

CABINET

12 July 2022

Title: Barking & Dagenham Response to the Cost of Living Crisis	
Report of the Cabinet Member for Community Leadership and Engagement	
Open Report	For Information
Wards Affected: All	Key Decision: No
Report Author: Michael Kynaston – Participation Manager (Communities), Claire Brewin – Policy Officer (Communities)	Contact Details: Tel: 07539762914 E-mail: Michael.kynaston@lbbd.gov.uk and Claire.brewin@lbbd.gov.uk
Accountable Director: Rhodri Rowlands – Director of Community Participation & Prevention	
Accountable Strategic Leadership Director: Judith Greenhalgh – Strategic Director Community Solutions	
Summary <p>Along with the rest of the UK, residents of Barking and Dagenham are facing significant increases in their cost of living driven by rises in fuel, heating and food costs, alongside generally rising levels of inflation. This is set against the context of existing high levels of deprivation in the Borough and will only be further exacerbated by an anticipated further rise in gas/ heating costs in October 2022. As a result, Barking and Dagenham residents will be disproportionately negatively affected by the cost of living crisis.</p> <p>Previously, London Borough of Barking and Dagenham have worked together effectively with Social Sector partners to respond to the Covid-19 crisis and support the Borough's most vulnerable residents by launching BD CAN, a rapidly developed, community-led emergency response. Since then the social infrastructure of the Borough has continued to develop, while relationships between the Council and Social Sector partners have also strengthened, with increasing numbers of shared projects and initiatives to better support the Borough's residents.</p> <p>This paper notes that a similar community-led response is being developed to support Barking and Dagenham residents in the face of the ongoing, and indeed worsening, cost of living crisis. An initial exploratory summit has taken place with partners, with a Cost of Living Alliance proposed at it and given backing by the Council's social infrastructure partners. This Alliance would see Social Sector partners working closely together with Council services, with lead local organisations receiving a package of training which will enable them to support residents before they hit crisis point, as part of a preventative approach, while supporting other community groups in their local area. This will see the Citizens Advice Bureau playing a central co-ordinating role, working closely with the Homes and Money Hub, while offering an option for escalation for those residents whose situation is more severe.</p>	

In addition, an option will be explored to fund increased capacity for partners to collaboratively access funding that can be used to support residents in the face of the crisis. As and when potential funding opportunities from central government or other sources emerge, the Council will seek to work with the Social Sector to consider how best that funding can be used in supporting residents, as part of a partnership led, collaborative design approach which will have the greatest positive impact on local communities.

Further work now needs to take place to further develop the details of this Alliance model and to determine what level of resource it will require to operate as outlined above, ensuring that partner organisations have sufficient capacity and resource to handle the increased demand that will likely come their way.

Recommendations)

The Cabinet is recommended to:

- (i) Note the development of a Cost of Living Alliance, the steps towards its formation and required activity to further develop the model; and
- (ii) Note that a further report will be presented to update the Cabinet on the development of the Alliance in October.

Reason(s)

The Cost of Living Crisis will hit the Borough's most vulnerable residents the hardest. This proposed Cost of Living Alliance will work with partners to support those residents and address need early, before they reach crisis point.

This will build on the progress and success of BD CAN and will see a response to the Cost of Living Crisis that is rooted in the Borough's communities and delivered by local partners who already have strong connections to residents who will be hit hardest by the ongoing crisis and so will be able to effectively reach and support them before they hit crisis point. As such, it will represent a more efficient and effective response to the crisis, as BD CAN was in response to Covid-19, than an approach which is delivered through Council services alone.

