

**South Lakeland District Council**  
**Delegated Executive Decisions**  
**Date of Proposed Decision: Thursday, 19 May 2022**  
**Supporting a Fairer South Lakeland:**

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**Portfolio:** Health, Wellbeing and Poverty Alleviation Portfolio Holder

**Decision Maker:** Director of Strategy, Innovation and Resources

**Report Author:** Simon Blyth – Strategy Specialist

**Wards:** (All Wards);

**Forward Plan:** Not applicable

**Links to Council Plan Priorities:** Delivering a Fairer South Lakeland:

Working across boundaries – N/A

Delivering a balanced community – N/A

A fairer South Lakeland – Halve the proportion of households in poverty and eliminate child poverty, Protecting the vulnerable and helping people out of poverty; and the delivery of financial advice and support to vulnerable people.

Addressing the climate emergency – N/A

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## **1.0 Expected Outcome**

1.1 This report proposes two new funds designed to mitigate financial hardship and promote financial resilience in South Lakeland. The first will support local councils and community groups to develop projects to alleviate poverty and the second will enable partner agencies working on the frontline to provide immediate, low level, financial support to individuals to avert a crisis.

## **2.0 Proposed Decision**

**2.1 It is recommended that the Director of Strategy Innovation and Resources:-**

- (1) Approve that a “Fairer South Lakeland Fund” – be established as outlined in paragraphs 3.11-3.12, to which local community organisations may bid for financial support to implement projects which support the achievement of SLDC’s aim of ‘A fairer South Lakeland, a South Lakeland for everyone’ and “Halve the proportion of households in poverty and eliminate child poverty”. The Fund be financed through the use of unclaimed councillor allowances in 2020/21, which have been allocated to a ‘Poverty Alleviation Fund’**
- (2) Agree that a single round of applications be invited, with the total of all awards to be contained within a total expenditure from the Fund of £25,000. The Operational Lead People, Welfare and Income Maximisation, and the Strategy Lead specialist in consultation with the Portfolio Holder for Health, Wellbeing and Poverty Alleviation to approve grant awards by**

administrative decision in accordance with the eligibility criteria set out in paragraphs 3.11 – 3.12 of this report.

- (3) **Subject to financial capacity remaining in the Poverty Alleviation Fund, delegate authority to the Operational Lead People, Welfare and Income Maximisation/ Strategy Lead Specialist in consultation with the Portfolio Holder for Health, Wellbeing and Poverty alleviation to approve a further bidding round. The Strategy Lead Specialist in consultation with the Portfolio Holder for Health, Wellbeing and Poverty Alleviation to approve grant awards by administrative decision.**
- (4) **Agree that an emergency fund be established and made available to the South Lakeland Building Financial Resilience Partners (as described in paragraph 3.14) for the support of clients in need of financial support to avert an immediate and serious financial crisis as set out in paragraph 3.13. The Fund be financed through the use of unclaimed councillor allowances in 2020/21, which have been allocated to a 'Poverty Alleviation Fund'. The Fund be established to a value of £2,000 (total) to be awarded to Partner Agencies with authority for the Partner Agencies to make payments to individual cases (based on the criteria detailed 3.14) being a maximum of £200 per individual/ household.**
- (5) **The Lead Specialist Legal Governance and Democracy (Monitoring Officer), Strategy Lead Specialist and the Portfolio Holder for Health, Wellbeing and Poverty alleviation, be authorised to approve the terms of, and enter into, the relevant funding agreements.**

### **3.0 Background and Proposals**

#### **3.1 A Poverty Emergency**

3.2 On 6th October 2020 South Lakeland's Full Council meeting carried a motion to declare a Poverty Emergency, signed by Councillor Suzie Pye:

"I move that our Council pass a motion declaring a Poverty Emergency, and explore the feasibility of setting up a Poverty Truth Commission, working closely with our Morecambe Bay partners. This will aid our aim of tackling the root causes of poverty and inequalities, which is critical to the success of our Council Plan."

3.3 The Council Plan 2021 – 2026 has 4 priorities, with Priority 3 being "Delivering a fairer South Lakeland". Targets include halving the proportion of households in poverty and eliminating child poverty.

