



building
communities

Creating Chances for Future Generations: Orbit roundtable

How the housing sector can work together to tackle child poverty and create an environment for future generations to thrive.

Orbit roundtable hosted by Paul Tennant,
Chief Executive of Orbit and CPAG Ambassador.

29 June, 2016

CIH Housing Conference, Manchester

Introduction

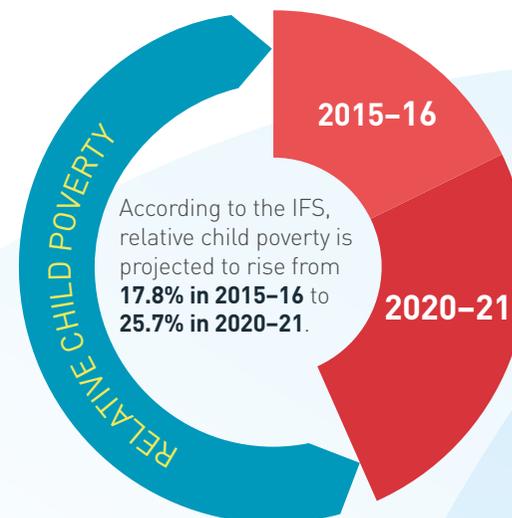
Figures by the Department of Work and Pensions (DWP) released on the morning of Orbit's roundtable discussion showed 3.9m children were living in 'relative poverty' in 2014-15, an increase of 200,000 on the previous year. This number is estimated to increase by a further 1m over the coming four years.

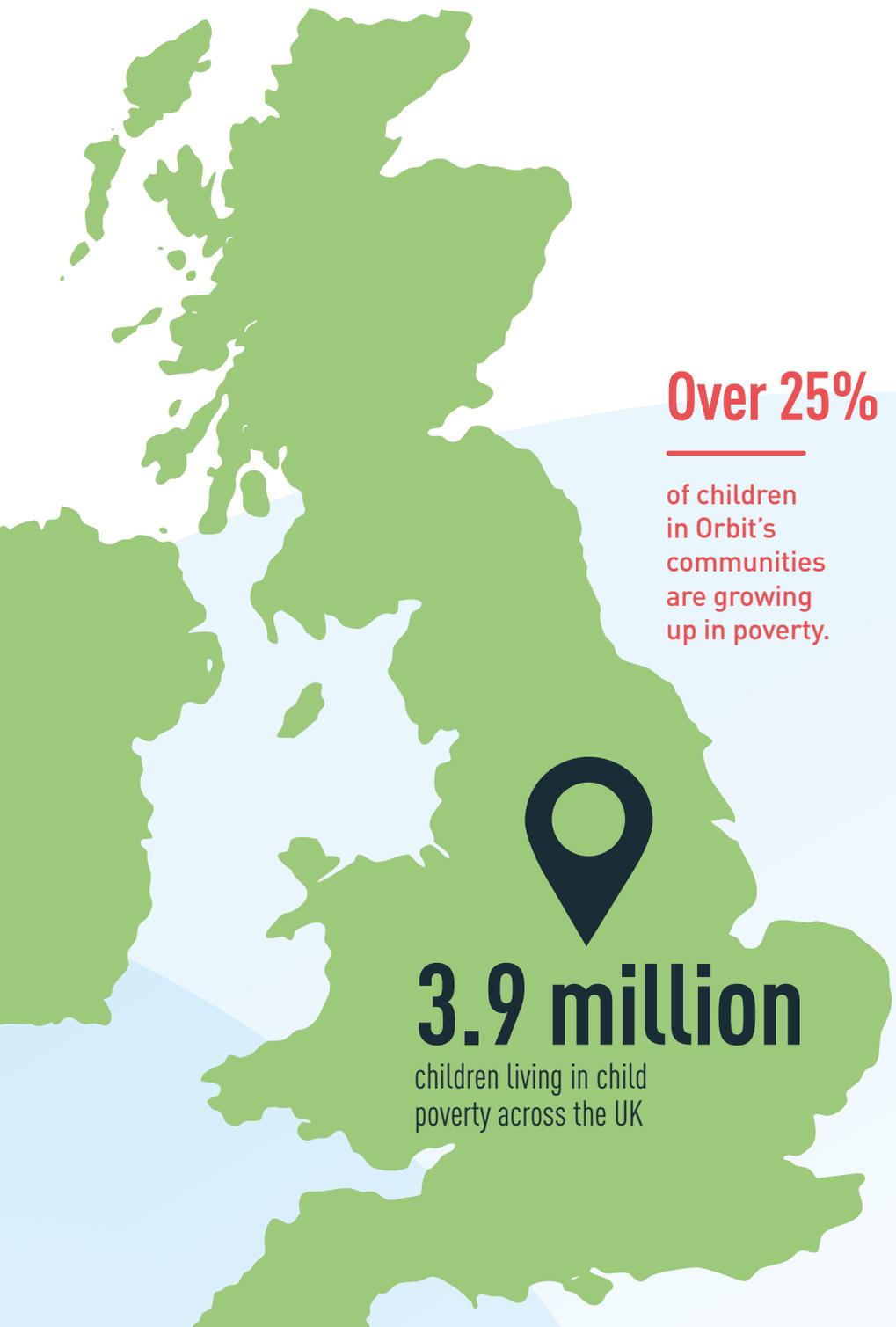
We know that good housing directly affects a child's health and wellbeing, and can influence access to wider social, economic and educational opportunities. Quality housing breeds stability for families and creates an environment for children to fulfil their potential. As housing providers we have a duty to play our part in breaking this cycle of poverty.

