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Economic and Social Research Review

Professional Services Unit

June 2023

Department for Communities – Economic & Social Research Review

The purpose of the Economic & Social Research Review is to capture and disseminate key economic and social research relevant to the Department's policy agenda to inform evidence-based policy making.

This review aims to disseminate published research which is of relevance to the Department's key strategic priorities. This will include research published internally by the Department as well as research published externally. Professional Services Unit (PSU) regularly engages with other research providers and monitors relevant reports and publications which can inform policy development and delivery.

To ensure the key areas of research included within this review are of strategic relevance to the Department, the focus is on highlighting evidence across the four cross cutting themes in the DFC Strategy: Building Inclusive Communities:

- Anti-poverty
- Wellbeing & Inclusion
- Sustainability & Inclusive Growth
- Agility & Innovation

The Research Review also features a research highlights section, which provides a snapshot of some additional topical research relevant to the four cross-cutting themes in the DFC Strategy.

It is the aim of the PSU that this document will be a valuable source of best practice economic and social research published by individuals, organisations and researchers in the fields relevant to the Department's priorities. We hope that the research review supports policy makers in building the evidence base on the key challenges we face and contributes to the successful delivery of the DfC Strategy.

Whilst some of the articles featured here are not specifically Northern Ireland focused, the papers presented remain relevant to the strategic and policy issues faced here.

Disclaimer

The research referred to in this document presents the views and information/statistics provided by various researchers and organisations and does not represent the views or policy of the Department for Communities.

A Summary Table of Papers/Studies Included in the Research Review — October 2022 to March 2023

	Authors' institutions	Paper Title	Objective
Section 1 – Research Highlights			
1	DfC Economic and Social Research Programme, The Behavioural Insights Team (BIT), December 2022	**Applying behavioural insights to increase the take up of Pension Credit in Northern Ireland**	This report describes a research project undertaken by BIT to understand what prevents people from taking up pension-related benefits, specifically Pension Credit.
2	The Consumer Council for Northern Ireland (CCNI), October 2022	**The Importance of the Consumer to the Northern Ireland Economy**	This research paper is focused on the importance of the consumer to the NI economy and explores how current economic trends, such as the 'cost-of-living' Crisis and EU Exit are impacting consumers.
3	PwC, March 2023	**Women in Work 2023: Closing the Gender Pay Gap for good: A focus on the motherhood penalty**	The Women in Work Index report highlights that despite some progress towards gender equality in the workplace, there is still a considerable gap between employment outcomes for men and women.
4	Joseph Rowntree Foundation (JRF), January 2023	**Housing Affordability since 1979: Determinants and Solutions**	This research paper examines why rents in the private and social rented sectors as a share of tenant's incomes are close to their highest for decades and the policy options that could help tenants.
Section 2 – Anti-poverty Theme			
5	The Institute for Fiscal Studies (IFS), February 2023	**Benefits and tax credits**	This report examines the evolution of the UK's benefits and tax credits system, particularly its impact on working-age people, and presents potential improvements.
6	The Resolution Foundation, January 2023	**The Living Standards Outlook 2023**	This research report analyses the UK's living standards, examining the experiences of households and projects future income and poverty trends, while offering policy recommendations to address the issue.
7	Barnardo's, March 2023	**A Crisis on Our Doorstep: The deepening impact of the cost-of-living crisis on children and young people in the UK**	This report analyses the cost-of-living crisis's impact on children, young people and families across the UK, advocating for government action and targeted poverty reduction measures.
8	Greater Manchester Poverty Action (GMPA), February 2023	**Local anti-poverty strategies: Good practice and effective approaches**	The GMPA report offers a framework for local authorities to create effective anti-poverty strategies, emphasizing collaboration, adaptability, and accountability to address the UK's growing poverty issue.

	Authors' institutions	Paper Title	Objective
Section 3 – Wellbeing & Inclusion Theme			
9	Northern Ireland Statistics and Research Agency (NISRA), January 2023	**Getting into and staying in employment: Limiting long term illness**	This research report aims to gain a greater understanding of the drivers for changing economic activity status between 2001 and 2011, using the Northern Ireland Longitudinal Study (NILS), a 28% sample of the population.
10	The Executive Office (TEO), November 2022	**Wellbeing in Northern Ireland Report 2021/22**	This report uses data from the 2021/22 Continuous Household Survey and presents findings on Loneliness, Self-Efficacy, Personal Wellbeing (Life Satisfaction, Worthwhile, Happiness and Anxiety) and Locus of Control.
11	Centre for Progressive Policy, March 2023	**Growing Pains: The economic costs of a failing childcare system**	This report investigates the economic benefits of improving the working lives of mums through childcare in the UK.
12	LSE Housing and Communities, February 2023	**Community Responses to the Cost of Living Crisis**	This report sets out to understand the role grassroots community groups are playing in supporting people through the cost-of-living crisis. The report also captures how larger anchor organisations are responding, and their relationship to community-level support
Section 4 - Sustainability & Inclusive Growth Theme			
13	Key Cities and Arts Council England, February 2023	**Culture and Place in Britain**	This report looks in some detail at what culture means in the 27 Key Cities and how that translates into public funding programmes. It is a significant snapshot of culture and place in 2023, viewed from the perspective of a diverse network of places that together present many of the challenges as well as the opportunities that culture speaks to in our national life.
14	Institute for Housing and Urban Research, Uppsala University, 2023	**The resilience of social rental housing in the United Kingdom, Sweden and Denmark: how institutions matter**	This paper evaluates the resilience of social rental housing in the UK, Sweden and Denmark. Throughout the Organisation for Economic Co-operation and Development (OECD), processes of retrenchment and privatization, alongside the growth of the owner-occupied and private rental sectors, have led to declines in the size and scope of social rental housing. However, these processes have not transpired evenly.
15	All Party Parliamentary Group (APPG), February 2023	**Levelling up local outcomes: the importance of community spaces to neighbourhood regeneration**	This paper builds on the importance of social infrastructure for community renewal and neighbourhood regeneration. It advocates for an evidence-led strategy that places social infrastructure at the heart of levelling up, a reinvented funding model that targets investment at 'left behind' neighbourhoods, and new community rights underpinned by resources from central government.
16	Grosvenor, March 2023	**Heritage and Carbon: Addressing the skills gap**	This report explores the skills and training challenges that need to be addressed to ensure the UK's historic buildings contribute to the transition to net-zero carbon emissions.

	Authors' institutions	Paper Title	Objective
Section 5 - Agility & Innovation Theme			
17	Vodafone, February 2023	**Building Smart Communities: making a success of local government digitalisation in England**	This research report highlights how digitalisation brings significant benefits for both councils and consumers and outlines several ways to help make this happen.
18	The Behavioural Insights Team (BIT), January 2023	**How to build a Net Zero society**	This paper helps to understand the barriers people face when trying to make greener choices, the evidence and theory of behavioural change, the complex processes of innovation and diffusion of ideas and technologies, and the data on public attitudes and support for policy.
19	Social Mobility Commission (SMC), December 2022	**Data for social mobility: improving the collection and availability of data across government**	The SMC commissioned the National Foundation for Educational Research to identify the current barriers to finding and using socio-economic data, to outline an ambition of what an improved data environment could look like and how it might benefit future policymaking.
20	The Princes Foundation, November 2022	**Building Towards Net Zero Carbon Homes**	This report draws together a broad range of evidence from qualitative and quantitative studies of the built environment to assess the implications of, and possibilities for, achieving a shift towards providing Net Zero homes for urban and rural populations.

