be particularly affected and lack resilience to shocks such as the pandemic.

The national picture identifies the following between pre pandemic quarter of January-March 2020 and the most recent quarter of May-July 2020 (Commons Library Briefing 22 September 2020):

- Employment levels for people aged 16+ have fallen by 165,000.
- Unemployment levels have risen by 50,000 with a particularly large rise in July.
- The number of people who are economically inactive who are aged 16-64 has remained at a similar level.
- Youth unemployment (age 16-24) in May-July is at its highest level since 2016.
- For workers aged 65+ there has also been a shift from employment to inactivity
- Redundancies increased by 58,000 from the previous year and 48,000 from the previous quarter to 156,000 – the largest annual and quarterly increases since 2009
- The number of job vacancies was at a record low in April-June 2020
- Before the coronavirus outbreak, disabled people had an employment rate 28.6 percentage points lower than that of people without disabilities, this difference is often referred to as the disability employment gap.
- 15% of workers in shut down sectors are disabled (as defined by the Equality Act 2010), about the same as the total workforce average of 14%. Disabled workers make up 17% of vulnerable jobs in the retail sector.

The Furlough scheme was introduced in March 2020 in response to the shut-down of a number of employment sectors as a result of the pandemic and was designed to support job retention on a temporary basis.

Coronavirus Job Retention Scheme Statistics					
Month	Wokingham			South East	England
	Employments furloughed	Eligible employments	Take-up rate	Take-up rate	
Jun-20	17,200	85,800	20%	24%	25%
Jul-20	20,300		24%	29%	30%
Aug-20	21,700		25%	30%	32%

- 21,700 jobs were furloughed in Wokingham Borough (25% of eligible workforce) as at August 2020 (compared to 30% in South East and 32% across England).

- In the South East region, 11,000 employee jobs in Wokingham Borough are in the industries hardest hit by lockdown:
 - accommodation and food industry
 - arts, entertainment, recreation and other services
 - construction industry
- By the end of July 2020, the NEET prevention team had been notified of 120 year 11s and 12s whom their schools consider to be at high risk of NEET (previous years have seen numbers less than 20)
- An increase in jobseeker claimant count of 223% in Wokingham Borough between February and August 2020, however this has not been adjusted to take into account the roll-out of universal credit and further analysis is required to establish what proportion of this increase is resulting from new unemployment
- Areas that had low unemployment before the pandemic have seen the biggest percentage increase in claimants (Surrey Heath 296%, Hart 279% and Woking 266%)

% increase in claimant count between
February 2020 and August 2020

RBWM	234%
Wokingham	223%
Bracknell Forest	197%
Slough	183%
West Berkshire	172%
Reading	135%

- This is equivalent to 3.6% of the working age population of Wokingham claiming out of work benefits, compared with the South East (5.4%) and Great Britain (6.6%).

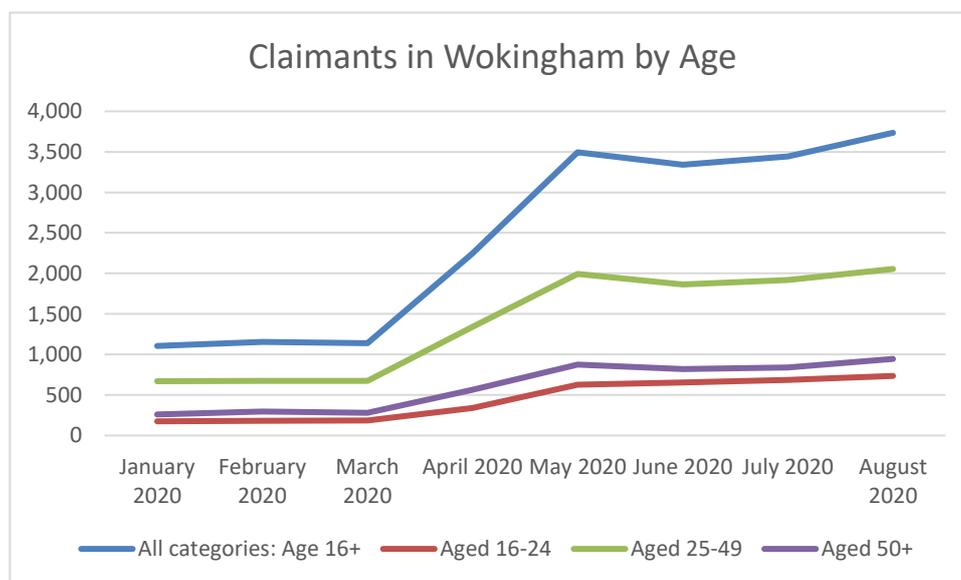


Figure 5: Source ONS Official Labour Market Statistics

- Figure 5 above identifies the number of claimants by age group. The highest proportion of claimants are in age group 25 to 49 which represents 6.4% of the resident population and claimants within this group increased significantly in Wokingham by 223% between January 2020 and August 2020.