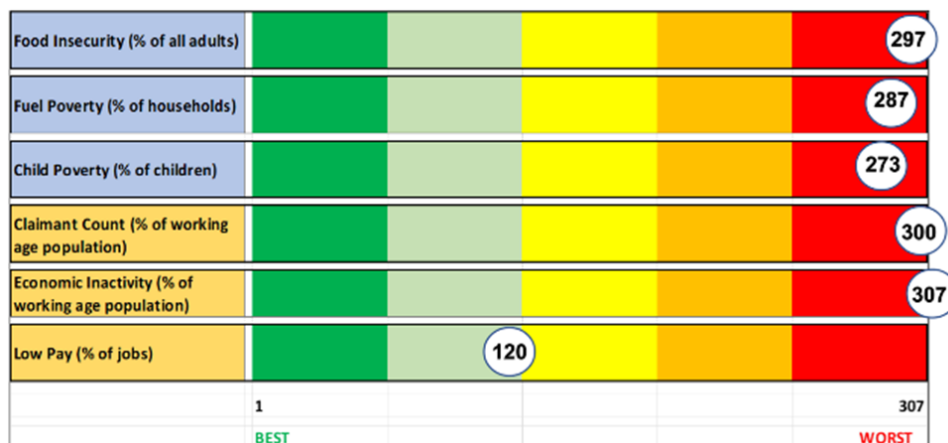
This community led response is in line with Council priorities. It represents a more effective and deep response than a Council offer in isolation would be. It will build on the success in recent years to develop the social sector with partners, adding capacity to local organisations. It will see local communities invested in and supported in the face of the crisis, with funding for increased capacity support for local organisations to collaboratively access funding to further support residents. And finally, it will see increased opportunities for participation and resident leadership as part of the community-led response, with volunteers likely to play a key role, as they did in BD CAN.

1. Introduction and Background

The Challenge facing Barking and Dagenham

- 1.1 The UK is facing an unprecedented Cost of Living crisis, driven by increases in heating, fuel and food prices against a backdrop of rising inflation, which is forecast to be as high as 10% by the end of this year. Energy prices rose by 54% in April 2022 and are likely to rise again in October.
- 1.2 Barking and Dagenham is the most deprived area in London, and the 21st most deprived in the UK. The impact of the pandemic has already impacted many of the Borough’s residents disproportionately, as those with lower incomes are forced to spend a higher proportion of their income on food and fuel. As such, many of the Borough’s residents are poorly placed to be able to deal with, or absorb any at all, of the rapidly increasing costs of living.
- 1.3 Deprivation is measured based on seven aspects, which in order of weighting from highest to lowest, are: income; employment; health and disability; education and skills; barriers to housing and services; crime; and a poor living environment, meaning that tackling it will require not just a Council-wide but a multi-agency response, working with local partners in order to do so.
- 1.4 At the time of writing this report, four in ten Barking and Dagenham residents are estimated to be in fuel poverty, with currently 48% of the Borough’s children estimated to be living in poverty. Almost one in four residents have less than £100 saved. Again, it is worth emphasising that residents in Barking and Dagenham are going to be amongst the worst affected by the ongoing and worsening Cost of Living Crisis, in the entire country. Fundamentally, there is a greater exposure amongst Barking and Dagenham residents to risk factors, as can be seen by the table below:

Risk Factor Table – Higher Amongst Barking and Dagenham Residents:



- 1.5 Previously, the London Borough of Barking and Dagenham has worked together effectively with Social Sector partners to respond to the Covid-19 crisis and support the Borough’s most vulnerable residents by launching BD CAN, a rapidly developed, community-led emergency response. Since then the social infrastructure

of the Borough has continued to develop, while relationships between the Council and Social Sector partners have also strengthened, with increasing numbers of shared projects and initiatives to better support the Borough's residents. A similar, partnership-led approach could well be suitable for tackling the ongoing cost of living crisis and supporting residents who will be worst affected.

The Current Council-Community Offer

- 1.6 There are a range of Universal Services, as part of Community Solutions, that are already supporting residents and working closely with community partners in doing so. These are outlined below and will all need to be closely connected with community partners offers as part of a community led response to the ongoing crisis.
- 1.7 Community Hubs are offering residents a 'one stop shop' for support and advice, activities and spaces for partners and community groups. This is part of an ambition to put services, support and information closer to where residents are, while supporting more collaborative and joined up working across the system.
- 1.8 Community Food Clubs offer spaces for residents to be able to access food, while also looking to address the root cause of any issues that are being presented, working closely with residents in order to do so. These are run from different community centres and spaces across the Borough.
- 1.9 The Homes and Money Hub (HamHub) provides money management support, income maximisation and help and advice to deal with priority debts. Staff are trained to support with fuel poverty and have access to welfare support including fuel vouchers for those in extreme hardship, funded through the Household Support Fund. The team also link into provision for wider community welfare support, for example charity funds, foodbanks and projects providing clothing, furniture and white goods. The team supported 2,857 households directly through casework in 21/22, but also supported 3,712 households through our Universal offer and more through on-line tools and via partners. In doing so residents were supported to claim additional welfare benefits of £1,758,974 and reach agreement for £980,000 in rent and council tax arrears. The HamHub will play a key role as part of any community led, partnership response, supporting in the production of training materials for local partners while also providing a point of escalation for any residents presenting with extreme need.
- 1.10 The Barking and Dagenham money website, launched two months ago, provides an essential focal point and universal source of financial guidance and self-help tools for households struggling with the Cost of Living. It enables residents to directly access support, or alternatively provides a resource for Council staff and public and voluntary sector partners to support residents. It signposts to: local hardship funding options; other local and national grants for those struggling financially; complete income maximisation checks to ensure households are claiming all entitled benefits; money management and budgeting tools or finally free local or national specialist debt advice.