Internal Research Highlights


Applying behavioural insights to increase the take up of Pension Credit in Northern Ireland

A report by the Behavioural Insights Team

Applying behavioural insights to increase the take up of Pension Credit in Northern Ireland

DfC Economic and Social Research Programme, The Behavioural Insights Team (BIT), December 2022

The Department for Communities (DfC) commissioned the Behavioural Insights Team to explore why people do not claim Pension Credit, and to design and test interventions to increase the uptake of Pension Credit in Northern Ireland (NI). The project followed BIT's TESTS (Target, Explore, Solutions, Trial, Scale) methodology encompassing a range of workshops, interviews with pensioners and key stakeholders, as well as an online trial.

Barriers to Take-up

Capability barriers:

- People lack awareness of Pension Credit, how it works and how it interacts with other benefits.
- Perceptions of ineligibility to claim Pension Credit.
- Perceptions of low value with people not realising other support they may receive through a successful claim.
- High administrative burden of making an application and providing supporting evidence.
- Accessibility issues including digital literacy, ability to access online forms and provide supporting evidence from online sources such as banks.

Opportunity barriers:

- Environment is not as conducive to engaging pensioners as it could be.
- Inconsistencies in messaging around Pension Credit within the department where it is variously referred to as means-tested or income-related.

Motivational barriers:

- Stigma around applying for a means-tested benefit.

Research Highlights

Key Recommendations

- Use clear consistent messaging around Pension Credit, referring to it as an income-related entitlement, across the department.
- Combine the ‘Time to apply’ and ‘Annualised amount’ messages to say “An average phone application for Pension Credit takes around 20 minutes from start to finish. Even an award of £10 a week in Pension Credit can add up to over £500 in a year”. Send this message to PENRs (Potentially eligible non-recipients), as it is likely to increase applications.
- Highlight the additional benefits, particularly the help with NHS dental treatments and the cold weather payments, in future advertisements.
- Use Facebook and/or YouTube as channels for advertising the campaign since these channels were the most popular amongst those surveyed.
- Also recommend coordinating with Martin Lewis (moneysavingexpert.com) and government agencies where people go to for financial advice to maximise the impact of the communications campaign.

Research Highlights

The Importance of the Consumer to the NI Economy

The Consumer Council NI (CCNI), October 2022

This research paper is an update of the ‘Importance of the Consumer to the Northern Ireland Economy’ research conducted by Ulster University Economic Policy Centre (UUEPC) in 2017. This updated research provides a refresh of the data in light of current economic challenges, such as the recovery from the COVID-19 pandemic, rising inflationary pressures, EU Exit and the implementation of the NI Protocol. The research:

- Provides an overview into the impact/importance of consumer spend relative to Gross Domestic Product (GDP) across NI relative to other countries.
- Identifies the expenditure of NI consumers relative to other UK regions.
- Outlines current levels of disposable income across NI compared to other UK regions; and considers the cost pressures on consumers from rising inflation levels.

Consumers are a ‘key cog’ across the NI economy and this analysis highlights that approximately two-thirds of economic output comes via consumption. This leaves the NI economy more exposed to consumer behaviour, particularly in the context of the current climate of the ‘cost-of-living’ crisis. These events will likely have a defining effect on consumers’ decisions, potentially impacting wider economic development for the region over the next year to 18 months.

Key Findings

Consumption and Economic Growth

- Around 64% of all economic output in NI in 2017 was generated as a result of consumption, with this being on par with UK levels.
- The pandemic had a devastating impact on the UK economy. Between 2019 and 2020, the UK economy contracted by 9.7%, with much of this driven by consumption declines (-10.8%). Between Q2 2019 and Q2 2020, circa 77% of the decline in Real GDP across the UK could be attributed to the fall in real consumption levels as people were unable to engage in ‘normal’ economic activity.

Research Highlights

- Total consumption as measured by the UK Economic Accounts, amounted to £1.32tn in 2021, only slightly below pre-pandemic levels of £1.39tn in 2019. Much of the level of consumption undertaken by UK consumers relate to housing costs accounting for around 26% of consumer spend.
- The level of ‘out of state’ spend in NI has become an important component of consumer spending, with in total £1.61bn worth of ‘out of state’ spending occurring in NI since July 2018. Current proportions of ‘out of state’ spending (11.9%) in the NI economy have returned to pre-pandemic levels.

Trends in Income and Expenditure

- In terms of real wage growth, NI full-time annual earnings in 2021 stood at £21,505, equivalent to 2005 levels (£21,723). Overall, however, the level of real full-time wages has increased by around a fifth (19%) since 1997. Total real wages do however remain behind those in 2009, and in fact total real wages have contracted by on average 0.2% over the past 12 years.
- When looking at equivalised disposable income levels, NI has the lowest level of all UK regions at £29,457. To highlight the difference, NI households have on average c.£2,000 per annum less in terms of equivalised disposable income compared to Yorkshire & Humber, the second lowest region for equivalised disposable income.
- Similarly, when comparing the current level of equivalised disposable income to 2008 levels, equivalised disposable incomes are 6.1% lower than in 2008. Making NI one of only five regions to see their level of equivalised disposable income fall since 2008.
- An average NI household spends £486.40 per week on goods and services, around £100 less than the equivalent UK household (£585.20). Since 2001, the level of spend in NI has increased by 50%.
- NI households spend less on average on housing costs relative to their UK counterparts, with housing (net), fuel and power accounting for 11.1% of all expenditure (incl. other expenditure items) per week compared to 13.6% for UK households. Interestingly, NI households spend less on “essential” goods i.e. on food & housing compared to other UK regions and in fact spend more on “non-essential” items including clothing & footwear, alcoholic drinks, etc.

Research Highlights

- In light of recent energy price rises, analysis found that on average NI households spend a higher proportion of weekly household expenditure (2.6%) on electricity bills than the UK average (2.1%).

What Future Pressures will impact consumers?

- Inflation is expected to be the biggest headwind facing the global, national and local economies. Between August 2021 and August 2022, the level of inflation rose by 9.9%, with much of this rise being driven by Transport (12.0%) and Housing/utility costs (20.0%). In particular, the cost of electricity (54.0%), Gas (95.6%) and Liquid fuels (86.3%) have been the main drivers of price rises over the past 12 months.
- The exposure of NI households to energy prices varies by income quartile, with those in the lowest quartile spending a higher share on energy costs than those in the highest quartile (14% vs. 9%). The recent and proposed increases in energy costs will therefore have a greater impact on these consumers.
- Across the UK, there has been a return to increasing personal debt levels to fund spending. NI households on average have a higher level of debt compared to the UK. The Financial Conduct Authority (FCA) estimate that on average NI adults have £3,990 worth of 'unsecured debt', while an average adult in the UK has £3,320 worth of 'unsecured' debt. These findings suggest that on average NI adults are more debt neutral than their UK counterparts potentially as a result of the need to use credit to cover elements of their expenditure.

Research Highlights

Women in Work 2023: Closing the Gender Pay Gap for good: A focus on the motherhood penalty.

PwC, March 2023

The Women in Work index is an annual index of OECD countries, which uses 2021 data. It also looks at the UK's 12 nations and regions. The three top ranked OECD countries are, Luxembourg at the top spot followed by New Zealand in second place and Slovenia ranking third.