The number of children living in 'relative poverty' had begun to fall with the provision of direct support for families, help to get parents into work and provision of free childcare. However, since 2010, the perfect storm of a recession, falling wages, welfare cuts, increasing house prices and diminishing public services led many families to rely on foodbanks and sub-prime credit.

This roundtable policy discussion brought together experts and sector leaders to explore how housing providers can be a catalyst for change in tackling child poverty and contribute to the Government's life chances programme.

- Q. How can we provide children and young people with the right environment to enable them to fulfil their potential and ambitions in life?
- Q. What are the practical actions we can take now and the solutions we need to work together to achieve in the medium and long term?





Over 25%

of children
in Orbit's
communities
are growing
up in poverty.

3.9 million

children living in child
poverty across the UK

Chair's Foreword

Paul Tennant, CEO, Orbit

In London alone there are around 592,000 children living below the poverty line – that's almost two in five of all children in the capital. Eradicating child poverty by 2020 proves all but impossible to achieve. As a CPAG Ambassador, I am passionate about addressing this issue and making sure this is central to Orbit's future plans as we approach our 50th year.

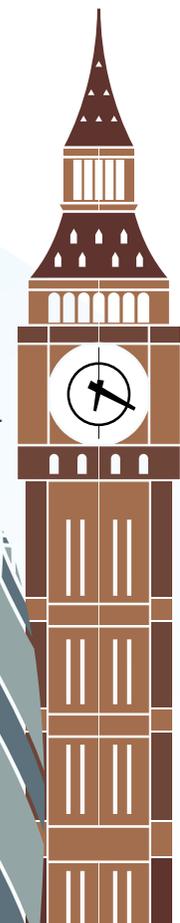
Statistics from Orbit show that **25 per cent** of children in our communities are growing up in poverty, a situation that will inevitably worsen as many more households have their income impacted by the benefit cap, with the largest families hardest hit.

Housing associations impact on a significant number of children's lives. Therefore, we need to ensure we are providing services and homes that meet the needs of generations now and in the future to reduce the number of those living in poverty.

If we are serious about placemaking, this begins with creating places that are fit for future generations. We are already failing the **3.9m** children living in child poverty across the UK today, so we must make sure we work together now to create the right environment for generations to come.

592,000

LONDON POVERTY



Attendees

List of attendees:

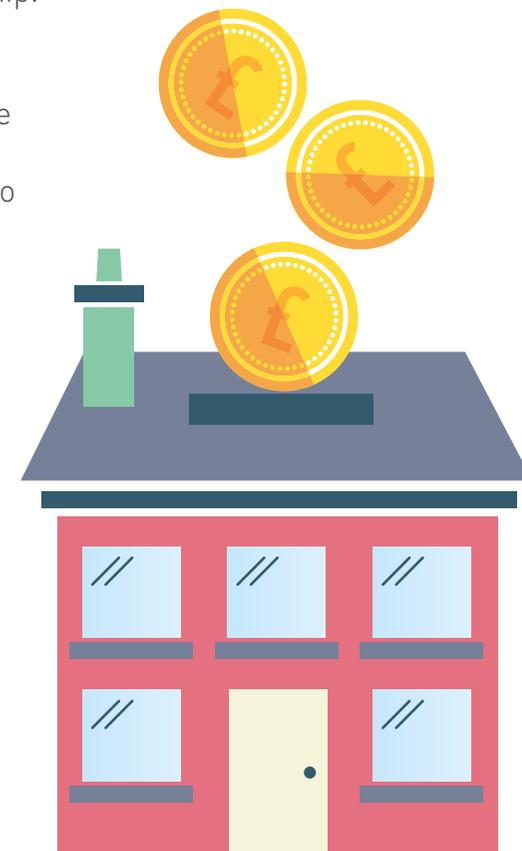
- **Paul Tennant OBE**, CEO, Orbit and CPAG Ambassador
- **Beatrice Karol-Burks**, Citizens Advice
- **Imran Hussain**, Director of Policy, Rights And Advocacy
Child Poverty Action Group (CPAG)
- **Brian Robson**, Policy Advisor, Joseph Rowntree Foundation (JRF)
- **Matt Leach**, CEO, Housing Associations' Charitable Trust (HACT)
- **Gavin Smart**, Deputy CEO, Chartered Institute of Housing (CIH)
- **Charley Gibbons**, Director of Strategy and Communication, Orbit
- **Paul Richards**, Executive Director Customer Services, Orbit
- **Christoph Sinn**, Research and Policy Manager, Orbit
- **Mark Chappelhow**, Corporate Advisor, Business in the
Community (BITC)
- **Carol Matthews**, CEO, Riverside
- **Alison Inman**, Chair, Broadland Group
- **Gary Orr**, CEO, Yarlington Housing Association
- **Howie Wong**, CEO, Housing Services Corporation
- **Tracy Langton**, Principal Rent and Welfare Reform Team Leader,
Northwards Housing

Imran Hussain (CPAG) and **Beatrice Karol-Burks** (Citizens Advice) began the roundtable discussions with an overview of the very real challenges facing families today and the campaign priorities of both organisations. The subsequent discussion fell into three key areas;

- the practical things we should be doing now
- the policies we need to influence
- our commitment to work in partnership.

The roundtable called for the need to refresh corporate strategies, streamline our investment in to communities and become more clinical in our approach to supporting customers.

We need to make sure we are focusing on the small things that make a big difference on the ground, as well as bigger structural and strategic issues.



Practical action

What steps can we take?

Practical action

- Investment in affordable childcare as a way of removing barriers to employment
- 'Small' things like carpets and curtains can make a big difference
- Speak to and understand the needs of our under-18 customer group

Housing associations can demonstrate real and tangible benefits from their community investment work. Programmes supporting health and wellbeing, employment and money management can give people the skills and opportunities they need to take them out of poverty. There are tangible business benefits too, with research carried out by HACT showing a 15-30% cost reduction in repairs if customers are in work.

Supporting customers in accessing affordable childcare provision, adaptable to the short term nature of zero hours contracts and agency working, was seen as critical to tackling child poverty. With around **90%** of childcare providers requiring payments upfront, and one month's notice prior to cancelling a place, a fresh approach needs to be found.

Faced with an intricate and complex issue, such as child poverty, it is sometimes easy to lose sight of the 'smaller', quick-win interventions. For example, providing curtains and carpets not only improves the look and feel of a home, but also reduces heating costs and saves customers money. Equally, providing white goods and kitchen appliances can also help people eat healthier on a budget.

In developing our responses to tackling child poverty, we need to listen to customers about the things which make a real difference to their everyday lives. Listening to the voice of our younger customers is especially important in this context something which we need to improve on. In Orbit's case, 19,000 of our customers are under the age of 18 and we need to get better at understanding their needs and aspirations as we think about the future.

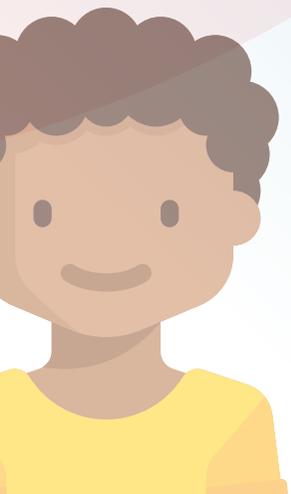


Policy

How can we influence the political agenda?

