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**THE SCOPE OF POVERTY IN DARLINGTON, WELFARE REFORMS AND THE  
PARTNERSHIP RESPONSE**

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**SUMMARY REPORT**

**Purpose of Report**

1. This report provides an update on the work that has been carried out through Darlington Partnership to understand poverty in Darlington and to support the Council to work with its partners in providing appropriate interventions.

**Summary**

2. There are almost 11,000 working age adults, 4,500 children aged 0-17 and 3,000 pensioners in Darlington living in households with a disposable income of less than £13,312 per annum who are therefore living below the 'poverty line'
3. The number of children and families in poverty is growing and the profile of poor families is changing. In 66% of families in poverty at least one person works.
4. Darlington Partnership is supporting Darlington Borough Council in helping better integrate advice and support services for people who are in crisis through the contact centre and in local communities. The Partnership is also looking further at issues related to poverty such as mental health and pay day lending. It also is exploring how people might be supported into employment.

**Recommendation**

5. It is recommended that Adults and Housing Scrutiny Committee receive this report for information.

**Ada Burns  
Chief Executive**

Seth Pearson Ext 6090

S17 Crime and Disorder	
Health and Well Being	
Carbon Impact	
Diversity	
Wards Affected	
Groups Affected	
Budget and Policy Framework	
Key Decision	
Urgent Decision	
One Darlington: Perfectly Placed	
Efficiency	

## MAIN REPORT

### Poverty in Darlington

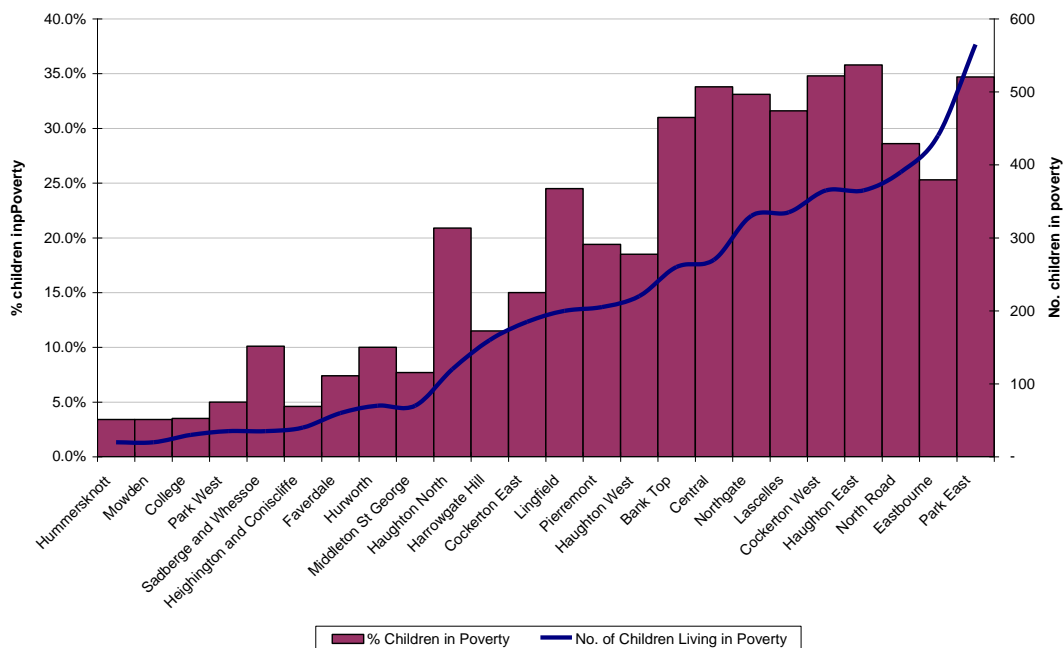
6. In a letter to The Leader of the Council, Bill Dixon, Tim Grant, Principal of Darlington College explained that they were seeing for the first time, students who are ill because they have not eaten that day as their family has no food.
7. In the letter Tim Grant proposed that a new short term enquiry group should be formulated to take evidence from front line organisations and then to look at ways in which we can more effectively relieve the impacts of poverty in Darlington.
8. Following discussion at the September Board it was agreed that Tim Grant would lead the enquiry group which would :
  - (a) make an assessment of the current scale of the problem and
  - (b) review the interventions currently available

### Findings

9. As identified by the Child Poverty Action Group, the past five years have been particularly difficult ones for families with children struggling to make ends meet. Prices have risen more sharply than in previous years, especially the price of essentials, such as food and childcare. Wages have hardly risen at all. Benefit up-rating is now falling behind these increases. So, the cost of bringing up a family is increasing much faster than are family incomes.
10. For many families who were already struggling, these factors have combined to cause a serious decline in income at a time when what they need as a minimum has gone up.
11. There are almost 11,000 working age adults, 4,500 children aged 0-17 and 3,000 pensioners in Darlington living in households with a disposable income of less than

£13,312 per annum who are therefore living below the 'poverty line', the agreed international measure used throughout the European Union. The graph below shows the number and percentage of children living in poverty by ward.