Northern Ireland ranks top among the nations and regions in the UK for women's employment outcomes, having moved up three places in the UK regional index to overtake the South West which had been the top performing region for three years consecutively. The South West now drops into second place, while Scotland remains third, unchanged from last year.

Key Findings

OECD

- Over the last decade, the average Index score for the 33 OECD countries analysed grew 9.2 points, up from 56.3 in 2011 to 65.5 in 2021. In comparison, Luxembourg, the top performer in this year's Index, improved by more than double the OECD average over the same period from 60.4 to 78.9.
- Despite this, women are still in a considerably weaker position in the labour market compared to men. The gender pay gap persists, women across the OECD earned only 86.2% of what men earned in 2021.
- The average gender pay gap across the OECD widened by 0.6 percentage points between 2020 and 2021, from 13.2% to 13.8%.
- 18 out of the 33 countries analysed in the Index had a larger gender pay gap in 2021 than in 2020.
- The motherhood penalty is now the most significant driver of the gender pay gap. In 2021, the OECD found the motherhood penalty accounted for 60% of the gender pay gap across 25 European countries, with factors such as social norms, gender stereotyping

Research Highlights

and discrimination making up the remaining 40%. In Northern and Western European countries, the motherhood penalty accounted for 75% of the gender pay gap.

- The increasing cost of childcare threatens to exacerbate gender inequality, pricing a growing number of women out of work. The UK in particular, has some of the highest childcare costs across the OECD, with full-time childcare for two children on average costing almost 30% of average wages. There is also a lack of childcare availability, with the number of childcare providers falling 10% between 2018 and 2022.

UK

- Despite a rebound, the Index did not catch up to its pre-pandemic path of progress towards equality.
- The UK Index score this year rebounded by 1.1 points to 65.5
- Female labour force participation rate is up 1.3 percentage points to 70.8%
- Female unemployment rate is down 0.3 percentage points to 6.4%
- The UK fell five places on the Index in 2021 to 14th out of 33 OECD countries, mainly due to a 2.3 percentage point widening of the gender pay gap (now at 14.3%)

Northern Ireland

- NI was the best performer of this year's UK regional index, moving up three places from 2020 (+6.3 points)
- NI boasts the smallest gender pay gap across the UK at 5% it is almost only one third of the UK average gender pay gap, and significantly lower than the next best performing country on the indicator, Scotland 11%.
- Has a higher female full-time employment rate than most other countries and regions (the third best across the UK at 64%).
- However, NI has the lowest female labour force participation rate (70%) amongst all countries/regions in the UK.

Research Highlights

- The participation rate gap between men and women in Northern Ireland is 5%, only marginally higher than South West, which is the best performer on this indicator. This suggests that participation in the labour market as a whole might be the larger point of concern in Northern Ireland rather than participation of women specifically.

Summary

- In light of these challenges, there is an urgent need for policy solutions to address the immediate issues, as well as the underlying causes of inequality.
- Affordable childcare is critical to help alleviate the pressure on mothers and families and reduce women's unpaid care load.
- Today's parental leave policies reinforce societal expectations of women's primary role as caregivers and cause direct damage to women financially, both in the short and long term. In the UK, mothers take vastly more parental leave than fathers. In 2021 on average, mothers took 39 weeks of maternity leave. Comparable figures on the average amount of leave taken by fathers are not readily available, but in 2018 only one in three eligible fathers took any paternity leave.
- The majority of OECD countries provide payments that replace around 50% of previous earnings for mothers. Payment rates are lowest in Ireland and the UK, where less than one-third of gross average earnings are replaced by the maternity benefit.
- A 2019 study by the UK government found that in the five years after childbirth, half as many women move to a job with a higher occupational status compared to men (13% vs 26%).
- The same study showed less-educated women are half as likely to go back to work full-time after childbirth compared to women with degrees.

Research Highlights

Housing Affordability since 1979: Determinants and Solutions

Joseph Rowntree Foundation (JRF), January 2023

This study calculates how the level of housing subsidies for renters, through sub-market rents for social housing, private sector rent controls and housing benefits has changed since 1979. It shows that the waning generosity of these measures can fully explain the deterioration of housing affordability for renters over the past 40 years. Rents in the private and social rented sectors are close to their highest for decades as a share of tenants' incomes. The report examines the optimal mix of housing subsidies today, arguing for an expansion of social housing and reforms to housing benefits to improve housing affordability.

Key Findings

- The value of housing subsidies has fallen from 16.5% of total day-to-day cost of housing services in the national accounts in 1979 to 11.5% in 2019/20. If housing subsidies had remained at their 1979 levels as a share of total housing costs, they would have been worth £45 billion in 2019/20 rather than their actual level of £31 billion.
- The erosion of subsidies explains the decline in housing affordability for renters over the past 40 years. This underlines the importance of subsidies if housing affordability is to be improved.
- The research indicates that less generous sub-market rents for social housing contributed five percentage points to the reduction in housing subsidies as a share of aggregate UK housing costs seen between 1979 and 2009/10.
- The social rented sector shrank from 31% to 17% of the English housing stock and social rents moved from around half to two-thirds of market levels. The abolition of private sector rent controls in the 1980s cut the subsidy to renters by a further five percentage points of total housing costs.
- Housing benefits took the strain, increasing from 2.5% to more than 9% of total housing costs between 1979 and 2009/10, offsetting around two-thirds of the decline. But since 2010, reductions in the generosity of housing benefits have cut the share of aggregate housing costs covered by subsidies by a further percentage point.

Research Highlights

Policy Considerations

- Housing subsidies are the most important determinant of housing affordability for lower income households.
- Social housing also offers more secure tenancies and stronger work incentives for tenants.
- Fiscal constraints will always limit the optimal size of the social rented sector.
- There are disadvantages for tenants too, who have little choice as to the precise location or type of property they are allocated. This may prevent them from taking up employment opportunities outside their local area, hampering productivity in the economy.
- Housing policy needs to offer a balance of these two forms of subsidy. The appropriate mix should be determined by differentiating between the needs of different household types.
- An additional 700,000 social properties would allow the level of social renting among lower-income families with children to return to its 1979 level and the share of lower-income working-age disabled people living in private rented accommodation to be reduced below 10%.
- The housing affordability crisis for renters is firmly grounded in the waning generosity of the subsidies on offer to lower-income households over the past 40 years. There is no credible route to significantly improving affordability that does not involve rebuilding some of those support systems. On both social and economic grounds, there is a strong case for action.

Anti-poverty

Benefits and tax credits

The Institute for Fiscal Studies (IFS), February 2023
This report examines the evolution of the UK's benefits and tax credits system and particularly its impact on working-age people. The report touches on the growth of cash transfers, shifts in demographic focus, policy reforms, challenges faced by the benefits system and potential improvements.

Key Findings

Cash Transfer

- Cash transfers for working-age adults in the UK have generally grown since the 1970s, both in real terms and as a share of national income, except for the period of austerity between 2010 and the pandemic.
- Over time, the UK's cash transfer system has increasingly focussed on pensioners and those with children, with support for pensioners rising significantly since 2010. As a result, in relative terms, working-age adults in the UK without children receive significantly less.
- Major policy reforms over the past 25 years have aimed to encourage people into paid work, but have often resulted in part-time, low-wage employment.

Benefits System

- The benefits system in the UK serves as a patchwork solution for issues such as low pay, ill health and high housing costs but those do not help solve those issues.
- Policymakers should consider the long-term effects of its benefit system, especially regarding the impact of part-time work on career and wage progression.
- Compared to most developed nations, the UK's benefit system provides little income protection against job loss, especially for middle or high earners and families without children.
- The UK government could enhance job loss insurance without completely shifting to an earnings-related benefits system by increasing benefits early in unemployment, linking them to past earnings or pre-committed expenses for a limited period.