- 1.11 All of the above resident focused services which form a key part of resident pathways to the support or connections that they require, will also need to be involved and effectively working with partners and supporting residents as part of the co-ordinated partnership response to the Cost of Living Crisis. Each of these services already has developing relationships with community partners, and these relationships will need to be strengthened and given increased capacity as part of any coordinated response to the crisis. All resident facing Council services need to be aligned with partners if this co-ordinated approach is to have the maximum possible positive impact for residents.

The Developing Social Infrastructure

- 1.12 Community and faith groups are already supporting our residents in these challenging times. In working alongside our partners the Council will continue to build more effective support mechanisms for and with our residents.
- 1.13 Since the successful delivery of BD CAN in response to Covid-19, the social infrastructure of the Borough has continued to develop, while relationships between the Council and Social Sector partners have also strengthened, with increasing numbers of shared projects and initiatives to better support the Borough's residents.
- 1.14 Significant progress has been made through working with the holders of the Social Infrastructure contract for the Borough, the BD_Collective. Networks have been launched in a variety of areas, including: early help for families; adult social care; food banks and young people. Partners now come together through the networks curated by the BD_Collective, to explore solutions to deep seated issues, both in terms of how organisations work together and how residents get the support they need.
- 1.15 The Council and sector partners are increasingly working as equals, with power being shared and decisions made through collaboration. In parallel the sector itself, supported by the BD_Collective and other leading social infrastructure groups, is increasingly connected and groups are supporting each other and working in harmony, rather than competing against one another. People are feeling heard, valued and understood. One of the network members describes levels of trust as being the best in his memory.
- 1.16 The BD CAN network was able to be activated so quickly because of the years spent building relationships and working in partnership with the social sector in the borough, to build the capacity of the sector, with the sector, as it grows and connects in new ways. It was also because of the changes made to the council itself, in particular the creation of an integrated 'front door' to key support services through Community Solutions. Working together – and alongside social sector partners – a support system that was rooted in the community was rapidly assembled.
- 1.17 Covid-19 was a huge test for the developing social infrastructure model, but it also proved to be a catalyst for increased collaboration, trust and power sharing between the Council and partners, and also for the social sector itself. Across the Borough,

groups and networks are feeling more connected and more active collaboration is taking place as part of a developing social infrastructure.

- 1.18 The role of communities in tackling the cost-of-living crisis will be as critical as their role during the Covid 19 pandemic. Community groups and local networks are best placed to understand and respond to the needs of residents in their local areas and the Council's well-developed partnerships and networks will need to be supported and developed further to enable this.
- 1.19 Through this developing social infrastructure and the community-based services of Community Solutions that are already supporting residents, there is a clear pathway forwards for a Cost of Living Alliance that can deliver support to residents in the face of the crisis, as part of a partnership focused and whole systems approach.

Steps Taken So Far

- 1.20 Through Community Solutions, the Council committed to building capacity and resilience together with the voluntary, faith and community sector, and this has proceeded at pace over recent years as outlined above. A paper outlining this developing social infrastructure, along with a proposal for an overarching Partnership 'Working Together Forum' was approved at May CSG, with the latter now being implemented. This Forum will provide a space where a partnership Alliance response to the ongoing crisis can be developed and monitored.
- 1.21 Discussions about the potential Alliance have begun and partners are keen to work together. In addition the sector had already convened a workshop looking to address the challenge of debt in the Borough. An initial exploratory summit event was held on the 16th of June, with Deputy Leader and Member for Community Leadership and Engagement Councillor Saima Ashraf in attendance, along with the acting Chief Executive Fiona Taylor and community sector leaders.
- 1.22 At this summit on the 16th of June, it was agreed to proceed with the Cost of Living Alliance proposal and to begin outlining the approach, as is detailed below.