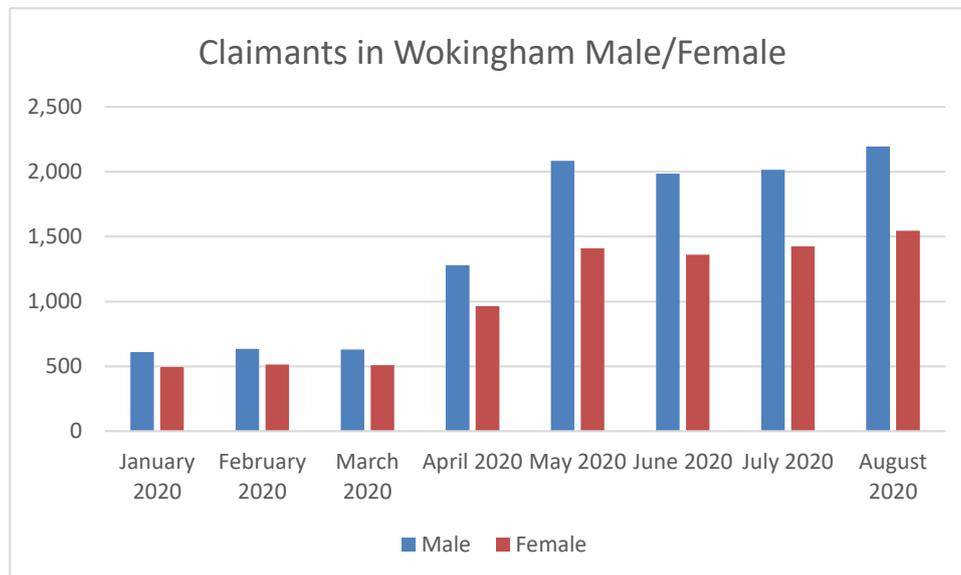


Figure 6: Source ONS Official Labour Market Statistics

- The above chart identifies the number of claimants by gender of male or female. Male claimants represent 4.2% of the resident population and compares with 6.4% in south east and 7.9% in Great Britain. Female claimants represent 2.9% of resident population which compares with 4.4% in South East and 5.3% in Great Britain.
- Nationally, some workers are disproportionately economically impacted by the coronavirus outbreak. Workers who are from a BAME (Black, Asian, Minority Ethnic) background, women, young workers, low paid workers and disabled workers, have been most negatively economically impacted by the coronavirus outbreak. For example, 15% of workers in sectors which have shut down because of the coronavirus are from a BAME ethnic background, compared to 12% of all workers, 57% are women, compared to a workforce average of 48%, and nearly 50% are under 35 years old. Low paid workers are more likely to work in shut down sectors and less likely to be able to work from home. (House of Commons Briefing Paper no. 8898).
- Nationally, employment levels for those aged 16-24 and 65+ fell by 336,000 in May-July 2020, compared to the pre-pandemic quarter of January-March 2020. In comparison, employment levels for those aged 25-64 have increased by 171,000 (House of Commons Briefing Paper no. 8898).
- By September 2020 approximately 1600 18 year olds resident in the borough will have left their A level and level 3 courses and begin to hunt for jobs, apprenticeships or places in HE or FE. They will be joined by approximately 1600 16 year olds, and 200 17 year olds who are completing one year courses. They will also be competing with experienced workers who have lost their jobs through the pandemic and who already have the skills, aptitudes and experience that employers are looking for.