Anti-poverty

- The efficacy of imposing job-search conditions on out-of-work benefits is debatable, especially for single parents who may end up in low-earning, part-time work. Future policies should consider the growth of self-employment and the gig economy.
- The impact of in-work transfer on wage levels and housing-related support on rent levels is unclear. More research is needed to determine whether it benefits the intended beneficiaries.
- Over £10 billion in benefits go unclaimed yearly, but this could be changed through simple interventions such as reminders or utilizing 'Real Time Information' from employers.

Anti-poverty

The Living Standards Outlook 2023

The Resolution Foundation, January 2023

This report examines the state of UK living standards in 2022, as inflation reached its highest level in 41 years. The report uses a survey of 10,000 UK adults conducted in November 2022 and economic modelling to understand the crisis's impact and provide policy recommendations.

Key Findings

Cost of Living Consequences

- 75% of UK adults were cutting back on overall spending.
- 45% were worried about their energy bills over the winter months, rising to 63% for workers in the bottom income quintile and 62% for those using pre-payment meters.
- 19% of people lacked confidence in their finances over the next few months, with higher rates among bottom income quintile workers (32%) and those not working and receiving benefits (43%).
- 28% of adults were unable to afford balanced meals, and 11% experienced hunger due to lack of money for food, up from 9% and 5% pre-pandemic respectively.

Financial Consequences

- 11% reported a moderate or substantial increase in debts in the past three months, and 10% of people missed at least one priority bill payment, with higher rates for both among workers in low-income families (20% and 25% respectively).
- Increasing number of families were using savings for daily expenses, selling possessions, and reducing pension contributions to cope with higher costs.

Anti-poverty

Health Consequences

- Emotional distress increased from 40% in October 2021 to 47% in November 2022, with those receiving state benefits experiencing higher levels of distress (64%).

The report also notes that real incomes for a typical non-pensioner are expected to fall significantly in both 2022-23 (3%) and 2023-24 (4%), with the fall in 2023/24 being the largest single-year fall since 1975. Over the two years, rich households (top 10% to 5%) are likely to see a larger real income fall of 8% compared to 5% for the poorest fifth. Despite this, the top 5% of earners are expected to see their real incomes rise by 4%, pushing income inequality to a record high by 2027/28. The cost of living crisis is expected to ease in 2024, but real wages won't recover until the end of 2027. Consequently, absolute poverty will increase in the short term, and child poverty rates will reach their highest levels since 1998/99.

Recommendations include:

1. Reviewing the Energy Price Guarantee and Cold Weather Payments to ensure better support during the crisis.
2. Prioritizing better insulation for UK homes to reduce energy bills and support the transition to net zero.
3. Encouraging benefit take-up and mandating minimum crisis support provision by local authorities.
4. Reviewing policies such as the two-child limit, the benefit cap, and the freeze in Local Housing Allowance rates, which disproportionately affect families with three or more children.

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A Crisis on Our Doorstep: The deepening impact of the cost-of-living crisis on children and young people in the UK

Barnardo's, March 2023

This report investigates the severe impact of the cost of living crisis on children, young people, and families across the UK. With inflation in the UK peaking at 11.1% in October 2022 and remaining high at 10.5% in February 2023, it states that families are faced with difficult choices between heating their homes and buying food, while escalating interest rates worsen housing costs.

In order to examine the experiences of those using Barnardo's services during winter 2022/23, the report includes a YouGov polling of 1,000 parents in Great Britain (GB), a survey of 316 children and young people aged 11-25 supported by Barnardo's, a focus group of young people, and case studies from across Barnardo's services in the UK. The report emphasises the urgent need for government intervention to mitigate the impact of rising costs on these vulnerable populations.

The report recommends several key actions for the UK Government, with some of the recommendations including:

1. Publishing an annual child poverty reduction report with an action plan to maintain accountability.
2. Extending free school meals and Holiday Food and Activities Programme to all children in families in receipt of Universal Credit.
3. Strengthening social security, including reviewing Universal Credit to ensure it is permanently linked to inflation; removing reduced payment level for under 25s; reintroducing the £20 uplift; reversing the two-child limit on benefits and reversing the benefit cap.

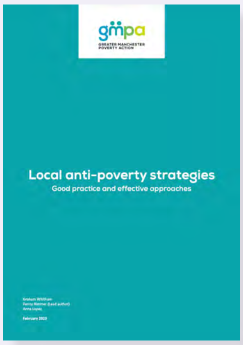
Anti-poverty

For Northern Ireland specifically, the recommendations are:

1. Fully implementing the updated Northern Ireland Anti-Poverty Strategy for a comprehensive approach to poverty.
2. Urgently restoring power sharing to enable the review of eligibility for free school meals and promote uptake.
3. Recognise the impact of the cost-of-living crisis on infants and to direct resources to prevention and early intervention approaches to help families themselves.
4. Introducing a Child Payment for Northern Ireland to provide financial support to families with children.

Overall, the report underscores the importance of a multifaceted approach and provides recommendations both at the UK and Northern Ireland level. By addressing the cost-of-living crisis, the UK and Northern Ireland Governments can help alleviate hardships faced by children, young people, and families, helping those more in need and promoting a more equitable society.

Anti-poverty



Local anti-poverty strategies: Good practice and effective approaches

Greater Manchester Poverty Action (GMPA), February 2023

This report addresses the growing issue of poverty in the UK and the absence of a government plan or strategy to tackle it. Consequently, it states that local communities must take more responsibility for addressing poverty and the report provides various case studies and valuable insights into designing local strategies that offer clear direction, improve coordination, and increase accountability. Recognising the need for a place-based approach, GMPA offers a framework of twelve essential elements for a successful anti-poverty strategy. These recommendations may be particularly relevant to Northern Ireland, where local authorities can play a crucial role in addressing poverty and supporting vulnerable communities:

Drivers of Poverty
Local authorities need to establish a clear definition of poverty and its drivers as well as focus on the following three key drivers of poverty - income from employment, costs of living, and income from social security and benefits in kind.

Political and Officer Leadership
Effective strategies require strong political and officer leadership to drive ambition, operational working, and communication.

Focus on prevention, reduction, and mitigation
Strategies should emphasise prevention and reduction of poverty, while supporting people in immediate financial crises.

Prioritisation
Strategies should prioritise achievable goals for councils and local partners, setting out clear statements for measuring progress.

Partnership working
Local authorities must work in partnership with external partners, communities, and establish an anti-poverty partnership group.

Anti-poverty

Lived experience engagement and co-production
People with lived experience of poverty should be involved in developing and implementing strategies.

Reinforcing and aligning with existing strategies
An anti-poverty strategy should be incorporated into other existing strategies.

Governance
Good governance, both internal and external to the council, is necessary for effective strategies, monitoring progress, and overseeing implementation.

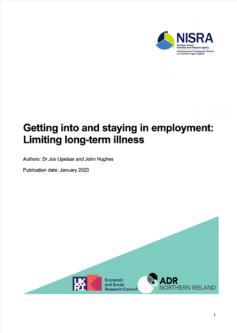
Action plan
An anti-poverty strategy should be accompanied by a high-level action plan to increase efficiency and accountability.