3.4 Compared to many parts of Cumbria and Lancashire, South Lakeland is generally prosperous with relatively low levels of most types of deprivation. This, however, masks some significant inequalities:

- median house prices across South Lakeland are almost eight times the average annual household income and up to 12 times income in some parts of the district (CACI Ltd). and there are 4,211 households on the Social Housing Register (December 2021)
- 6.9% of households in South Lakeland have an annual household income of under £10,000 and 14% of children live in low-income households (2019/20 (Cumbria Economy Tracker, District Level, March 2022)
- 13% of households are in fuel poverty – driven both by low incomes and high heating costs in older, less well insulated homes
- there is major variation in life expectancy across the district, with, for example women in Ulverston West living 7.6 years longer than women in Ulverston East (men in Ulverston West live 3.8 years longer).

- 3.5 The pandemic has exposed vulnerabilities in South Lakeland's local economy with a high dependency on the visitor economy (including accommodation, retail, food and drink, transport and visitor attractions) which has been directly affected in turn having an impact on the network of services (professional services, catering, building maintenance etc) which supports the visitor economy. With Covid-19 restrictions having now been lifted, there are positive signs of resilience and recovery in the economy, although cash flow and staffing continue to be challenging for businesses.
- 3.6 As a result of the uncertainty some people have found themselves at financial risk, often unexpectedly and suddenly. Some people are encountering the benefits system for the first time and having to budget and manage money carefully. They are having to do this in the context of the physical and mental health impacts of the Covid crisis. There is a need for support.
- 3.7 However the cost of living crisis is worsening in 2022 which has been dubbed the "Year of the Squeeze" (the Resolution Foundation). The cost of living is at a 30 year high. The new social care levy on National Insurance, the Universal Credit uplift removal and the freezing of the personal income tax allowance, combined with high inflation, an unprecedented rise in energy bills, and a rise in the cost of basic food items, all will impact low-income families the most.
- 3.8 The following recent news reports highlight the worsening situation in 2022:
- Over a third (34%) of households will be unable to afford the cost of living by £8,600 this spring according to an analysis by the New Economics Foundation (NEF).
  - UK households who are "off-grid" and without access to mains gas face "a tsunami of poverty" as a result of rising bills, charities warn.
  - Research by the Joseph Rowntree Foundation (JRF) found the decision to uprate benefits by 3.1% in April - even though inflation is forecast to hit 7% - will cause many of the UK's poorest families to be worse off financially. It found around nine million households who receive benefits due to low incomes will be £500 worse off on average due to inflation from April. Couple families with children in receipt of benefits due to low income will experience a real-terms cut of £720 per year, while the figure across all pensioner couples is £540 per year, according to the analysis.
- 3.9 This background highlights the need for SLDC to take immediate steps to establish the proposed schemes. It should be noted that the Council already has a number of initiatives in place to support those in poverty including:
- significant grant funding support to Citizen's Advice, CVS and other 3<sup>rd</sup> sector agencies towards supporting those with financial and other issues in South Lakeland
  - Council schemes including the Council Tax Reduction Scheme, Discretionary Housing payments, Handy Person Scheme, Disabled Facilities grants, Cold to Cosy referrals and the Money advice service.
- 3.10 The funding for the proposed schemes in this report is from unclaimed councillor allowances in 2020/21, which were allocated to a Poverty Alleviation Fund.
- 3.11 The **Fairer South Lakeland Community Fund** (see appendix 4) will provide funding for community projects with longer term aims to tackle poverty. It is designed to facilitate community networks and support hubs which will enable local people to access support and advice. The funding round is for South Lakeland residents in the 2022/23 financial year – Post April 2023 the larger Westmorland and Furness Council

will require a wider strategy to tackle poverty across the severely deprived urban areas of Barrow as well as the urban and rural areas of Eden and South Lakeland.

- 3.12 The funding is to benefit the local community, and we expect applicants will work with other funders, community organisations and agencies to maximise the impact in terms of reducing financial hardship.