- As furlough scheme ends, it is estimated that in the best case scenario 10% of people on furlough will face job loss (Office for Budget Responsibility (Policy in Practice citing OBR)
- National unemployment is predicted to increase to 10% (from 4.1% in July 20) increasing from 2.1m to 3.4m as a result of close of furlough, close of self-employment income support and reinstatement of income (Policy in Practice citing OBR)
- The Thames Valley Local Enterprise Partnership business survey for Wokingham in July 2020 found three quarters (74%) of Wokingham Based businesses continued to trade throughout the pandemic. Of those Businesses that feel they have been impacted by the pandemic, 50% think they will recover within the year, 21% more than one year and 25% don't know. 4% have experienced growth.
- The council monitors the employment level for Adult Social Care (ASC) clients who have learning disabilities and at Q1 this did not show a decreasing trend however this will continue to be monitored closely.

Measure	2018/19	Q1 19-20	Q2 19-20	Q3 19-20	Q4 19-20	Q1 20-21
No. Learning Disability ASC Clients in paid employment or full-time education (18-65 years)	21%	79%	78%	78%	81%	82%

- The number of care leavers who are not in employment, education or training has increased in Q1 of this year and will need close monitoring if the trend for increased unemployment for young people continues.

Measure	2019/20	Q1 19/20	Q2 19/20	Q3 19/20	Q4 19/20	Q1 20/21
% care leavers aged 18-24 who are NEET	37.2%	40.4%	40.9%	38.9%	25.1%	31.4%

The Government has announced that the furlough scheme will close on October 31st 2020 and that a new job support scheme commencing 1 November 2020 will be in place for 6 months which will subsidise pay of employees who are working fewer than their normal hours due to lower demand.

The impact of the end of furlough, as acknowledged by Government is not possible to predict as there is a huge uncertainty over how long the crisis will last and the speed of recovery (House of Commons Briefing Paper no. 8866) however at the local level the Council can continue to monitor the indicators identified in this report to inform actions moving forward.

WBC and Partner Poverty Support

Whilst not all causes and effects of poverty can be addressed wholly at the local level, working closely with our partners to deliver interventions that are targeted to support individuals and families at the local level and where possible to address the drivers of poverty can be an effective way to reduce the likelihood of entering poverty or improve chances to move out of poverty.

The Council and its partners have delivered a number of targeted interventions that address the drivers of poverty, mitigate the effects or promote social inclusion in our communities as follows:

- Citizens Advice – One Front Door – referral and advice on a range of matters relating to the causes and consequences of poverty
- Council Tax Collection – council tax reduction for residents on low income or benefits, flexible repayment plans, Covid-19 Council Tax Hardship Fund (discounts applied to eligible accounts)
- Local Housing Allowance – a housing benefit for people on low income who rent privately from a landlord
- Discretionary Housing payments – help with housing costs for private renters including financial help with costs of moving to smaller more suitable accommodation, removal costs, rent in advance or deposit
- Local Welfare Provision – financial assistance to help to prevent a crisis or emergency situation escalating (subject to eligibility)
- Food Bank - voucher referral from WBC and partners to local foodbanks for those families and individuals facing food insecurity
- Community Engagement – working closely with Charities and partners and direct work with most deprived communities offering advice, support and referral to meet needs for clothing and essentials, furniture and essential household goods, financial support (assisting with applications for grants from charitable organisations), school holiday support with food and activities for young families through the ‘Social Bites’ initiative and supporting the ‘Grub Club’ project to provide meals to children during school holidays
- Administering free school meals for eligible children
- Supporting education, training and employment opportunities for adults and young people, including care leavers and offering apprenticeships at the Council open to all ages. The Council are also exploring options to engage with the recently announced government initiatives to increase apprenticeship opportunities, Traineeships and KickStart which would increase opportunities.
- Help to Heat Scheme (facilitation of the uptake of ECO funding) to install energy efficiency measures on HRA housing stock which not only improves energy efficiency and reduction in carbon emissions but also addresses fuel poverty.
- Employment and Skills Plans – negotiated with developers, through the planning application process to improve access to jobs, training and apprenticeships
- Leisure Centres – free membership for children in care, free membership for care leavers (up to age 25), free swimming and free use of gym for foster children and siblings
- Registered Social Housing Providers (RP’s) are supporting customers by providing increased communication (utilising social media more) and engaging especially with

harder to reach customers, supporting residents in terms of claiming benefits (with a lot having never claimed before) and putting in place longer repayment plans where appropriate, donating to local foodbanks and community groups and instances where an RP has donated laptops to customers that needed them.

