



Leeds City Council Analyses the Cumulative Impact of Welfare Reforms to Tackle Poverty and Deprivation

The Council knew that welfare reforms were going to have a big impact in the city overall, but they had no way of knowing the impact that future reforms like Universal Credit would have. By running its housing benefit data through Policy in Practice's Universal Benefit Calculator they were able to understand the impact at an aggregate level and to pin point exactly how each household is affected by welfare reforms.

Overview

The Problem

Leeds CC knew that future welfare reforms would have a big impact, but they didn't know how each household would be affected or the scale of the impact at an aggregate level.

The Solution

Using Policy in Practice's Universal Benefit Calculator to analyse the Council's data, the Council obtained detailed insights not only about which households were affected by welfare reforms, but how they were affected.

The Benefit

The depth of insight achieved allowed informed strategic decision making and accurate targeting of scarce support resources. In short, it enabled the delivery of the Council's priority to better tackle poverty.

View Webinar About This Work

Watch a brief 7 minute overview of this case study, [click here](#).

The Problem

The city of Leeds has a vision to be the best city in the UK by 2030. Leeds City Council will play its part by aiming to become the best council in the country.

Helping people out of poverty and tackling the impact of welfare reform is one of the top priorities of the Council.

Leeds City Council needed to develop its understanding of the impacts of the welfare reforms in Leeds and how it could respond to those impacts.

In particular, the Council needed to understand the cumulative impact that current and future of welfare reforms would have on individual households. This would help them to understand the experience from the resident's perspective.

The Council needed this information to make better strategic decisions, such as the design of their council tax support scheme, and to make better operational decisions in order to target support more effectively.

By way of context, the Council currently supports over 10,000 residents each year with information, advice and guidance and job brokerage services through its network of Jobshops.

In addition, there is targeted support to over 7,000 residents with low skills levels each year to re-engage with learning, acquire new skills and qualifications that will support them into work.

The majority of these jobseekers and learners are in receipt of an out-of-work benefit.



“We are already seeing that welfare reform is leading to an increase in rent arrears and council tax arrears for a significant number of people, and this is only going to get worse.”

“We want to do all we can to help get people out of poverty and prevent others entering poverty.”

CLLr Keith Wakefield
Leader, Leeds City Council

The Solution

Leeds City Council’s approach to tackling poverty and deprivation is intended to be a ‘step change in delivering an integrated, targeted and focused approach to meet the needs of citizens, specifically those who are most impacted by the worst effects of poverty and deprivation and who are facing significant hardship.’

To help, the Council commissioned Policy in Practice to analyse the implications of Universal Credit on Leeds residents. They were able to set this within the wider context of welfare reforms, including changes to council tax support, the benefit cap, under-occupation in the social sector, and high rents in the private sector.

They were also able to demonstrate the impact of possible future reforms, including a reduction in the benefit cap from £26,000 to £23,000 and the removal of Housing Benefit to those under 21.

The Council also asked Policy in Practice to develop options for an affordable Council Tax Reduction Scheme capable of supporting its anti-poverty ambitions. It plans to link council tax support with employment support.

Policy in Practice’s analysis was based on the Council’s Single Housing Benefit Extract (SHBE) data and was conducted by running the data through Policy In Practice’s Universal Benefit Calculator to analyse the individual and aggregate impact of welfare reform.

SHBE is a dataset that all local authorities use to report information on housing benefit claims to the DWP on a monthly basis.

It has individual level data and so is a rich resource for analysing the impact of welfare reform at both a household and an aggregate level. It represents low-income households, defined as those in receipt of housing benefit or council tax support.

Leeds City Council signed a secure data sharing agreement with Policy in Practice in order to share the SHBE data, with personally identifiable information redacted.

Policy in Practice then converted the data into a format consistent with its Universal Benefit Calculator engine, and then ran it through the engine on a secure local server.

Using this methodology, Policy in Practice accurately determined:

1. The impact of Universal Credit
2. The impact of the benefit cap
3. The impact of housing benefit changes
4. The impact of the Council Tax Reduction Scheme
5. The broader impact of welfare reform



“The depth of information provided in support of the analyses was comprehensive and the presentation allowed the analyses to be shared with a wide audience within the council.

“Policy In Practice made us feel valued as clients and have been happy to involve us in other events looking at the future of welfare.

“The level of contact and engagement throughout the production of the analyses was very impressive as was the technical ability of the Policy in Practice team when running our SHBE data through their Universal Benefit Calculator.

Steve Carey
Chief Officer Revenues and Benefits, Leeds City Council

The Benefits

The insights and comprehensive dataset delivered showed the impact of welfare changes in Leeds. Now Leeds City Council can understand:

- the cumulative impact of welfare reform at an aggregate level
- the individual households that were or would be affected by welfare reforms

The analysis presented a detailed picture of the impact of welfare reform in Leeds. For the first time, a ‘bottom-up’ picture of the impact of welfare reform could be seen.

Leeds now has a deep understanding of the impact of welfare reforms. This depth of insight can inform strategic decisions, helping to:

- Understand the impact of each welfare reform at an aggregate level and on an area by area basis
- Identify where to target information campaigns and develop effective local support schemes that integrate with national policies
- Build effective local partnerships, e.g. with JCP and CVS, that ensure scarce resources are focused on the areas that need most support.

The analysis can support operational decisions, and enable the delivery of targeted and tailored support, such as:

- Mailing campaigns to those affected by housing benefit changes to increase the take-up of discretionary housing payments
- Information on Universal Credit tailored to households, identifying in advance if they are likely to be better off or need transitional protection
- Better targeted outreach work specifically to those households who might benefit from face to face support

The ability to understand the impact of welfare changes at a household level helps Leeds City Council to deliver better-targeted, integrated and effective welfare support.



Policy in Practice believes change happens on the frontline.

We bridge the gap between policy development and its implementation by combining deep policy insight with practical frontline experience and technological expertise.

Deven Ghelani founded Policy in Practice in 2012 to make policy work for people. He saw how complex and process oriented the welfare system was and wanted to change that.

He set up Policy in Practice to communicate information to people on the frontline in a fast, user-friendly way, and help people to make the decisions that are right for them.

Our mission is to reduce poverty. We do this through simplifying the welfare system.

Next steps

Get a copy of the full analysis and data insights that Policy In Practice delivered for Leeds CC.

Call +44 (0) 330 088 9242

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Visit www.policyinpractice.co.uk

How We Can Help

Software

Our software tools are accurate, fast, simple, and easy to use so that customers and advisors don't have to be policy experts to understand the welfare system.

We communicate information using clear visual charts, and focus on outcomes rather than process.

Our software includes:

- Universal Benefit Calculator
- Universal Credit Calculator
- Budgeting Calculator

Consultancy

Our team combines deep policy insight with practical frontline experience, and we have specific expertise in welfare policy.

Our clients commission us to help them tackle diverse problems such as forecasting the likely impact of future welfare reforms in specific geographic areas and facilitating data sharing between partners.