Adopt the socio-economic duty
Local authorities should voluntarily adopt the socio-economic duty from the Equality Act, ensuring the impact of decisions on poverty is considered.

Adaptability
Anti-poverty strategies should be continuously reviewed and adaptable to the changing needs of local communities.

Monitoring and evaluation
Clear monitoring and evaluation mechanisms are essential to understand the effectiveness of the strategy and ensure efficient use of resources. Local authorities should identify clear metrics and develop a public-facing dashboard.

Wellbeing & Inclusion


NISRA

Getting into and staying in employment:
Limiting long-term illness

Getting into and Staying in Employment: Limiting Long Term Illness

NISRA, January 2023

The overreaching aim of this research was to gain a greater understanding of the drivers for changing economic activity status between 2001 and 2011, using the Northern Ireland Longitudinal Study (NILS), a 28% sample of the population. The report focuses on those with a self-reported disability or health condition.

- The first strand of the research looks at the household population with a limiting long-term illness in 2001, aged between 20 and 49 years. In this group, the focus is on which drivers affect the likelihood of staying in employment and on those who were not employed in 2001 then obtained employment in 2011.
- The second strand assesses the disability gap in 2011. More recent analysis of the disability gap in Northern Ireland can be found here - **Disability within the Northern Ireland Labour Market | Department for Communities.**

Key Findings

- 29% of those aged 20 to 49 years with a limiting long-term illness in 2001 were in employment in 2001, increasing to 38.2% in 2011. The strongest factors driving staying in employment were having good health, cars in the household and higher educational qualifications.
- The disability employment gap for those aged 30 to 59 years in 2011 can be broken down by other differences at the individual, household and area level between those with and without a long-term health problem or disability, and the effect those differences have on the likelihood of being in employment. General health and highest educational qualifications were also found to be major components of the disability employment gap.

- Of those who were not in employment in 2001, 24.4% were in employment in 2011. Key drivers for getting into employment were having recently worked, looking for work (as opposed to being economically inactive) and having higher educational qualifications.
- Those working part-time in 2001 (67.6%) were less likely to be working in 2011 compared to those working full-time (73.4%).
- Being employed in 2001 increased the likelihood of being employed in 2011.

Barriers

- 50.1% of those working part-time in 2001 stated their day-to-day activities were limited a lot in 2011 compared to 40.7% of those who worked full-time.
- Being economically inactive due to long-term sickness or disability in 2001 makes individuals least likely to be in employment in 2011.
- Having a manual job decreases the likelihood of staying in employment more than having a non-manual job.

Wellbeing & Inclusion


The Executive Office NISRA
Wellbeing in Northern Ireland, 2021/22
Key findings

Wellbeing in Northern Ireland Report 2021-22

The Executive Office, November 2022

This report provides 2021/22 estimates for people aged 16 and over in Northern Ireland across four areas of wellbeing – Loneliness; Self-efficacy; Personal Wellbeing; Locus of Control.

Key Findings

- People who reported very good health reported higher levels of wellbeing in all areas than those who reported very bad health.
- People without a disability have higher levels of wellbeing in all areas than those with a disability.
- People in employment reported higher levels of wellbeing in all areas than those who are not in paid employment.
- People with a degree or higher reported higher levels of wellbeing in all areas than those with no qualifications.
- People who owned their own house reported higher levels of wellbeing in all areas than those in socially rented accommodation.
- People with access to a car reported higher levels of wellbeing in all areas than those who had no access to a car.

Loneliness

The frequency with which people report being lonely.

- 6.1% of respondents reported feeling lonely often or always.
- 25.8% of respondents reported never feeling lonely.
- The largest proportions of loneliness (51.6%) were found among those who reported their general health as bad/very bad.
- The lowest proportions of loneliness (10.5%) were found among those who are married/in a civil partnership.

Wellbeing & Inclusion

Self-efficacy

A person's belief about their capabilities to exercise influence over events that affect their lives.

- In 2021/22, the average score for self-efficacy in Northern Ireland was 19.4. This means Northern Ireland on average has high self-efficacy (scores of 5-17 are classed as low, while scores of 18-25 are considered high).

Personal Wellbeing

How satisfied people are with their lives, their levels of happiness and anxiety, and whether or not they think the things they do are worthwhile.

- The average wellbeing ratings across the four measures of personal wellbeing were:

  - 7.7 out of 10 for 'life satisfaction'.

  - 7.9 out of 10 for feeling that what you do in life is 'worthwhile'.

  - 7.7 out of 10 for 'happiness'.

  - 2.8 out of 10 for 'anxiety'.

Locus of Control

The degree to which a person feels they are in control of their life.

- The locus of control scores ranges from 5 to 25. A low score indicates a belief that life is determined by outside factors (external). A high score shows a belief in one's own control (internal).
- The average score for Northern Ireland was 17.1 which is considered to be more internal than external.
- The group reporting the lowest average score was those reporting bad/very bad health (15.7).

Wellbeing & Inclusion

Growing Pains: The Economic Cost of a Failing Childcare System

Centre of Progressive Policy, March 2023

This report is focussed on the economic benefits of improving the working lives of mums. A representative survey of 2,545 mums in the UK with at least one child aged 10 years old or under was undertaken and reveals findings on how childcare accessibility has impacted their working lives. Economic uplifts have been calculated according to the following method:

1. Using survey responses to estimate the number of additional hours mums would like to work per year;
2. Splitting these out by sector;
3. Scaling this to the wider UK population of working mums, and;
4. Applying hourly GVA and earnings data.

Key Findings

Mums want to work more hours but cannot:

- 27% of mums surveyed would like to work more hours if they had access to suitable childcare. When scaled to the wider UK population, this equates to 1.5 million mums.
- Additional earnings of between £9.4bn and £13bn per year would have been realised.
- Between £27bn and £38bn would have been realised in Gross Value Added per year (approx. 1% of UK GDP).
- 1.4 million were prevented from taking on more hours and 880,000 reduced their working hours.

Mums are being shut out from opportunities to earn more, progress in their career and develop skills:

- Due to a lack of suitable childcare, 18% of mums surveyed had been prevented from taking a job that would have offered an average increase of £12,000 in salary.

Wellbeing & Inclusion

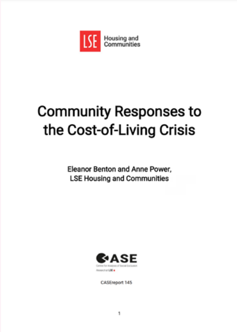
- When scaled to the UK population, this equates to 970,000 mums and an increase of £8.8bn in earnings.
- 910,000 mums said a lack of suitable childcare had impacted their opportunities for career progression or promotion.
- 16% of mums surveyed said they quit their job due to childcare that is not suitable (470,000 mums when scaled to the UK population).
- 24% of mums surveyed said they were prevented from pursuing further skills/training (720,000 mums when scaled to the UK population).

Different approaches are being explored by different political parties. In the UK, on average the government pays £4.89 per hour for "30 hours free" childcare for children aged three and four years old however the average cost to the provider is £7.49 per hour. One method childcare providers use to cover this shortfall is to charge a higher fee for caring for younger children.

What is needed:

- Childcare should be treated as infrastructure as it allows people to go to work, access better skills and earnings and contributes to economic productivity. This has started to be developed at a local level so childcare facilities can be funded as part of the Levelling Up Fund and Regeneration Bill.
- Additional government funding to fully cover 30 hours childcare for three and four year olds.
- Full funding to cover childcare for 0-2 year olds and to cover school holidays. 69% of mums had the extension of free childcare into the school holidays as one of their top three priorities.
- More financial support for parents seeking to access before and after school clubs.
- A robust workforce strategy for improving pay and conditions; recruiting, developing and retaining staff; a clear process to determine the cost and value for money of good quality childcare.