- The Council with its partners have previously supported social housing tenants in gaining the skills to set up their own businesses, through a programme called “Strive” run by a social enterprise company called Enterprise Cube
- Business Support grant – administration of £20m mandatory and discretionary business grants and £20m of other reliefs distributed during pandemic
- Service Sustainability Fund – financial support to eligible providers within the voluntary and community sector to reimburse items of expenditure directly related to pandemic and related to clients in receipt of adult social care services funded by WBC
- The Council’s Health and Wellbeing board recognises poverty is an impact factor contributing to inequalities and has identified 3 key priority areas, long term indicator monitoring which include children in low income families, gaps in employment in specific groups and young people not in education, employment or training.
- The Council works closely with the Thames Valley Local Enterprise Partnership (TVLEP) to support and facilitate economic prospects for the Borough as well as engaging with local businesses and government agencies (such as Department for Work and Pensions) to improve opportunities for training, employment and business across the Borough.
- As part of the approach to Covid 19 recovery, the Economic Renewal workstream has been working closely with local business and other agencies to provide support and advice on best practice, safe re-opening, available grants and other support as well as opening up a more productive and positive two way dialogue. We have also relaunched our business partnership as a Business Taskforce to oversee our emerging economic recovery and renewal strategy. The next stage of that renewal strategy is now being finalised to reflect what is most appropriate to be led sub-regionally through the LEP and what the Council can do locally.
- Wokingham Borough Council is a member of the Berkshire Recovery Group which is focussing on four priority themes; one of which relates to Individual Hardship and from a County perspective, there is a spotlight on this area, and moreover an agreed partnership approach to providing and supporting those communities facing hardship at this challenging time.

Housing and Homelessness

Housing costs are a key driver of poverty and households on low incomes who rent in the private and social rented sectors have seen their housing costs rise (JRF UK Poverty Report 19/20). In addition, insecurity in the private rented sector can have detrimental impacts upon the ability to move out of poverty. The Joseph Rowntree Foundation recommend that the amount of genuinely low-cost housing available for families on low incomes and increased support should be provided for those with high housing costs.

The Council adopted the Homelessness and Rough Sleeping Strategy 2020-2024 and this sets out the approach to ensuring all residents can access well-designed, affordable and

sustainable homes and effective support services. The draft Housing Strategy is in development, to be brought to Executive in October 2020 for approval.

The number of people making homeless applications to the council is shown below and at present there does not appear to be a notable impact as a result of the pandemic:

Number of homeless applications taken	Owed main housing duties s193(2)	Quarter
71	34	Q1 19/20
62	28	Q2 19/20
73	33	Q3 19/20
113	22	Q4 19/20
84	3	Q1 20/21
72	11	Q2 20/21

(NB: A main housing duty is whereby the Council must ensure that suitable accommodation is available for the applicant and their household until the duty is brought to an end, usually through the offer of a settled home.)

The impact upon the housing circumstances of individuals and families will need to be closely monitored as the Government's decision to lift the temporary ban on evictions from 20th September 2020 is yet to become fully apparent, however it is expected that this will increase the need for housing support from the Council.

Prior to and during the pandemic, the Council has supported people with their housing needs in a number of ways, to either source suitable housing or retain their current housing whether that be private rented accommodation, provision by registered social landlords, the Council or its housing companies. The council also facilitates the provision of affordable dwellings through the planning system and through its housing companies.

- 465 affordable dwellings were completed in the Borough in the financial year 2019/2020
- Tenancy Sustainment Officers provide support and early intervention to residents in difficulties, encouraging rent payments as a priority payment to ensure accommodation is secure and also prioritising support with Universal Credit applications to those who need it.
- The Council have worked with landlords and tenants throughout the pandemic to resolve any issues that threaten tenancies and this will continue in line with statutory duties.
- From the Council's work with landlords and tenants over the past months there does not appear to be a significant number of pending eviction cases. However, the Homeless Reduction Act specialist will continue to monitor the situation and carry out some more detailed modelling in October.
- The Council is part of a multi-agency and cross-directorate Local Homelessness Co-ordination Cell which has overseen the Council's successful approach to tackling rough sleepers and homelessness during the pandemic and will continue to monitor the impacts.