2. Proposal and Issues

Cost of Living Alliance

- 2.1 This paper is noting the development of a Cost of Living Alliance which will seek to: co-design and coordinate the support that is available to residents locally who are in crisis while bringing partners together to develop and deliver a shared response to the longer-term challenge of helping people out of crisis and building greater resilience. As mentioned above, partners have already met and signed up in principle to this partnership.

Cost of Living Alliance Principles

- 2.2 Building on the work and learning from BDCAN the following principles could form the foundation of an Alliance between the Council and VCSE and faith groups locally:
- 2.2.1. Joining up the support that is already in place across the Borough, whether through council commissioned services, VCSE and Faith communities and other statutory agencies. Where necessary, additional capacity will be added in specific parts of the system.
 - 2.2.2. Embed learning and responding together in a coordinated way - ensuring all partners involved are listening to residents and local communities meaningfully, and designing approaches together that reflect that.
 - 2.2.3. Committing to working together for the long-term to address this challenge and make a difference for residents, as it isn't going to get easier anytime soon.
 - 2.2.4. The focus being the best possible outcomes for and with residents. Not any individual organisation. Only an open and coordinated approach will make an impact on the huge challenges that Barking and Dagenham's residents are facing.
- 2.3 Alongside this, there is the proposal to start an ongoing conversation on the crisis and the challenges people face locally through the Citizens Alliance Network (CAN). This will include both online in-person engagement linked through community hubs and other spaces.
- 2.4 There is also the option to seek to add capacity to local community groups in terms of accessing collaborative funding with which they can further support their residents.

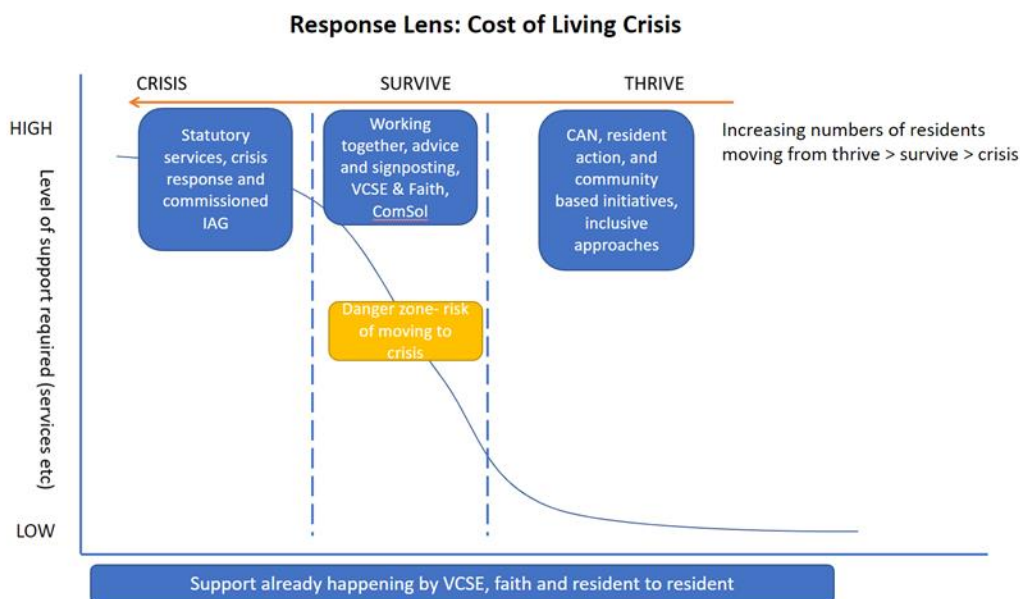
Cost of Living Alliance Model

- 2.5 The Alliance will be made up of a range of partners who are best placed to support residents facing the greatest challenges. It is proposed that the Citizens Advice Bureau (CAB), working closely with the Homes and Money Hub, will play a lead coordinating role, supporting the lead local organisations that in turn would support other community groups in their area. All of this would be supported by the creation and delivery of a training package for lead local organisations, along with an ongoing learning network. The Alliance would operate at three levels, each meeting different levels of need:
- 2.5.5. **Thrive:** Accessing the Borough's existing range of ways of connecting people. This includes friendly spaces, community hubs, neighbourhood networks, EOED, CAN. These would be promoted in a proactive way