Policy targets

- Reduction in delays in payment of Universal Credit and other benefits
- Alternatives to payday loans and sub-prime credit
- Review the programme of benefit sanctions



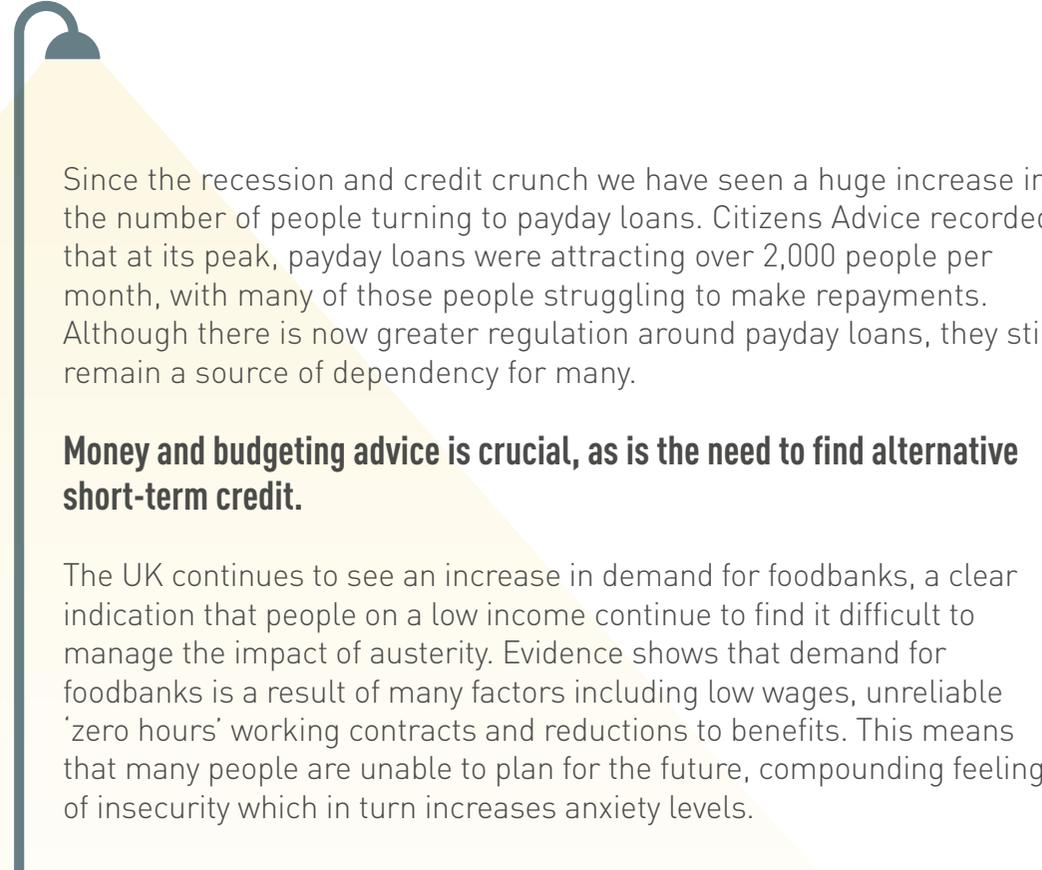
There are a number of acute issues which can have a big impact on the wellbeing of families. Benefit delays, the programme of welfare sanctions and the 42 day wait for Universal Credit payments all have the potential to create significant hardship for our customers. Some housing associations have created hardship funds to tackle this issue, but these funds would not be needed if processes were joined up and fit for purpose.

The pace and scale of Universal Credit (UC) as it is rolled out will cause uncertainty for thousands of customers. Housing providers need to come together to use their voice on both a local and national scale, ensuring these processes are managed well and that relevant safety nets are put in place.

Housing affordability is a serious problem for people living in social housing in many parts of the country, with various welfare reform measures accentuating the issue.

As housing associations grapple with the question of how to set more equitable rents, everything points towards linking rents to income, such as the **'Living Rents' model proposed by Savills**. However, such a regime would require more grants, which is unlikely given the reorientation of grant funding towards low-cost homeownership.