- 50 most vulnerable homeless/rough sleepers have been provided emergency accommodation in response to Covid-19 pandemic through the 'All In' approach (not a statutory duty) of which:
 - 8 are younger people (aged under 25)
 - 11 have problems with substance misuse
 - 2 rough sleepers have refused accommodation and the newly commissioned Outreach Team are continuing to engage with them
- Tenancy Sustainment Service worked with those in need during the pandemic and saved/generated £12,000 for tenants between April-June 2020
- Work is continuing to support housing pathways for all housed as a response to Covid-19
- A bid for £205,000 of funding to meet the needs of rough sleepers identified as a result of the pandemic has been successful and a capital bid of £1.7m is also under consideration to deliver the following:
 - Temporary accommodation for our C-19 rough sleeper cohort to March 2021.
 - Provision over the winter as Night Shelters are unlikely to be running due to C-19 and the Cold Weather Fund is not available this year
 - Private rented sector access fund.
 - Rough Sleeper Coordinator post for WBC
 - Delivery Housing First units which are homes designed with wraparound support to help rough sleepers move away from the street and settle into permanent accommodation.

Moving forward, the strategic and operational housing elements of the Council will work closely to monitor trends in housing and homelessness needs and develop interventions accordingly.

Council Tax Issues and Universal Credit Applications

The Council has consistently been successful at securing maximum income collection for both Council Tax and Business Rates whilst also taking a considered and proportionate approach to arrears collection. Each 1% drop in Council Tax collection equates to a drop of £1,374,777, which long term could have negative impacts upon the delivery of Council services, including those which support the most vulnerable.

In 2020/2021 annual Council Tax debit debt has increased by £7,646,839 and therefore whilst the collection of income must be prioritised the Council is also very mindful of the financial hardship faced by many residents and businesses and has therefore signed up to the Citizens Advice & Local Government Association Council Tax Protocol which sets out principles of fairness and partnership working with local debt agencies to support people to pay their bills and improve access to debt advice.

Throughout the pandemic period the Council supported residents and businesses through the following:

- £20m of mandatory and discretionary business grants and £20m of other reliefs were distributed to support businesses, individuals and families, including

administering the Covid-19 hardship fund, whereby £150 was applied to each Council tax account that was eligible for Council Tax reduction.

- Collection of debt was paused during Covid-19 and Council tax accounts that were in arrears or identified as being particularly vulnerable to financial difficulties were contacted directly with the intention of providing early support and intervention to reduce the likelihood of problems escalating.

The impact of the pandemic has been notable in terms of income collection and applications for support from the Council:

- A large proportion of business rate payers paid later than normal
- There has been a 33% increase in Universal Credit applications
- 224 Council tax accounts were in arrears due to financial difficulties arising from Covid-19
- Out of work benefit claims (which includes jobseekers and universal credit) increased by 223% between February and August 2020
- There has been an increase in households claiming Council Tax Reduction of 105 households at August 2020 compared with same time last year.
- Council tax collection is up 0.64% against target
- Business Rates collection is down 0.10%
- HRA rents is down 0.82%
- Local welfare payments have not increased, but that is likely due to a number of other forms of support being made available. It is anticipated that need for these payments will increase as other support is withdrawn.

Moving forward, close monitoring of collection figures, direct debit failures and continuing work with our partners, such as Citizens Advice will inform the Council's approach to income collection and the support available to those facing financial hardship.

Citizens Advice

During the pandemic, Citizens Advice (CA) worked closely with Wokingham Borough Council, town and parish Council's, local charities and community groups to support our residents – offering the 'One Front Door' service with no wrong reason for someone to call.

The number of clients seeking support this year from CA has increased significantly between 1st January to 22nd September 2020, partly as a result of the 'One Front Door' dealing with the response to the pandemic.

4,436 clients have been in contact for support and advice with 10,639 issues compared with 1,983 contacts for the same period last year.

