Department for Communities
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Economic and Social Research Review

Professional Services Unit

November 2022

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:

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

The Research Review also features an internal research highlights section, which provides a snapshot of some of the research undertaken by PSU as part of the Department's Economic and Social Research Programme.

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

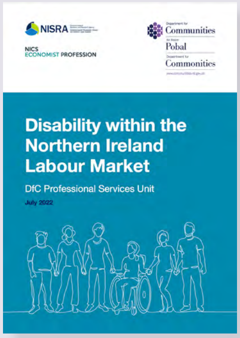
The research referred to in this document presents the views and information/ statistics provided by various researchers and organisations and does not represent the views or policy of the Department for Communities.

A Summary Table of Papers/Studies Included in the Research Review — December 2021 to September 2022

	Authors' institutions	Paper Title	Objective
Section 1 – Internal Research Highlights			
1	DfC Professional Services Unit, July 2022	**Disability within the Northern Ireland Labour Market**	This research project focuses on providing evidence on employment outcomes for people with disabilities in Northern Ireland.
2	DfC Professional Services Unit, June 2022	**An Examination of the Rates and Distribution of Poverty in Northern Ireland**	This study examines the rates and distribution of poverty in NI compared to UK countries/regions and the Republic of Ireland, and how this has changed during the decade from 2010/11 to 2019/20.
3	DfC Professional Services Unit, July 2022	**An Overview of the Local Labour Market Insight Dashboard**	The Local Labour Market Insight Dashboard was designed to assist Labour Market Partnerships in identifying the key labour market challenges and opportunities at the Local Government District level.
Section 2 – Anti-poverty Theme			
4	The Chartered Institute of Housing, July 2022	**Cost Of Living Crisis: the crisis worsens - How are social landlords responding?**	This briefing document addresses the question 'what is the impact of the cost-of-living crisis on social housing tenants – and how the sector should respond?
5	Resolution Foundation, June 2022	**Not working: Exploring changing trends in youth worklessness in the UK, from the 1990s to the Covid-19 pandemic**	This report by the Resolution Foundation focuses on the labour market experience of young people, including its implications for health.
6	Child Poverty Action Group, March 2022	**Pushed deeper into poverty: The Impact of the Benefit Cap on Families amid rising prices**	This report analyses how soaring inflation in the UK will impact households under the benefit cap (limits social security amounts received to some households) in the UK.
7	National Institute of Economic and Social Research, September 2022	**A 'Variable Energy Price Cap' to Help Solve the Cost-of-Living Crisis**	This policy paper published by NIESR sets forward the proposal of a variable energy price cap where the price per-unit of energy increases with usage.
Section 3 – Wellbeing & Inclusion Theme			
8	Institute for Fiscal Studies, July 2022	**Living standards of working-age disability benefits recipients in the UK**	This working paper examines the living standards and health of working-age disabled people and disability benefits recipients over time in the UK.
9	Design Council, June 2022	**A Design Sprint for the Creative Industries Sector Vision: Maximising the spillover value of the creative industries to the wider economy**	To further understand the wider economic spillover value of the Creative Industries to other sectors, a policy co-design sprint, commissioned by DCMS and the Creative Industries challenge team at UK Research and Innovation (UKRI) and led by the Design Council, was undertaken to develop an understanding of how government and industry led interventions could help maximise this value.

	Authors' institutions	Paper Title	Objective
10	Libraries Connected, June 2022	**Libraries and the cost-of-living crisis**	This briefing note aims to quantify the impact of the cost-of-living crisis and get a clearer national picture by surveying heads of service from across England, Wales and Northern Ireland.
11	Heseltine Institute for Public Policy, Practice and Place, December 2021	**Bridging the community asset gap**	This research assesses the role played by social infrastructure assets in communities, and developing understanding of where there may be gaps in the provision of social infrastructure
Section 4 - Sustainability & Inclusive Growth Theme			
12	Centre for Cities, June 2022	**Homeworking and the high street | Centre for Cities**	This briefing by Centre for Cities, uses spending and footfall data to look at the impact that homeworking is having on local businesses, how important it is for the high street that office workers return, and what prospects it faces if they do not.
13	LSE Centre for Analysis of Social Exclusion, April 2022	**Keeping communities together: how smaller social landlords and community-led housing can provide affordable, secure, low-cost accommodation for communities in need**	The report looks at the role of community-led housing and the benefits it can produce not just in tackling housing problems but in tackling wider issues such as social isolation and homelessness.
14	The Resolution Foundation, May 2022	**Growing clean Identifying and investing in sustainable growth opportunities across the UK**	This report provides analysis, and assesses the role that clean growth and innovation can play in the UK's future economic strategy, and considers how the UK financial system can be geared towards realising these.
15	Young Foundation, September 2022	**Family and Community Vulnerabilities in the Transition to Net Zero**	The Young Foundation's Institute for Community Studies has conducted research on the impact the UK's transition to net zero carbon emissions will have on our society's most vulnerable families and communities.
Section 5 - Agility & Innovation Theme			
16	Behavioural Insights Team, September 2022	**Supporting employees to save via Credit Unions in Northern Ireland**	The Behavioural Insights Team ran a research project with the Money and Pensions Service to evaluate the roll-out of payroll savings in two small and medium businesses in Northern Ireland, delivered through credit unions.
17	Ulster University Economic Policy Centre, February 2022	**Future of Remote Working in Northern Ireland**	The paper reviews the degree of working from home in the UK with a focus on Northern Ireland. The content covers both private and public sector attitudes and the views of employers and employees.
18	The royal society for arts, manufacturers and commerce, February 2022	**Social security: The risks from automation and economic insecurity for social renters**	The report focuses on the economic security of social renters of working age in Manchester and London with most of those surveyed in paid employment.
19	UK Parliament Post May 2022	**The impact of digital technology on arts and culture in the UK**	This report provides an examination of the impact of digital technology on arts and culture in the UK.