Wellbeing & Inclusion


Housing and Communities

Community Responses to
the Cost-of-Living Crisis

Eleanor Benton and Anne Power,
LSE Housing and Communities

CASE

Community Responses to the Cost of Living Crisis

LSE Housing and Communities, February 2023

This report explores how non-government services, organisations and charities are supporting households through the cost-of-living crisis. Twenty community groups and 30 anchor organisations were chosen to be the main focus of the study, representing different geographical areas and types of support across the UK (low income areas such as Midlands, North West, Scotland and Wales, excludes Northern Ireland).

Support offered

- The most common form of support was food provision including foodbanks, food pantry schemes and reducing food waste by distributing food that would otherwise be thrown away.
- Community groups also set out to tackle family poverty (unable to afford food or heating), loneliness, homelessness and isolation by providing social spaces to bring people together.
- Support also included the provision of free toiletries, free clothing and equipment for babies (such as cots) and children, sharing cost-saving tips and teaching people how to mend/fix items.
- Community groups are linked to wider services and signpost people to other organisations who specialise in areas such as grief counselling, money advice and debt management. However, it was evident some people were budgeting well but due to the increased cost of living, they simply did not have enough money to live on and there was nothing they could do to increase their income as they were already working and claiming all the benefits they were entitled to.
- Projects range from providing amenities for young families to helping elderly people.

Wellbeing & Inclusion

Challenges faced and the operation of Community Groups

- The community groups support people struggling to meet everyday costs. Demand for services has increased by as much as three-fold with donations struggling to keep up with the increase in demand.
- All groups interviewed within the report were volunteer led. Some had paid staff where these members of staff were previously volunteers within the community group which now employs them. Several had been long-term unemployed before taking up their paid role. Others had previously availed of the help supplied by the community group.
- Funding is a significant challenge for the majority of groups. Some had managed to secure funding for paid members of staff who then had the capacity to apply for grants and organise fundraising. However, grants do not cover general running costs or overheads. Funding sources vary and include local councils, churches and the provision of venues for free.

Sustainability & Inclusive Growth

Culture and Place in Britain

Key Cities and Arts Council England, February 2023

This report by Key Cities and Arts Council England explores the role of the cultural and creative industries in regenerating town and city centres. The study consists of a policy review, expert evidence and data analysis. It notes that:

- culturally engaged communities do better,
- culture can open up new skills and career paths,
- culture can help lift up places that are in decline and
- celebrating culture brings people together and creates a positive legacy of social and economic benefit.

As part of the policy review, the three UK Cities of Culture since 2013 point to the importance of building legacy and evaluation planning into programme development from the start. The report highlights the positive legacy of Derry/Londonderry's position as the 2013 UK City of Culture pointing to capital investment of £160 million associated with the event and a changing of the image of the city.

The report includes several recommendations to leverage the power of culture, these include:

- Government should place culture at the heart of a renewed drive for hyperlocal devolution, connecting policy agendas to make sure that all places in the UK, both within and outside mayoral combined authorities and creative clusters, are empowered and supported to drive local growth.
- Government through Arts and Human Resource Council (AHRC) should work with Arts Council England to establish a £100m nationwide development programme for creative industries micro clusters outside Creative Clusters.
- Government should develop further programmes alongside Levelling Up for Culture Places and Creative People and Places, working across policy areas aimed at patient building of ecosystems and scaling up capacity needed for deprived areas to compete.

Sustainability & Inclusive Growth

- Government should support local authorities to enable public libraries to continue evolving their offer to meet local need, and to continue providing free public libraries as an essential service.
- Government, through Arts Council England, should fund the establishment of a cooperative platform for and owned by Cultural Compacts to promote collaboration, knowledge exchange and best practice.

Sustainability & Inclusive Growth

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The resilience of social rental housing in the United Kingdom, Sweden and Denmark. How institutions matter

Timothy Blackwell and Bo Bengtsson

Institute for Housing and Urban Research, Uppsala University, Trädgårdsgatan 18, Box 514, Uppsala, Sweden

ABSTRACT
This paper evaluates the resilience of social rental housing in the UK, Sweden and Denmark. Throughout the OECD, processes of retrenchment and privatization, alongside the growth of the owner-occupied and private rental sectors, have led to nigh universal declines in the size and scope of social rental housing. These processes have not transpired evenly, however. Embracing a historical institutionalist approach, alongside novel data and methodology, this paper assesses the variegated patterns of sectoral decline and resilience in these three northern European countries. We find the Danish, association-based model - with its polycentric governance and multi-level system of financing - to have been the most robustly resilient hitherto. In the UK and Sweden, we observe patterns of decline and evidence that the non-profit and needs-based principles which traditionally underpinned these systems have reached precarious thresholds. Nevertheless, despite manifold retrograde threats and vulnerabilities over the past decades, the social rental sectors in Sweden and the UK have proved surprisingly resilient.

ARTICLE HISTORY
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KEYWORDS
Social rental housing; Resilience; Historical institutionalism

1. Introduction

The provision of good quality, accessible and affordable homes is the specified objective of housing policy worldwide, however articulated. And yet, housing has been labelled 'the wobbly pillar under the welfare state' (Torgersen, 1987); 'unique among social programs' (Pierson, 1994:74), constituting both 'a market commodity and a public good' (Bengtsson, 2001:256). Given its unique characteristics, Harloe (1995:2) argues that housing has, 'retained an ambiguous and shifting status on the margins of the welfare state'.

Today, in many countries, social rental housing has, rather unambiguously, been pushed further to the margins of the welfare state. However, despite similar trends, the processes of retrenchment have not transpired evenly. Embracing a historical

CONTACT Timothy Blackwell timothy.blackwell@ibf.uu.se Institute for Housing and Urban Research, Uppsala University, Trädgårdsgatan 18, Box 514, 751 20 Uppsala, Sweden

The Resilience of Social Rental Housing in the United Kingdom, Sweden and Denmark: How Institutions Matter

Institute for Housing and Urban Research, Uppsala University, 2023

This paper evaluates the resilience of social rental housing in the UK, Denmark, and Sweden. It measures resilience with reference to the following key criteria:

- Housing need/non-profit ethos – social rental housing should be operated in accordance with an ethos of meeting the housing need and on the basis of non-profit principles.
- Housing is of good quality – in terms of space, equipment and local environment.
- Residents have security of tenure – protected from eviction and rental increases.

Key Findings

Having a housing need/non-profit ethos:

- All systems are universal but have become more selective since the 1970s in both Sweden and the UK in the forms of Minimum Income Requirements and the 'Affordable Rents' principle respectively.
- The paper indicates that the non-profit ethos in the UK and Sweden have been undermined due to centralized systems that rely on subsidies whereas Denmark's system is less reliant on government financing.

Housing of standard and quality:

- Social renting quality generally has been resilient over time with the paper finding standards have consistently been above the private rental sector with this being the most resilient criteria.

Security of Tenure:

- The authors suggest that in the UK, there has been attempts to undermine security of tenure but so far these have not had a large impact.
- In Denmark, attempts to undermine security of tenure have had little impact.
- Sweden has seen security of tenure undermined through ‘renoviction’ (higher rents due to major renovations) and ‘social contracts’ (municipal social services sublet apartments).