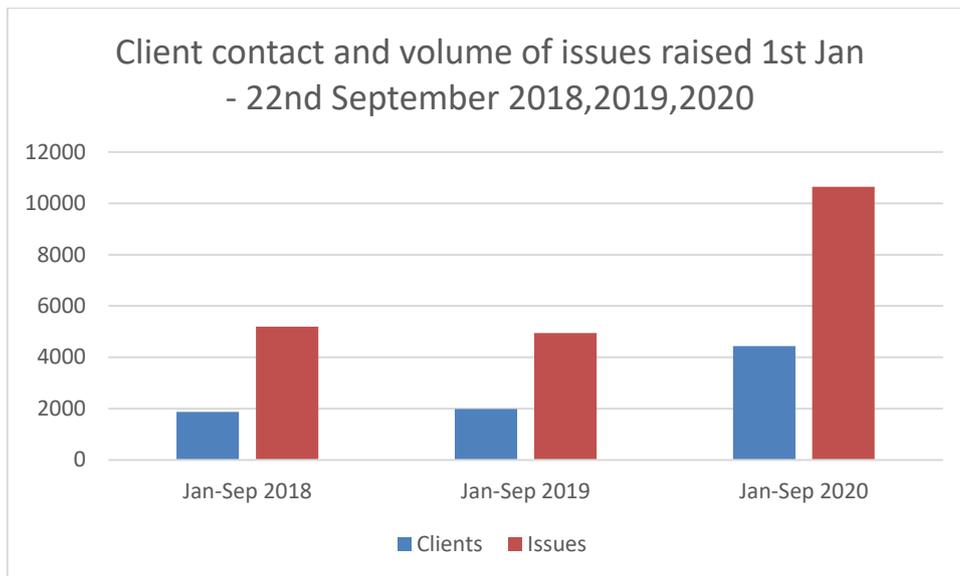


Figure 7: Source Citizens Advice

Aside from health and community care issues (which includes food hub enquiries and also the prescription collection service), the highest proportion of issues discussed between clients and Citizens Advice in Q1 of this year concerned benefits, tax credit and universal credit as well as employment and debt being frequently discussed, after seeing a reduction in contacts regarding benefits, tax credit and housing in the previous year.

