

Report Title: **Maximising household income in Haringey**

Report of: **Director of Social Services**

Wards(s) affected: **All**

Report for: **Non-Key Decision**

### **1. Purpose**

- 1.1 To seek the agreement of the Executive to an income maximisation strategy and action plan being developed as set out below.
- 1.2 To seek the agreement in principle of the Executive to a strategic framework for activity to tackle poverty and social exclusion in Haringey being developed as set out below.

### **2. Introduction by Executive Member**

- 2.1 This report sets out a realistic route to greater success in increasing the disposable income of many of Haringey's most disadvantaged residents. It also paves the way in the longer term for greater co-ordination of approaches to tackling poverty and social exclusion across the borough. I recommend its approval.

### **3. Recommendations**

- 3.1 That the development of a focused 'income maximisation' strategy and action plan be approved to be taken forward as a project to be planned by January 2007, concentrating on improved co-ordination of activity in the areas of welfare rights services and advice provision.
- 3.2 That it be recognised that this is dependent on ongoing resources being found through the Council's business planning process.
- 3.3 That in addition the future development of a strategic framework for all activity in Haringey which tackles poverty and social exclusion be approved in principle, to follow after the agreement of the new Community Strategy.

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#### **4. Director of Finance Comments**

4.1 The Director of Finance has been consulted and notes the bid to the NRF of £30k to fund the mapping project. The financial implications will need to be identified as the strategy is further developed.

#### **5. Head of Legal Services Comments**

5.1 The local authority has the power to implement the recommendations in this report in accordance with the 'well-being powers' contained in the Local Government Act 2000. Section 2 of this Act gives the local authority the power to do anything which it considers is likely to achieve promotion or improvement of the economic, social or environmental well-being of the area (unless it is prohibited by another enactment). The well-being powers should also be exercised with regard to the Community Strategy and this is considered in this report.

#### **6. Local Government (Access to Information) Act 1985**

6.1 Review of Advice Funding, March 2006 (abridged version) – for a copy contact Susan Humphries, Head of the Council's Voluntary Sector Team  
([susan.humphries@haringey.gov.uk](mailto:susan.humphries@haringey.gov.uk), 020 8489 6902).

#### **7. Strategic Implications**

7.1 Improved advice and welfare rights provision in Haringey would contribute to several objectives of the 2003-2007 Community Strategy:

- Better access to jobs – increased benefit income can be expected to mostly be spent locally, which would boost the local economy and create jobs. As benefit awards are often ongoing, this boost could be sustainable in the longer term.
- Better housing for all – provision of advice is a key tool both in reducing homelessness (by advising on housing debt etc) and keeping housing decent (by facilitating equity release, helping secure utility supplies etc).
- Developing the most deprived areas – it can reasonably be expected that a successful income maximisation strategy would have most effect on residents in the deprived parts of the borough, environmentally (through the positive effect of helping people to remain in decent homes) as well as economically.
- Improve access to public services for everyone in the community – information about services and rights enables people to know what services might be open to them. Increasing income also reduces social exclusion, both by improving people's well-being and confidence, and by alleviating the impact of external barriers such as transport and healthcare costs.

7.2 It would also contribute to the Well-being Partnership Board's strategic objective of "achieving economic well-being", which has been an identified priority in the allocation of NRF money for 2006/07. The specific outcome targeted has been to increase household income by an average of £10 per week in the three wards (Northumberland Park, Bruce Grove and Noel Park) with Super Output Areas with the greatest levels of deprivation.

## **8. Financial Implications**

8.1 The extent of any investment required to implement an income maximisation strategy cannot be accurately assessed until a full mapping exercise of existing provision has been undertaken.

8.2 However the rather disparate and un-coordinated nature of existing Council funding in this area means that a mapping exercise is likely to highlight scope for rationalisation of this existing provision, which may in itself free up resources for some extra provision.

8.3 This initial mapping exercise will itself require resources, and consequently a bid is being made for £30,000 of Neighbourhood Renewal Fund reserve funding to facilitate this.

## **9. Legal Implications**

9.1 The local authority has the power to implement the recommendations in this report in accordance with the 'well-being powers' contained in the Local Government Act 2000. Section 2 of this Act gives the local authority the power to do anything which it considers is likely to achieve promotion or improvement of the economic, social or environmental well-being of the area (unless it is prohibited by another enactment). The well-being powers should also be exercised with regard to the Community Strategy and this is considered in this report.