2.5.6. **Survive:** Information, advice and guidance and prevention support including navigating B&D Money, money management, tenancy support and pathways to other help such as job support, training and skills. Organisations across the Borough would be co-ordinated by lead agencies, similar to the BDCAN model, and are a point of contact for other organisations in their locality

2.5.7. **Crisis:** Specialist crisis relief and recovery support including the hardship fund, emergency assistance, emergency access to food and money advice etc. through Community Solutions, CAB, DABD and ILA. The HAM Hub offers triage to a range of services as a single point of access for those in crisis in the community where the universal offer cannot meet need. The HAM Hub can be accessed face to face or remotely, depending on a resident's preference

2.6 The three levelled model outlined above, is visualised in the diagram below:



2.7 Organisations who are part of the 'survive' level could be branded and advertised as such across the borough alongside an interactive map to be made available including via CAN. This would be supported by a training package for the relevant lead VCS organisations and promoted online through the digital offer of BD Money.

2.8 As and when potential funding opportunities from central government or other sources emerge, the Council will seek to work with Social Sector partners to consider how best that funding can be used in supporting residents, as part of a partnership led, collaborative design approach which will have the greatest positive impact on local communities.

3. Options Appraisal

3.1 The considered options are laid out below. Option A, to develop and launch a partnership, community led response in the form of a Cost of Living Alliance, is the preferred option which is currently being developed, for the reasons spelt out below.

Option	Advantages	Disadvantages
<p>Option A - Launch a Cost of Living Alliance together with partners, to support residents in the face of the Cost of Living Crisis</p> <p>(Preferred Option and is currently being developed)</p>	<ul style="list-style-type: none"> • It will build on the success of BD CAN, using a similar community-led response to a crisis • It will utilise the developing social infrastructure of the Borough, benefitting from the trusted relationships partners have with residents, enabling more residents to be able to be reached and supported. • It will represent a cost-efficient response to the Crisis, as it will utilise many resources that are already existing in the community, adding capacity where required. 	<ul style="list-style-type: none"> • It can take time to co-design a community-led response together with partners – however, this process has already begun
<p>Option B – Bring in external resource or partners to deliver a local response to the Cost of Living crisis.</p>		<ul style="list-style-type: none"> • Bringing in external partners would not build on the trust and relationships that local community partners already have with residents. • Due to the lack of previous local connections, the response would be ineffective in comparison to a locally led one.
<p>Option C – Continue operations as normal and do no specific response to the Cost of Living Crisis</p>	<ul style="list-style-type: none"> • No change required for current staff resource levels. 	<ul style="list-style-type: none"> • Potential resources available to the Council and partners would not be utilised, which would be a waste. • Barking and Dagenham residents would receive no extra support, compared to what they receive currently, in the face of the Cost of Living Crisis, and so would not be helped in the way that is required in this difficult situation.

4. Consultation

4.1 Initial consultation with voluntary, faith and community groups have taken place on the 17th of June with the scoping of the Cost of Living Alliance at an exploratory summit event, which the Chief Executive Fiona Taylor, and the Deputy Leader for the Council, Saima Ashraf, both attended.

- 4.2 Following this summit, a brief verbal update was given to CSG on the 16th of June, to sight senior leadership on the outcomes from the summit and the agreed proposal for the Alliance.
- 4.3 A draft of this paper was taken to Community Leadership and Engagement Portfolio on the 5th of July.

5. Implications

Financial Implications

- 5.1 Implications completed by: Nurul Alom, Finance Manager. This paper outlines the development of a Cost-of-Living Alliance, the steps towards its formation and required activity to further develop the current model. There are currently no financial implications. A further report will be presented to update on the development of the Alliance in October, which will detail the steps required and associated costs.