Size of Social Housing Sector:

- Sweden and the UK’s social housing stocks have been reduced leading to a more left behind sector, but the sectors are still large enough to not be an obstacle to the central role for social rental housing, so resilience remains.

Summary

- Denmark’s association-based model has been the most robustly resilient due to its governance and multi-level system of financing.
- Despite being more vulnerable than Denmark, the UK and Sweden have exhibited surprising levels of resilience with social rental housing continuing to have an important social function in terms of quality despite a narrowing stock and being more selective.

Sustainability & Inclusive Growth

Levelling up Local Outcomes: The Importance of Community Spaces to Neighbourhood Regeneration

All Party Parliamentary Group (APPG), February 2023

This paper by the APPG explores ways to improve community assets and social infrastructure to support 'left behind' neighbourhoods in England's deprived areas. The report finds that 'Left behind' neighbourhoods in England are critically lacking in social infrastructure, with a far lower density of community assets than both other similarly deprived areas and the national average. The report establishes a definition for social infrastructure emphasising the importance of the role of community owned assets as they give local people a stronger voice and can adapt to local needs. The levels of social infrastructure that currently exist in left-behind neighbourhoods is established before being contrasted with those of other deprived areas as well as across England.

Benefits of Social Infrastructure

Social infrastructure provides a number of benefits, playing a crucial role in:

- Levelling up social outcomes
- Supporting regeneration efforts and protecting local services
- Building community capacity and resilience
- Developing civic pride and community engagement

Barriers

The report attempts to explain why social infrastructure is found lacking within 'left behind' neighbourhoods but first recognises that the trend of decline has proliferated into a national problem in England. The three key barriers to community ownership of social infrastructure include:

- Time - lack of free time to be involved in supporting community assets due to higher working hours and levels of ill-health within left-behind communities.
- Capacity - Less well-resourced community groups and lack of charities impact the capacity for community asset ownership.

- Funding - ‘left behind’ neighbourhoods received £7.77 in charitable grant funding per head between 2004 and 2021, compared to £12.23 per head across England.

The APPG make three key recommendations to improve social infrastructure within the most deprived areas:

- A long-term, hyper-local, evidence-led strategy that places social infrastructure at the heart of levelling up.
- A reinvented funding model that targets investment at ‘left behind’ neighbourhoods.
- New community rights, underpinned by new resources from central government.

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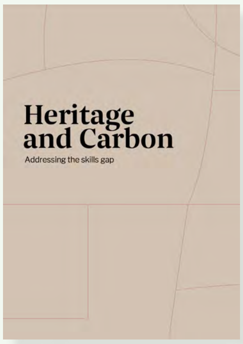

Heritage and Carbon: Addressing the Skills Gap

Grosvenor, March 2023

This report explores the skills and training challenges that need to be addressed to ensure the UK's historic buildings contribute to the transition to net-zero carbon emissions. The main process required to meet this goal involves retrofitting historic properties to improve energy efficiency.

It is estimated that this would generate £35 billion in additional annual output and support around 290,000 jobs.

The research considers the capacity of the construction sector to undertake the required work and estimates that 350,000 additional workers in this sector are needed by late 2020s to achieve net zero in the building environment. The demand within specific jobs in the construction sector is highlighted with the skills gaps working on historic buildings further identified, particularly occupations including skilled plumbers and heating and ventilation installers, glazers, electricians, joiners and carpenters, scaffolders and multi-skilled/general labourers.

In order to build a workforce with skills and capacity to retrofit the UK's historic buildings, a series of recommendations are set out, which are summarised below:

- National Retrofit Strategy - government and industry combine to form a strategy which will provide long-term certainty to build capacity and provide clarity to stakeholders.
- Industry standards that support historic retrofit - reviewing the training available for the construction sector and ensure knowledge of effective retrofit is covered, available and encouraged.
- Local Skills Improvement Plans - develop proposals to build skills and capacity in the retrofit sector and the green economy.
- Area-based schemes – these will build local demand and create local businesses with pipelines that should consolidate certainty needed to build capacity.
- The Apprenticeship Levy – making funding more flexible by allowing unspent funds to improve reach and delivery of existing retrofit qualifications in the supply side.

Agility & Innovation

Building Smart Communities: Making a Success of Local Government Digitalisation in England

Vodafone, February 2023

This research report highlights how digitalisation brings significant benefits for both councils and consumers and outlines a number of ways to help make this happen. The technology that councils need already exists, and the report sets out a model to allow them to adopt the technology and in turn improve service delivery. Setting out to become fully digitalised also sends a signal to other organisations, including those in the private sector, that an area is an innovative place to do business.

To understand the landscape of digitalisation in English councils, several chief executives and digital leaders were interviewed over a three-month period in early 2022. To fully understand from stakeholders themselves what the opportunities and challenges of digitalisation were.

Vision for 'Council of the Future'

The vision provides a glimpse into what digitalisation would look like in practice, and how digitalisation could benefit councils and communities across England.

- Being a Smarter Council: technologies which allow for the integration and connection of council systems for those who work within them.
- Delivering Smarter Services: in the home and with the resident - smart technologies are often deployed at the level of an individual or property, aiding decision-making and resource allocation in local government.
- Delivering Smarter Services: on the street and in the neighbourhood – some smart devices measure a wider area than a single property or individual, such as a street, neighbourhood, or city.

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Barriers to a fully digitalised future

The report identifies three significant barriers:

1. **A disconnect between central government and local government in terms of incentives, organisation, and guidance.**

   The research uncovered a disconnect between how national programmes and strategies are designed and how these programmes and strategies are implemented and experienced at a local level. This is partly an aspect of the diversity of financial and social conditions within which councils find themselves, but it may also be due to a genuine comprehension gap between central and local government. There are too many decisions made in Whitehall which cannot address the diverse challenges facing local councils.

2. **A lack of funding at local government level generally, which means less funding for digitalisation programmes.**

   Many in the digital sector have made the argument that increased digital spend now means efficiency savings later. But with funding for frontline services a necessity, it is often difficult for local authorities to 'make the leap' to invest in digital.

3. **Traditional digital, data, and technology procurement procedures that hold back innovation in local government.**

   Procurement procedures are essential to ensuring innovators within local government can bring forward changes to transform service delivery. But they work best when focused on residents and their needs, rather than on processes.

Recommendations

The following four recommendations have been created to support the transition to a fully digitalised future for local government:

- Central government and local government to jointly create and commit to Regional Innovation and Technology Offices (RITOs).
- Central government to create a Local Government Digital Fund.
- Central Government to encourage full 5G adoption by local government to support the digitalisation of council services.
- Government should introduce new pre-engagement guidance with suppliers.

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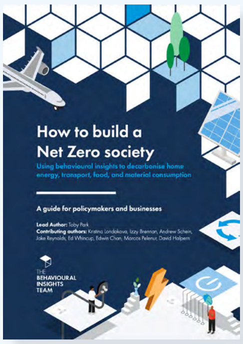

How to build a Net Zero society: Using behavioural insights to decarbonise home energy, transport, food, and material consumption

The Behavioural Insights Team (BIT), January 2023

This report aims to outline a plausible blueprint to deliver the changes in public behaviour necessary to build a Net Zero society.