## **10. Equalities Implications**

10.1 It is recognised that many of the issues around maximising household income in Haringey relate closely to inequalities in access to services. It will therefore be a fundamental part of the development of this strategy to robustly assess the scale of these inequalities and which groups they affect (including through the use of consultation as described below), and then to identify appropriate and effective actions to tackle them. By doing this it is intended that the income maximisation strategy will benefit all the diverse communities of Haringey.

## **11. Consultation**

11.1 There will be a clear need to consult widely with partners, especially the voluntary sector, on the development of this strategy. Public consultation will also be actively considered, although it is known to be difficult to engage people in a targeted consultation exercise on the basis that they are 'poor'.

11.2 If Members agree the approach outlined in this report, the detail of appropriate consultation on the income maximisation strategy will be considered as an integral part of its development.

## **12. Background: Income maximisation strategy**

12.1 The Scrutiny Review of Benefit Take-Up agreed by the Council's Executive in September 2005 made a number of recommendations to aid improving benefit take-

up rates, particularly by improving strategic direction and co-ordination. These recommendations included that an anti-poverty strategy be developed for the borough. The Director of Social Services was made the corporate lead officer for income maximisation.

12.2 A Review of Advice Funding commissioned by the Council's Voluntary Sector Team and published in March 2006 found that there is "a huge and unmet need" for advice in Haringey. It made a number of recommendations to improve provision, including that consideration should be given to:

- developing an advice strategy with partner organisations;
- developing a strategic planning and commissioning body with partner organisations;
- providing greater support for voluntary sector capacity-building;
- providing welfare rights training to appropriate Council staff; and
- tightening the Council's commissioning criteria to ensure value for money and to minimise capacity and competence issues amongst voluntary organisations commissioned to provide advice.

12.3 A study published in October 2006 by London Councils (formerly the Association of London Government) entitled 'Mapping London Voluntary Sector Child Poverty Related Activity' found that there is a general need across London for all tiers of government to increase focus on the advice sector. Recommended measures include developing understanding and awareness of what services are in place, levelling out provision and making it more accessible, particularly to disadvantaged and vulnerable groups, and ensuring that an appropriate range of specialist advice is available.

12.4 In addition to the strategic advantages of improving benefit take-up identified in the Report of the Scrutiny Review of Benefit Take-Up, national research has also shown that:

- not only is benefits income mostly spent locally, but for every extra £100,000 spent at local shops and businesses an extra job is likely to be created within the local economy;
- provision of debt advice to tenants (especially private sector tenants) can significantly reduce rates of property abandonment; and
- increases in benefit income result in better physical and mental health both 6 and 12 months later.

### **13. Background: Strategic framework for anti-poverty and social exclusion work**

13.1 The report agreed by the Executive on the Scrutiny Review of Benefit Take-Up stressed that it should not be attempted to write a comprehensive "anti-poverty strategy" addressing all the underlying determinants of poverty, because this would inevitably involve duplication of various existing Council and partnership strategies which already address different elements of these determinants.

13.2 However, the absence of any such all-encompassing strategic document does mean that:

- it may be hard to gain an overall understanding of the range of work carried out by the Council and partners which impacts upon poverty and social exclusion; and
- there may not be consistent policy principles behind different initiatives stemming from different service areas.

## **14. Conclusion**

- 14.1 It is proposed that the respective sets of recommendations from the Scrutiny Review of Benefit Take-Up and the Review of Advice Funding be taken forward through the development of a single 'income maximisation' strategy and action plan. This will fulfil the decision of the Executive in September 2005 that a strategy on anti-poverty issues should be "strongly focused on practical action the Council can deliver organisationally and practically".
- 14.2 It is believed that this approach has the potential to make a significant impact on financial hardship in Haringey over the first three years of the lifespan of the Community Strategy.
- 14.3 Officers are additionally investigating future development of a broader strategic framework (as opposed to an actual strategy) for anti-poverty and social exclusion initiatives in Haringey. This would have the potential to:
- identify where gaps exist in current Council and partner activity in this area; and
  - establish basic policy principles to inform all future activity.
- 14.4 However, it is felt that any such strategic framework should be developed following the completion of the new Community Strategy. This will ensure synergy in further articulating the broad vision of the Council (and its partners) in relation to addressing poverty and social exclusion over the full 10-year lifespan of the new Community Strategy.