Legal Implications

- 5.2 Implications completed by: Implications not completed but any legal implications will be considered as the model is further developed.

Other Implications

- 5.3 **Risk Management** - A full training package would be delivered to lead community partners involved in the response, to ensure all safeguarding risks are addressed so that partners are able to fully and safely support residents who are struggling, as part of the Alliance offer.
- 5.4 There is the potential for reputational and financial risk for the Council if the proposed Alliance approach does not successfully support all residents struggling with the cost of living crisis, as it could see increased levels of resident discontent or rising demand for services, due to the Cost of Living Crisis not being fully tackled. However, the potential for such risk is considered far greater if no additional action is taken to support residents during this time, as such, taking this partnership led, Alliance approach is recommended at this point.
- 5.5 Furthermore, such a partnership-led approach is also in line with the Council's Participation and Engagement strategic values which could also be seen in the successful BD-CAN approach to tackling Covid-19. This community approach is one which will see more residents reached and supported by their local community groups than would be by the Council operating in isolation. The proven successful track record of such an approach mitigates the above risks and adds weight to the argument that the proposed Cost of Living Alliance is the right action to take.
- 5.6 **Contractual Issues** – Details of how contracts or grants would be awarded in order to increase lead community groups capacities are to be worked out together with Council colleagues and Social Sector Partners as the Cost of Living Alliance model develops.
- 5.7 **Staffing Issues** – No current staffing issues identified, there will be further consideration as part of further development of the model.

- 5.8 **Corporate Policy and Equality Impact** - LBBD consider social-economic disadvantage along with the protected characteristics set out in the Equalities Act 2010. The focus of this partnership led response will be those residents most likely to be hardest hit financially by the Cost of Living Crisis. As such it will make a clear positive contribution addressing the existing socio-economic inequality of the Borough. The approach will seek to be data led in the response, using analysis to identify cohorts and communities most impacted by the Crisis then working to support them. The core part of this approach is working in partnership with Social Sector and faith communities who are in direct contact with and representing residents that the Council has not been as effective at reaching in the past.
- 5.9 **Safeguarding Adults and Children** – The level of premature death in Barking and Dagenham is the highest in London, while 48% of children live in poverty. In providing the relevant training and capacity building, the Alliance would work towards reducing these figures to ensure that the right support is offered to those in need. Partners will have the knowledge and skillsets to offer support and guidance where required, and where they cannot provide it themselves, the Alliance will have helped to build relationships for the partner to signpost the resident accordingly. Consideration of any further implications in the context of safeguarding through the further development and details of the Alliance model.
- 5.10 **Health and wellbeing Issues** – Around half of health is determined by economic circumstances, around twice the influence that health care is believed to have. Many of the Borough's residents are already having their health and wellbeing damaged by economic deprivation, as can be seen by rising levels of obesity and cardiovascular diseases, with lifelong consequences. This will get worse. Health services need to ensure they sign post to support and have correct services in place such as mental health support, with community partners playing a key role. Furthermore the Alliance can play a vital role in providing access to support to reduce the negative impacts on health. Access to food – especially healthy food – will be critical to health and wellbeing, with the Alliance able to coordinate access to food banks and clubs. Signposting to help with winter fuel payments will help address fuel poverty, which is known to be associated with respiratory, circulatory and mental health problems, as well as negatively impact the development of children and young people. All of this will have positive impacts upon residents' health issues.
- 5.11 **Crime and Disorder Issues** – The Cost-of-Living Alliance will build the relationships and knowledge for the VCSE to signpost local people to the right place for seeking work and skills help. The current unemployment rate stands at 6.8% with 18.3% of the borough seeking benefits. Helping people to build the skills to gain stable employment will improve both financial and mental wellbeing, reducing the occurrence of poverty-related crime and anti-social behaviour.
- 5.12 **Property / Asset Issues** – Barking and Dagenham has a worse-than-average level of evictions. Allowing local people to seek support through informal and hyper-local means and use the support and resources the Alliance offers should lessen financial burdens and may decrease the pressure on rent payments. This, in turn, may decrease the number of evictions from council property. There are no plans or proposals to purchase, lease or sell property or assets as part of this Alliance model.

Public Background Papers Used in the Preparation of the Report: None.

List of appendices: None.