**Figure 1: Percentage and number of children living in poverty by ward (2011)**



12. The number of children and families in poverty is growing and the profile of poor families is changing. In 66% of families in poverty at least one person works.
13. As poverty is increasingly affecting working families, the geographic distribution of families in poverty is changing with poverty affecting people in areas seen as affluent.
14. Evidence from agencies working with this group of newly poor highlight a range of different problems faced by them. For some families their poverty is less obvious as they may apparently have assets but little disposable income to spend on food, heating and clothes.
15. Advice agencies report that families have lost financial resilience with savings dwindling and important equipment going un-replaced. Contents insurance for many is a luxury they can no longer afford. The consequence of this is that many families live on the edge of being able to cope and it only takes a small additional expense to place them in crisis.
16. Easily accessible but expensive credit is a significant factor as, for some, it is seen as the only available immediate solution but which quickly exacerbates their poor financial situation.

## Group Recommendations

17. The group made some specific recommendation as follows :-

(a) Agencies explore how comprehensive support is made available for people facing crisis due to poverty close to where they live through peripatetic outreach in community settings. The aim would be that people can get at one go:

- (i) access to a food bank
- (ii) advice (debt, benefit, housing)
- (iii) access to the Credit Union

(b) A programme around income maximisation is needed which would involve:

- (i) increasing benefit take up
- (ii) increasing employability for those out of work
- (iii) up-skilling for those in work but in receipt of low income or with an income gap

This would be complemented by money management advice and training.

The group recommends that developing an income maximisation programme is a priority for Darlington Partnership for 2014 and that an appropriate task and finish group is established to progress this.

(c) Further consideration is given to issues associated with poverty. At the last Executive Group meeting in November 2013 it was agreed that the initial focus should be pay day lending and mental health.

18. Finding were reported to Council's Chief Officer Executive and the subsequent actions instigated are guided by their recommendations.

19. The Task and Finish group has now established a group to take forward the community based support proposals consisting of:

20. The group will meet fortnightly and report to the Partnership Executive.

21. The group is reviewing the community bases that each agency currently operates from. It will then compare information on demand/volume related to each location to identify potential bases to operate the new model from. Collaborative delivery will be rolled out one site at a time.

22. The group is considering resource issues which will need to be addressed ie capitalising the Credit Union, funding for the CAB and resources for the Food Bank.

23. Background reports on mental health and poverty and pay day lending have been considered and a lead is to be identified for each issue and requested to investigate and report the potential for the Partnership's useful intervention.

24. The Partnership Board has asked for a report on how an employability programme for Darlington could be developed.

### **Welfare Reforms**

25. In January 2013 Darlington Partnership held an Assembly which focused on Welfare Reforms and their impact on Darlington. The Assembly concluded that Darlington Partnership needed to play a role in coordination action across all sectors.

26. Working closely with Council staff and with the oversight of the Assistant Director Resources, the Partnership has aimed to support collaboration between other public sector agencies, voluntary sector agencies and the Council.

27. In the context of diminishing resources and increasing demand on services the aim has been to mobilise resources across the Darlington Partnership and wider community ensuring that all are working effectively together to mitigate the impact of Welfare Reform on individuals, families and communities. Without the capacity to provide a universal service the presumption has needed to be that the majority of benefit claimants will manage their own claims and any support or help provided will need to be carefully targeted at those who would not otherwise be able.

28. A sub group Chaired by Karen Grundy, Chief Executive of eVOLution meets fortnightly to address the objectives. The following has been implemented to date:

(a) An on line shared booking system is in the process of being commissioned and triage and gateway training is currently being rolled out to participating organisations. The electronic referral system will allow participating agencies to make referrals to each other. The system records referrals and allows users to follow the progress of the referrals they have made.

(b) A chart of service provision has been created to enable professional such as GPs to identify sources of help and make referrals

(c) An observatory and problem solving group has been established. The objective of the group is to enable front line agencies to coordinate the support they provide to people affected by Welfare Reforms. The group considers performance information quarterly, identifying trends and emerging issues. Data is augmented with local intelligence to inform problem solving.