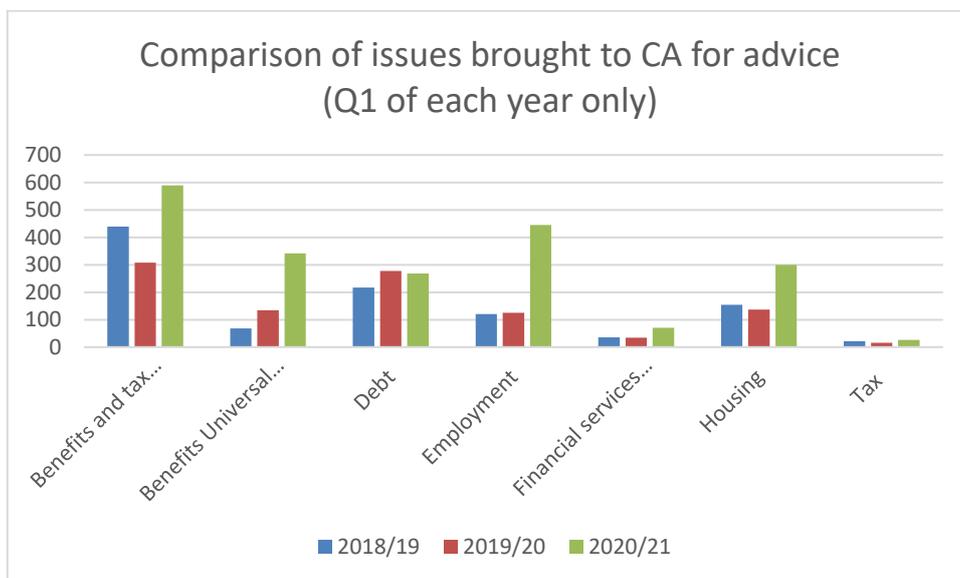


Figure 8: Source Citizens Advice

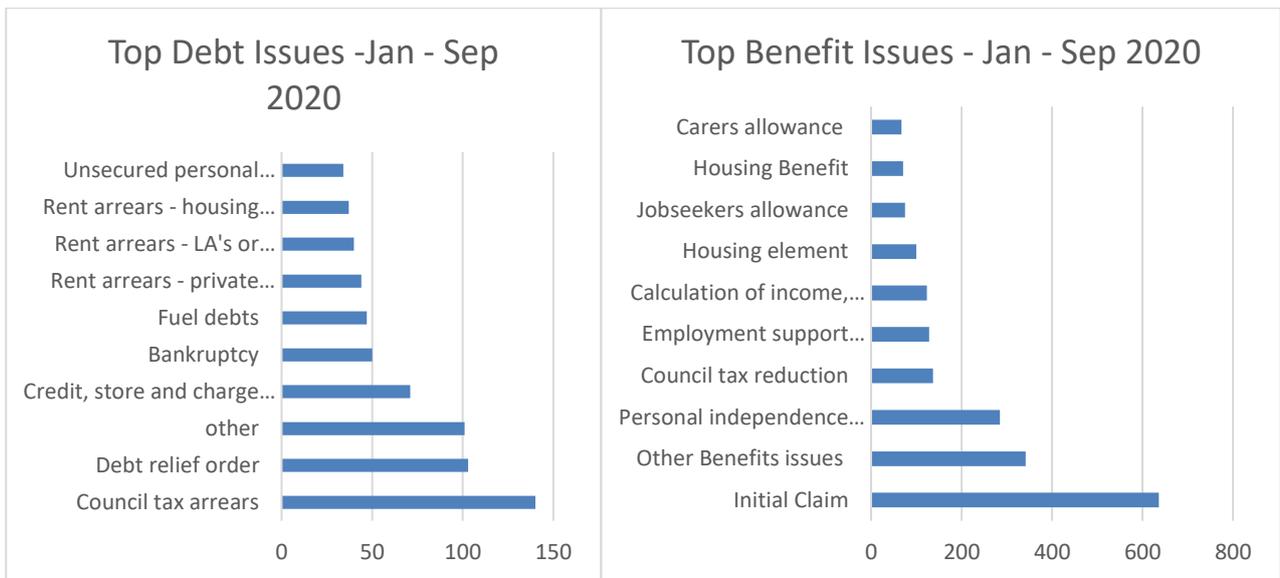


Figure 9: Source Citizens Advice

Citizens Advice Wokingham have supported clients to achieve a significant amount of debt write offs and income gain.

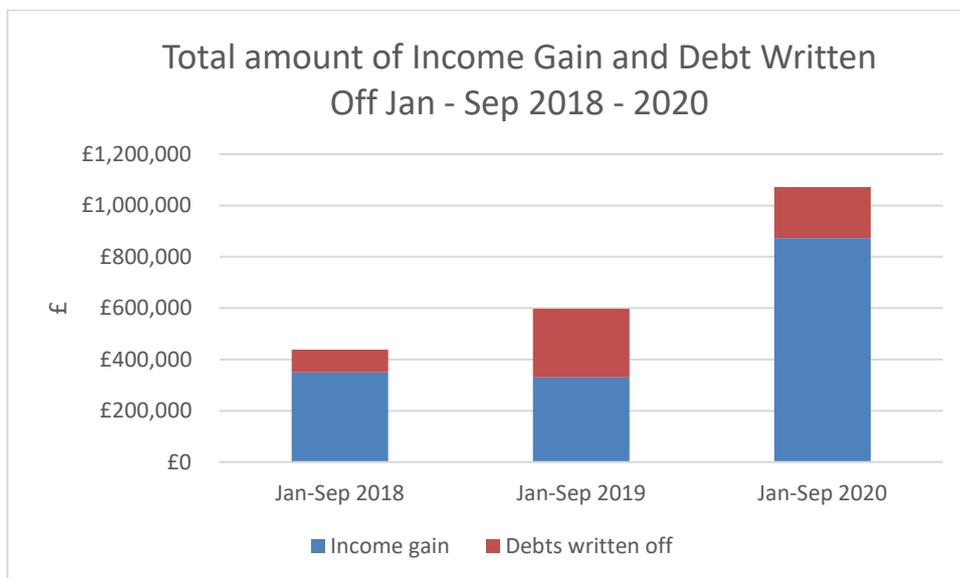


Figure 10: Source Citizens Advice

The demographic of those seeking support and advice is shown below in figure 17, a significant proportion of contacts were people with disabilities or long term health conditions.