A model based on an overall rent envelope, such as that adopted by the Welsh Government, could point the way forward. Whilst there is nothing to stop individual housing associations setting rents which are more reflective of local earnings, this could affect revenue streams which in turn hampers the ability to build more much needed homes and run community investment programmes.



Since the recession and credit crunch we have seen a huge increase in the number of people turning to payday loans. Citizens Advice recorded that at its peak, payday loans were attracting over 2,000 people per month, with many of those people struggling to make repayments. Although there is now greater regulation around payday loans, they still remain a source of dependency for many.

Money and budgeting advice is crucial, as is the need to find alternative short-term credit.

The UK continues to see an increase in demand for foodbanks, a clear indication that people on a low income continue to find it difficult to manage the impact of austerity. Evidence shows that demand for foodbanks is a result of many factors including low wages, unreliable 'zero hours' working contracts and reductions to benefits. This means that many people are unable to plan for the future, compounding feelings of insecurity which in turn increases anxiety levels.

A further issue raised at the roundtable was the sanctions regime, an approach that puts many people further into poverty and at risk of homelessness. There is a clear need for an alternative catalyst to support people to engage, to help them manage their money effectively and to help them improve their skills.



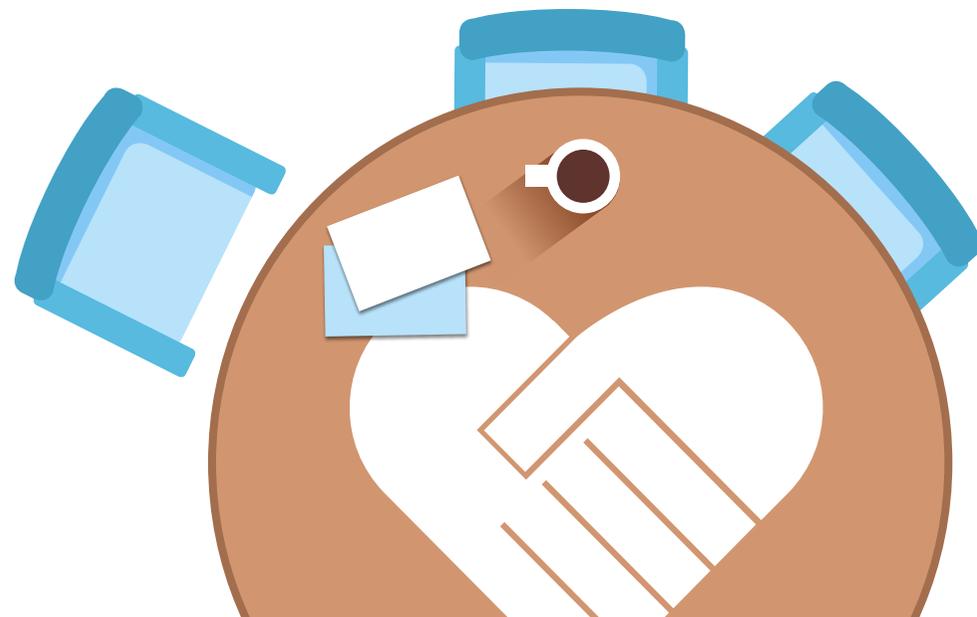
Partnerships

Who and how?

The roundtable called for the sector to work together, establishing a single approach and voice when dealing with this issue

The Joseph Rowntree Foundation (JRF) will shortly be launching its anti-poverty strategy, framing the debate around Pounds, Pockets, Prospect and Place, which broadly aligns with housing associations' strategic focus. For the sector to affect change we need to work collectively and have one set of consistent messages and aims.

Whilst housing associations have the skills, knowledge and well-established community and customer relations to deliver community investment initiatives on the ground, there is scope to extend and establish new partnerships and delivery models going forward. We need to constantly ask the question as to who is best placed to deliver on the ground to maximise impact.



What is our future offer?

Our four commitments

1. We will work together to influence welfare policy, protect child benefits and play a key role in the Government agenda on Life Chances
2. We will take practical action now - starting little and local, identifying practical steps the sector can take today
3. We will commit to giving young people a voice to help inform our future services and customer offer
4. We will continue to influence locally and nationally



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If you would like more information or to be involved in Orbit's child poverty campaign please contact Charley Gibbons at Charley.Gibbons@orbit.org.uk @CharleyOrbitGrp