Internal Research Highlights



Disability within the Northern Ireland Labour Market

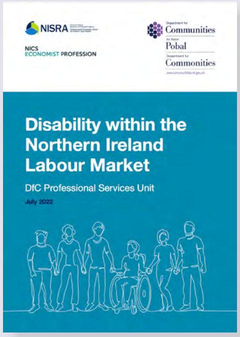
DfC Professional Services Unit, July 2022

This research project focused on providing evidence on employment outcomes for people with disabilities in Northern Ireland (NI). It explored disparities in the employment outcomes between disabled and non-disabled people, barriers and constraints that prevent people with disabilities from achieving their employment goals and potential interventions to address the issues. The research also took stock of the employment impacts of COVID-19 for people with disabilities and the need for targeted interventions in response. Key highlights are:

Employee Outcomes

- Prevalence of Disability: NI has the second highest rate of disability across the UK countries but a lower proportion of 16–24-year-olds are disabled compared to other UK countries.
- Economic Inactivity: The economic inactivity rate for people with disabilities in NI is 17.2 percentage points above that of people with disabilities in the UK.
- Employment: The employment rate for people with disabilities (38.1%) is 42.2 percentage points below the rate for non-disabled people (80.3%). The disability employment rate is smallest for 16-24 age group.
- Employment rates for people with disabilities varied by impairment; those with depression, anxiety, severe or specific learning problems or nervous disorders experienced the lowest employment rate at 31.2%.
- Occupation: People with disabilities are more likely to be employed in elementary occupations, caring, leisure and other service occupations or sales and customer services occupations.
- Earnings: In 2021 the average weekly earnings of people with disabilities were £103 lower than the earnings of non-disabled people.
- Disabled people reported lower satisfaction scores across a range of work quality metrics including career progression, involvement in decision making, job satisfaction and meaningful work.
- The under-employment rate is higher for people with disabilities than non-disabled people and disparities in NI are wider than in the UK.

Research Highlights



- A higher proportion of disabled than non-disabled people experienced flexibility at work.

Barriers and Challenges

- Key barriers to people with disabilities gaining, staying and progressing in employment include: knowledge and awareness of support, attitudes and perceptions, the recruitment process, skills and experience, accessibility issues, level of support provided, ongoing health issues and the benefit system.

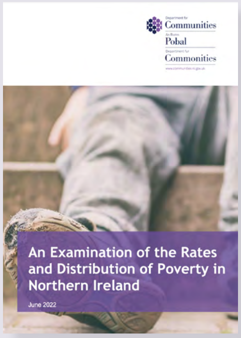
Impacts of COVID-19

- The impact of the COVID-19 pandemic on people with disabilities in the labour market include an increase in mental health issues, a decrease in number of work experience positions for people with disabilities, and concern around increased competition for jobs in a competitive labour market.
- Most notable positive impact of the COVID-19 pandemic is the shift in employer attitudes and their willingness to now embrace flexible working arrangements which provides increased opportunities for people with disabilities.

Potential Interventions

- Suggested interventions that could help people with disabilities overcome barriers in the labour market include offering increased flexible / home-working positions, increased education and awareness within the workplace, changes to the traditional recruitment process allowing for greater flexibility for people with disabilities, and also offering greater employment and individual supports.

Research Highlights



An Examination of the Rates and Distribution of Poverty in Northern Ireland

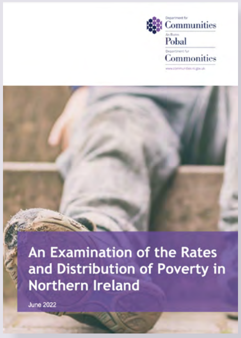
DfC Professional Services Unit, June 2022

This study examines the rates and distribution of poverty in NI compared to UK countries/regions and the Republic of Ireland (RoI), and how this has changed during the decade from 2010/11 to 2019/20. Findings from the study provide an indication of the extent to which UK research is relevant to NI and an insight into any key differences in poverty in NI. The key findings are:

Overall Poverty Rates

- Both the relative and absolute poverty rates in NI, on a before and after housing costs (AHC) basis, have been on a downward trend and are currently at their lowest level in the last decade, with the exception of relative poverty before housing costs (BHC) which was at its lowest in 2017/18.
- Relative poverty rates BHC in NI were generally higher than those in the UK but this gap has narrowed in recent years. Furthermore, the rates appear to be lower in the RoI than NI.
- When housing costs are taken into consideration, it alters the relationship between NI and the UK poverty rates. Owing to the comparatively lower housing costs in NI, relative poverty rates AHC were generally lower there than those in the UK, with this gap widening in the last five years.
- Absolute poverty rates BHC in NI were previously higher than those in the UK, however following a marked downward trend in NI, they have been broadly equivalent for the last five years. Meanwhile the ‘at risk of poverty’ rate in the RoI has continually remained lower than NI.
- During the last decade, absolute poverty rates AHC in NI have fallen considerably and are now lower than those in the UK.