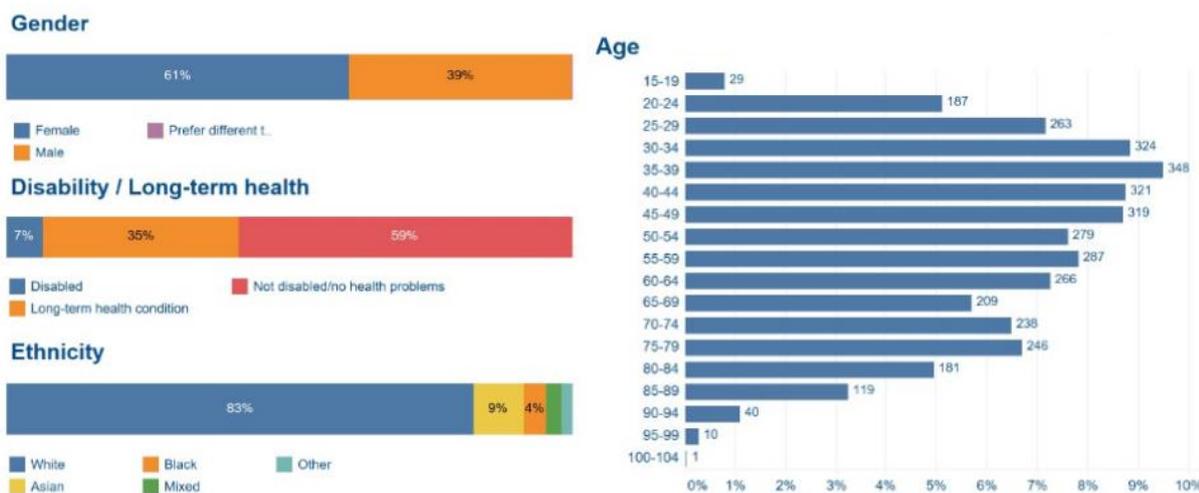


Figure 11: Source Citizens Advice

It is anticipated there is likely to be a continued increase in demand for support with benefit claims, debt and employment concerns and Citizens Advice Wokingham, in partnership with the Council and voluntary sector are exploring options to secure a full time debt management worker to support with this specific issue as well as continuing to deliver the voluntary sector ‘One Front Door’ service, ensuring a single access point to people in need of help and good quality advice and information.

Conclusion

The full impact of the pandemic upon poverty levels, unemployment and security of housing is uncertain at both the national and the local levels. The quantitative data to evidence the impact upon poverty levels, particularly at the local level is limited at this stage. Whilst analysis and predictions at the national level suggests an emerging picture of a rise in unemployment and disproportionate impacts upon employment prospects for young people, the full level and extent of these impacts in Wokingham are uncertain.

Local data and insight suggests an emerging picture of increased demand for support with benefit claims, employment support and housing and as the impact of the pandemic on the job market and the economy continue and government support such as furlough is reduced, it appears likely that demand for support will continue to increase. The Council, working closely with its partners will continue to monitor both quantitative data and qualitative information gained from front-line officers and charities working with communities, keeping a close eye on links with health and wellbeing.

Although the pandemic continues, the council is simultaneously progressing recovery, a key workstream of the programme intends to address economic recovery and employment opportunities, one of the key poverty drivers. The council is working closely with the LEP, Berkshire Recovery Group (which is seeking to address hardship) and looking to build upon existing initiatives such as work with young people not in education, employment or training.

It is clear that close monitoring of employment levels, benefit claims and demand analysis is required to establish emerging trends to inform initiatives and actions that where possible address the drivers of poverty or mitigate or relieve the detrimental impacts.

The Council will work closely with its partners, monitoring data and insight to inform recovery and actions including establishing the intervention points that can have the most effective impact to support people facing financial difficulties, aiming to reduce the detrimental impacts of low income and improving access to opportunities to be financially resilient and lead self-sustaining healthy lifestyles

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	n/a	n/a	n/a
Next Financial Year (Year 2)	n/a	n/a	n/a
Following Financial Year (Year 3)	n/a	n/a	n/a

Other financial information relevant to the Recommendation/Decision
Financial impacts are included in the monitoring reports to the Council's Executive.

Cross-Council Implications (how does this decision impact on other Council services, including properties and priorities?)
This report covers the whole of the Council's operations.

Public Sector Equality Duty
This report has had due regard to the public sector equality duty and where applicable and available has included information relating to impacts upon people with protected characteristics and inequality.

Reasons for considering the report in Part 2

List of Background Papers
Appendix A: Social Metrics Commission Measuring Poverty 2020 Appendix B: Commons Library Briefing Coronavirus Impact upon Labour Market Appendix C: Joseph Rowntree Foundation Poverty Report

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