For example the funding could support the following (which is a non-exhaustive list and other projects with the purposes set out in 3.11 above may be considered in the discretion of the Council):

- Community schemes/projects (e.g. community energy, repair/reuse, community food initiatives, community car share schemes, warm hubs and networking schemes)
- Schemes which target the alleviation of child poverty and promote inclusion in mainstream activities
- Projects to support local people in moving toward financial stability and security
- Projects supporting vulnerable people back into work
- Sustainable cost effective transport initiatives for example community lift-share, cycling and walking projects
- Behaviour change initiatives towards sound financial management

The Council will consider applications from Town and Parish Councils, local charities, community interest companies, voluntary groups and other not for profit organisations in South Lakeland. The proposals must have clear and measurable outputs and address poverty alleviation by supporting local communities and residents to become more sustainable and financially resilient. Impact will be monitored on numbers of people participating in the schemes as well as effect on household finances. The application process will include completion of an application form (see appendix 3).

- 3.13 The **Emergency fund** is for short term financial support for individuals / residents (up to £200 per individual/ household) to meet immediate and severe financial need – for example where the individual has a job interview or hospital appointment where travel costs are prohibitive or the family washing machine or fridge has broken and there are no family savings.

- 3.14 The Emergency fund (£2000 total to be split between successful agencies) will be allocated to partner agencies who made a case for this extra support (for example Citizen's Advice, Age UK) working on the front line. The Portfolio Holder and the Strategy Specialist would determine allocations based on agency's written submissions. An assessment would be made by the partner agency with the presenting client and where the need is assessed by the agency to be true and immediate (in their professional judgement) an award would be made by the agency to the client. The partner agency would first investigate all other available sources of funding and other support before making an award. The fund is targeted at those situations where there is a gap in service/ provision, and would enable the recipient to keep their head above water. Criteria for an award will be worked up based on existing similar arrangements agencies have used in the past and will be part of the agencies original submission. The funds should be spent within 12 months from the award allocated.

- 3.15 Partner agencies include: Kendal College, Manna House, Cumbria Action for Sustainability, South Lakes Housing, Inspira, UCLAN, South Lakes Carers, Cumbria CVS, GLL (Leisure Centre), Cumbria County Council, Kendal and District Lions, Queen Katherine School, Age UK, Oxley Group, Citizens Advice, Kendal College, Kings Food Bank, Department of Work and Pensions, Morecambe Bay Health Trust, Kendal CAP, Springfield, GCAN/ PEAT, Pennine Community Credit Union, Waste into wellbeing.

- 3.16 The Emergency fund would work with agency's own payment systems and all payments made would be logged and reported back to the Council via quarterly review meetings. This will enable an analysis of impact and outcome against our Council plan targets of halving the proportion of households in poverty and eliminating child poverty.

#### 4.0 Appendices Attached to this Report

Appendix No.	Name of Appendix
1	EIA
2	HSEI IA
3	Draft application form Fairer SL Community Fund
4	Fairer South Lakeland Community Fund criteria and process

#### 5.0 Consultation

- 5.1 The report author has consulted with the Portfolio Holder for Health, Wellbeing and Poverty Alleviation, Strategy Lead and Specialist Strategy officers and Director of Strategy, Innovation and Resources, In addition all SLDC Operational Leads have been contacted. There has also been consultation with Citizen's Advice, Manna House and Age UK South Lakeland.

#### 6.0 Alternative Options

- 6.1 The Council could use the allocated funding available for tackling poverty for specific schemes – however we have consulted with partners through the Building Financial Resilience Partnership and the proposed approaches have had most support. We believe that the present situation for many residents is such an immediate and serious matter that community and individual projects which support resilience and help avert a crisis is the best option.

#### 7.0 Implications

##### Financial, Resources and Procurement

- 7.1 There is currently a balance of £85k in the Personal Financial Resilience reserve, therefore expenditure is provided within an existing budget.

Per 10.7 (e) of the Financial Procedure Rules each reserve has one member of staff that is responsible for the reserve and who can authorise any transactions from it. In Section 6a of the 2022/23 budget book the responsible officer is the Operational Lead - People, Welfare and Income Maximisation.

