

MAYOR AND CABINET			
Report Title	Response to the Comments of the Safer Stronger Communities Select Committee Report on Poverty in Lewisham		
Key Decision	No	Item No.	
Ward	All		
Contributors	Executive Director for Resources and Regeneration		
Class	Part 1	Date:	September 7 2016

1. Purpose

- 1.1 This report sets out the response to the Safer Stronger Communities Select Committee report *Poverty in Lewisham* which was presented at the Mayor and Cabinet meeting of 1st June 2016.

2. Recommendations

The Mayor is recommended to:

- 2.1 Approve the responses from the Executive Director for Resources and Regeneration to the Safer Stronger Communities Select Committee report *Poverty in Lewisham*;
- 2.2 Appoint the Cabinet Member of Policy and Performance as the lead member responsible for the overseeing the Council's actions to tackle poverty;
- 2.3 Agree that a Lewisham Poverty Taskforce be convened to develop a comprehensive Poverty Strategy; and
- 2.4 Agree that this report be forwarded to the Safer Stronger Communities Select Committee.

3. Background

- 3.1 The Safer Stronger Communities Select Committee undertook a review of poverty in Lewisham during 2015/16. It set out to examine the extent of poverty in the borough, the effect it has on different demographic groups, the impact of welfare reform and the likely future distribution and scale of poverty in Lewisham. It also reviewed the Council's approach to tackling inequality, reducing deprivation, and mitigating the impact of reductions in Council services on protected groups.
- 3.2 The Committee made six recommendations:
- a. That the Council should agree a definition of poverty to set a direction for the Council's work in tackling poverty and its effects, as well as develop key performance indicators so that levels of poverty in the borough can

be effectively monitored.

- b. That the Council reviews how it evaluates tenders for contracts, to ensure that a proper weighting is given to tenders that would improve employment opportunities for the local workforce and business opportunities for local suppliers.
- c. That the Mayor makes representations to the Department for Communities and Local Government that the implementation of the Pay to Stay housing policy should take account of the high housing costs faced by people in London and be adjusted to prevent exacerbating poverty faced by London residents.
- d. That the Council should organise a poverty summit similar to those organised in City of Lincoln Council with the aim of formulating a joined-up approach against poverty in the borough. Key experts in the field, such as the Child Poverty Action Group and Joseph Rowntree Trust, should be invited to attend alongside partner organisations and representatives for Lewisham Council.
- e. The Council should establish a Lewisham Poverty Taskforce to understand and tackle the poverty faced by residents and communities in Lewisham, bringing Council representatives together with partner organisations of the Council. The taskforce would be responsible for working with key stakeholders to action Council's policies that tackle poverty. The Committee recommends that the Lewisham Poverty Taskforce pursue the following issues:
 - i. Tackling in-work poverty in the borough;
 - ii. Tackling out-of-work poverty, namely for pensioners relying on state pensions;
 - iii. Tackling poverty prevalent amongst young families struggling with a combination of housing and child care costs;
 - iv. Ensuring residents are proactively informed about legislative changes that could impact both positively and negatively on their income and general financial welfare;
 - v. Staying up-to-date on legislative changes and advise on appropriate changes to the Council's work accordingly.
- f. That the Mayor add the issue of poverty to one or more of the Cabinet portfolios to ensure that there is continuous oversight by the Council's Executive on the Council's actions to tackle poverty.

4. Response

- 4.1 The *Poverty in Lewisham* report outlines the multiple areas of the Council's work that has impact on levels of deprivation in the borough, and clearly shows how a strategic overview of the issue might be beneficial.
- 4.2 Following consultation with the Mayor and Cabinet, it is proposed that the Cabinet Member for Policy and Performance be appointed as the lead member for overseeing the Council's work to reduce poverty and tackle inequality (**recommendation f**).
- 4.3 The Committee also recommends the establishment of a Lewisham Poverty Taskforce, inspired by the work of the Camden Equality Taskforce. Chaired by Naomi Eisenstadt of the University of Oxford, the Camden Taskforce

brought together senior councillors, public sector partners, business and national experts and worked for almost a year to develop a set of recommendations for the council to implement.

- 4.4 Given the work already undertaken by the Safer Stronger Communities Select Committee on this issue, and the urgency they identify in addressing these issues, Lewisham should move quickly to identify what further practical measures it can take, whilst consulting widely and incorporating expert opinion and analysis.
- 4.5 The Mayor is therefore recommended to approve the establishment of a Lewisham Poverty Taskforce consisting of council officers from relevant directorates and representatives of partner organisations like Lewisham Homes, housing associations, the health service and the voluntary sector (**recommendation e**). The officer lead will be the Head of Strategy.
- 4.6 The lead member and Poverty Taskforce will oversee the development of a comprehensive poverty strategy that will embed challenging inequality across all council policy areas and identify specific interventions the local authority can make.
- 4.7 This will include those areas suggested by the Committee, including agreeing a clear definition of poverty to inform new performance measures, allowing the authority to accurately monitor levels of poverty in the local area; reviewing the council's procurement processes to ensure they continue to promote local employment opportunities; and informing residents about benefit changes and entitlements (**recommendations a, b & e**).
- 4.8 The Poverty Taskforce will also convene a Lewisham Poverty Summit in late 2016 to bring together councillors, local partners and national experts to inform the development and implementation of the new Poverty Strategy (**recommendation d**). A proposed strategy should be brought before Mayor and Cabinet in early 2017.
- 4.9 The Committee made a specific recommendation for the Council to lobby DCLG regarding the implementation of mandatory rent increases for high income local authority tenants or "Pay to Stay", especially with regard to the impact of high housing costs in London. The authority has supported the work of London Councils and the Local Government Association to influence the shape of the relevant legislation on its journey through Parliament and to respond to relevant consultations.
- 4.10 The policy, which will require households who earn more than a certain amount to pay higher rents, already attempts to reflect the higher cost levels in London through a earnings threshold of £40,000 (as compared to a threshold of £30,000 elsewhere in the country). After a consultation in early 2016, the Government has also announced that rent increases would be tapered, so that households with income just above the minimum income thresholds would see lower rent increases.
- 4.11 Following the Housing and Planning Act 2016 receiving Royal Assent, the Secretary of State will in due course make regulations that will lay out further details of how the policy will be implemented. The Council will look at how it can continue to support efforts to mitigate the impact on Lewisham residents and make further representations as appropriate (**recommendation c**).

5. Financial implications

- 5.1 There are no financial implications arising from the initial measures, which will be covered through existing budgets and officer resource.

6. Legal implications

- 6.1 There are no specific legal implications arising from this response, save for noting that the Council's Constitution provides that the Executive may respond to reports and recommendations from the Overview and Scrutiny Committee.

7. Crime and Disorder Implications

- 7.1 There are no specific crime and disorder implications.

8. Equalities Implications

- 8.1 While the limited recommendations contained in this report have no specific equalities implications, the measures outlined are intended as the first steps in designing a new strategic approach to tackling levels of poverty, deprivation and inequality in the borough as identified by the Select Committee.

9. Environmental Implications

- 9.1 There are no environmental implications.

Background Documents

- [Matters referred by the Safer Stronger Communities Select Committee – Review into poverty \(Mayor & Cabinet, 1st June 2016\)](#)
- [Poverty in Lewisham \(Report of the Safer Strong Communities Select Committee, May 2016\)](#)

If there are any queries on this report please contact Sam Elliot, Executive Manager, Mayor and Cabinet Office, 020 8314 9258.