Greening our Homes and Transport

These cut across these three levels. There is a role for;

i) informing and encouraging direct individual action, but a bigger role for;

ii) building choice environments which enable greener choices, and the biggest impacts of all will come from;

iii) aligning commercial incentives and regulations with Net Zero, in ways which in turn create greener choice environments for consumers and citizens, at scale. That way, we can all consume green by default, and the burden of proactive 'behaviour change' is lifted.

Communications and Public Engagement

These play a strategic role. In particular, to;

i) inform and steer people towards worthwhile steps (given widespread misperceptions of which actions to prioritise),

ii) take people on a journey that fits their capabilities and opportunities, for instance encouraging small 'stepping stone actions' that lead towards the bigger changes,

iii) articulating a positive narrative of Net Zero, and

iv) engaging in two-way dialogue to ensure legitimate interests are heard and the transition is fair and benefits from widespread public support. These are 'downstream' interventions.

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Greening Consumption

- There is a critical role for businesses: to make green choices easier, more attractive, more socially normative and timely. These are 'midstream' interventions.
- There is equally a critical role for the Government: to use its regulatory and fiscal powers to align commercial incentives with greener consumption (thus driving businesses to do their bit), and to lead by example. These are mostly 'upstream' interventions.
- Specific policy recommendations and ideas for businesses are given, which focus on addressing financial, practical, and psychological barriers. These specific recommendations broadly attract high levels of public support. This further builds the case for political feasibility.

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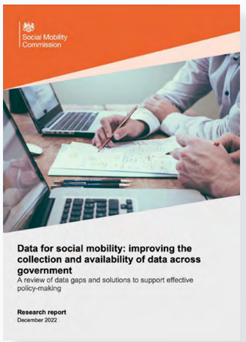

Data for Social Mobility: Improving the Collection and Availability of Data Across Government

Social Mobility Commission, December 2022

This report has been prepared by the National Foundation for Educational Research on behalf of the Social Mobility Commission (SMC). The report explores the current capability of the system for capturing and processing socio-economic data, key areas for change, where improvements have been made or are in progress, and where further improvements may be beneficial for understanding social mobility and socio-economic disadvantage.

- There is a need for a greater understanding of the causes of poor life outcomes to develop better-targeted policies. Data has the power to provide these insights and help inform policy makers and researchers, but often there are gaps in the existing data or getting a hold of data can be difficult, this limits the scope for potential analyses to shed light on the causes of socio-economic disadvantage and its implications on social mobility.

Recommendations

Better Data Sharing and Linking

1. The ONS should promote the DEA information-sharing provisions across the government, so that data can be shared across departmental boundaries more easily and quickly.

2. Government departments should be strongly encouraged to make their administrative data available through the IDS so it could be linked to other administrative data sets.

Filling the data gaps

3. A UK household data set based on administrative data would be very desirable. The government should set up a central programme to work towards developing such a data set. Critically, a household data set that included children would allow much more accurate targeting of education policy.

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4. DfE should undertake a review to identify how best to collect information to identify the length of time a pupil has been disadvantaged, bearing in mind it may already be held by or can be derived from information held in the Department for Work and Pensions (DWP).

5. The ONS, with SMC input, should lead a cross-government project to conduct research into developing improved social background measures which can help form a wider picture of the full range of socio-economic characteristics experienced across the population.

6. The government should implement current proposals to collect and – critically – share occupational data which is needed for a better understanding of social mobility and the causes of socio-economic disadvantage.

7. The National Statistician should work with the SMC and other departments to identify and assess solutions for developing administrative data systems, and to put in place a programme of work to address evidence gaps such as linked administrative income and education data between parents and children.

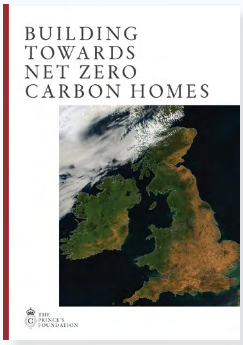
8. The government should consider how the critical work of a new UK-wide birth cohort study can be best supported now and in the future, so that further large gaps do not arise.

9. A cross-government review of UK nations and in partnership with the devolved administrations, would help identify the important data gaps that are hindering our understanding of social mobility and how they could be addressed.

Leadership and Collaboration

10. As an arms-length body, the SMC does not have the power to require government act on the recommendations it makes. Therefore, we encourage the government to assign the recommendations in this report to an appropriate central body that can take coordinated action on them. For example, the Central Digital and Data Office responsible for the National Data Strategy or the ONS Centre for Equalities and Inclusion. In addition, the appointed lead should also be responsible for publishing a regular audit of the non-sensitive data sets held in each department. To help deliver on these recommendations, the government should also give a relevant department such as the Cabinet Office or the Department for Levelling Up, Housing and Communities overall responsibility for oversight of work across government to address socio-economic disadvantage.

Agility & Innovation



Building Towards Net Zero Carbon Homes

The Princes Foundation, November 2022

This report draws together a broad range of evidence from qualitative and quantitative studies of the built environment to assess the implications of, and possibilities for, achieving a radical, transformative, and necessary shift towards providing Net Zero homes for urban and rural populations. Over 600 research projects and analysis were examined to explore the effects of fuel poverty, household energy efficiency, indoor air quality, embodied energy and the 'hidden' costs of construction in relation to Net Zero goals for buildings.

Two of the major challenges for the UK in 2022 are: how to respond to the climate emergency, and the rapid rises in household fuel bills. There is a link between them: the energy inefficiency of our housing stock.

Key Findings

Future of Housing Stock

- As a result of the increasing cost of energy, the number of households in fuel poverty was set to have more than doubled between October 2020 and October 2022, with fuel bills rising to nearly £3,600 this autumn from £1,000 two years earlier.
- The short-term solution is to subsidise their daily fuel costs, but the permanent response must be to make their homes more energy efficient, so they need to buy less energy. That means capital expenditure on the housing stock. By 2050, there should be no greenhouse gas (GHG) emissions from housing or construction activities.
- Climate change imperative is another issue. The built environment is a major consumer of energy, for heating, lighting, and appliances. Of the 40% GHG emissions linked to the building sector, only 13% results from the direct use of fossil fuels (mainly gas) in the home, according to the National Housing Federation.
- Many of those in the most severe fuel poverty are reluctant to self-identify, even when programmes to assist them exist. In NI, each area of concentrated fuel poverty was quite small, perhaps 125 houses.

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Fuel Poverty

- In October 2021, former British Prime Minister, Gordon Brown, issued a dire warning, saying that 3.5 million households faced fuel poverty. A recent Resolution Foundation report warned that the average household energy bill will increase from £1,277 to around £2,000, and that 27% of households in the UK (6.3 million) would spend more than 10% of their income on fuel.

Achieving Net Zero Household Energy Use

- In the UK, domestic buildings account for around a third of the energy budget. One fifth were built pre-1919, giving us some of the oldest housing stock in the world. Accordingly, retrofitting this stock, which forms 80% of the homes needed for 2050, is one of the most cost-effective ways to reduce energy consumption. Modelling suggests that using efficiency measures to achieve a 25% reduction in energy use by 2035 would save households an annual average of £270 and create over 60,000 new jobs.

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Feedback

We recognise that this publication will improve through continual engagement with those responsible for policy delivery. Therefore, we would welcome feedback on the research review and have included a link to the feedback sheet which we would encourage you and your colleagues to complete: **Feedback Survey Link**

Department for Communities

Professional Services Unit

Level 6

Causeway Exchange

1-7 Bedford Street

Belfast

BT2 7EG

E-mail: **PSU.research@communities-ni.gov.uk**

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