Per 10.9 of the Financial Procedure Rules this officer can authorise spend up to £60,000 from the reserve, Cabinet can approve spend up to £100,000 and then Council would have to approve any spend over £100,000.

##### Human Resources

- 7.2 The 2 schemes will be managed by existing officers in the Strategy and Case Management departments who have experience of similar schemes in the past (the Climate Change Community Fund and the Covid 19 Fund for example).

##### Legal

- 7.3 This report seeks Director approval to set up a new grant funding scheme 'Fairer South Lakeland Fund' and also an 'Emergency Funds' grant arrangement with

partner agencies. The report also seeks delegated authority to determine grant applications in accordance with the eligibility criteria set out in the report and to enter into the appropriate funding agreements.

- 7.4 Legal advice will be provided in respect of appropriate agreements for recipients of the Fairer South Lakeland Fund and for partner agencies in receipt of Emergency Funds.

### Health, Social, Economic and Environmental

- 7.5 Have you completed a Health, Social, Economic and Environmental Impact Assessment? Yes (attached at Appendix 2)
- 7.6 If you have not completed an Impact Assessment, please explain your reasons:
- 7.7 Summary of Health and Sustainability Impacts

		Positive	Neutral	Negative	Unknown
<b>Environment and Health</b>	Greenhouse gases emissions				X
	Air Quality				X
	Biodiversity				X
	Impacts of Climate Change				X
	Reduced or zero requirement for energy, building space, materials or travel				X
	Active Travel				X
<b>Economy and Culture</b>	Inclusive and sustainable development				X
	Jobs and levels of pay				X
	Healthier high streets				X
	Culture, creativity and heritage				X
<b>Housing and Communities</b>	Standard of housing				X
	Access to housing				X
	Crime				X
	Social connectedness				X

### Equality and Diversity

- 7.8 Have you completed an Equality Impact Analysis? Yes (attached at Appendix 1)
- 7.9 If you have not completed an Impact Assessment, please explain your reasons:
- 7.10 Summary of Equality and Diversity impacts

Please indicate: P = Positive impact; 0 = Neutral; N = Negative; Enter "X"						
<b>Age</b>	P	X	0		N	
<b>Disability</b>	P	X	0		N	
<b>Gender reassignment (transgender)</b>	P	X	0		N	
<b>Marriage &amp; civil partnership</b>	P	X	0		N	
<b>Pregnancy &amp; maternity</b>	P	X	0		N	
<b>Race/ethnicity</b>	P	X	0		N	
<b>Religion or belief</b>	P	X	0		N	
<b>Sex/gender</b>	P	X	0		N	

<b>Sexual orientation</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Armed forces families</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Rurality</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Socio-economic disadvantage</b>	<b>P</b>	<b>x</b>	<b>0</b>		<b>N</b>	

### Risk

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
Projects coming forward for funding fail to address financial hardship in the community.	Lack of desired impact	Careful use of established fund criteria and monitoring of projects.

### Contact Officers

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### Background Documents Available

<b>Name of Background document</b>	<b>Where it is available</b>
None	

### Tracking Information

<b>Signed off by</b>	<b>Date sent</b>	<b>Date Signed off</b>
Legal Services	07/04/22	21/04/2022
Section 151 Officer	07/04/22	21/04/2022
Monitoring Officer	07/04/22	21/04/2022
CMT	07/04/22	07/04/2022

<b>Circulated to</b>	<b>Date sent</b>
Lead Specialist	07/04/22
Human Resources Lead Specialist	07/04/22
Communications Team	N/A
Leader	07/04/22
Committee Chairman	N/A
Portfolio Holder	07/04/22
Ward Councillor(s)	N/A
Committee	N/A
Executive (Cabinet)	N/A
Council	N/A

**Note – Report authors must consult the relevant Portfolio Holder, members of the Corporate Management Team, the Monitoring Officer, and any other interested parties before a decision can be taken. If any objections are received, they must be reported at the meeting before the decision is taken.**

<b>Signed by:-</b>	<b>Title:-</b>