Research Highlights



Poverty Rates Amongst Working-age Adults

- Relative poverty rates for working-age adults in NI are slightly lower than those for all individuals and have generally been on a downward trend.
- Relative poverty rates for working-age adults BHC in NI have traditionally been higher than those in the UK, but owing to a gradual downward trend, they were lower in 2019/20 for the first time in a decade. Comparing NI and the RoI, the relative poverty rate BHC has normally been higher in NI for working-age adults.
- Relative poverty rates for working-age adults AHC in NI were generally lower than those in the UK with this gap widening in the last five years.

Poverty Rates Amongst Children

- Relative poverty rates for children in NI are higher than those for all individuals, with this gap widening, on both a before and after costs basis.
- Relative poverty rates for children BHC in NI were generally higher than those in the UK, although, the gap has narrowed in recent years and given way for NI to dip below the UK.
- The ‘at risk of poverty’ rates in the RoI have consistently been lower than the relative poverty rates experienced in NI with this gap widening in the last two years.
- Relative poverty rates for children AHC in NI have fluctuated but remained consistently lower than those in the UK.

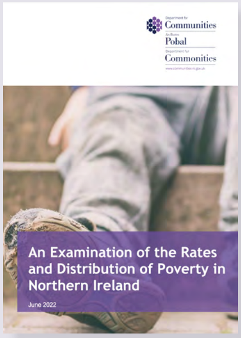
Poverty Rates amongst Pensioners

- Relative poverty rates for pensioners BHC in NI were previously higher than those in the UK, however following a downward trend in NI, they have been lower since 2017/18.
- The RoI has experienced much lower rates of pensioner poverty for the full duration of the last decade, their highs were still less than the lows seen in NI or the UK.

Poverty Rates by Other Characteristics

- Relative poverty rates BHC were historically higher for those families in NI where someone is disabled than those in the UK, however this has reversed in recent years.

Research Highlights



- In NI, the percentage of individuals in relative poverty BHC were generally higher for individuals living in households where someone in the family is disabled compared to those in which no one is disabled, although this gap has once again narrowed to match in 2019/20, as was the case in 2011/12.
- Relative poverty rates BHC for working-age adults are much higher for those in workless compared to working households.
- Relative poverty rates BHC for individuals living in lone parent families are much higher than for all individuals in any family type. The rates in NI were generally higher than those in the UK, although the gap has narrowed in recent years.

Material Deprivation

- The rates of children in combined low income BHC and material deprivation in NI have generally been lower than those in the UK during the last decade, and are largely on a downward trend despite a brief spike in 2014/15.
- Rates in NI and the RoI have followed a similar trend during the last 10 years.
- During the first half of the last decade, a higher proportion of pensioners were in material deprivation in NI than the UK.

Persistent Poverty

- The rates of individuals in persistent poverty BHC in NI have been broadly stable and generally consistent with those in the UK.
- The rates of children and working-age adults in persistent poverty BHC in NI were largely similar to those in the UK, however for pensioners they have generally been lower in NI than the UK, due to a fall in NI's rates.
- The rates of individuals in persistent poverty AHC in NI were consistently lower than those in the UK, with the gap widening following a recent decline in NI's rates.
- NI has also experienced some of the lowest rates of persistent poverty AHC within the UK regions.

Research Highlights

An Overview of the Local Labour Market Insight Dashboard

DfC Professional Services Unit, July 2022

The Local Labour Market Insight (LMI) Dashboard was designed to assist Labour Market Partnerships (LMPs) in identifying the key labour market challenges and opportunities at the Local Government District (LGD) level, and therefore help inform the development of their targeted action plans and interventions. DfC examined the economic and labour market data available at the LGD level and agreed a set of priority indicators to be included within the local LMI dashboard. Any gaps in the labour market data coverage at the LGD level were identified, and alternative or proxy measures that could provide valuable insight were explored.

The local LMI dashboard contains a series of interactive dashboards that provide insight into local labour markets and their broader economies through:

- Tracking labour market trends across LGDs over time;
- Benchmarking labour market performance at the LGD level; and
- Identifying, where possible, breakdowns by age, gender and disability status.

The dashboard comprises of four main themes with the following associated indicators:

- Labour market: Total employment, employee jobs, economic inactivity excluding students, median gross pay (by place of work and residence), median total paid hours worked (by place of work and residence), unemployment, claimant count, young people not in education, employment or training (NEET), and employment vacancies notified to DfC.
- Qualifications and skills: Qualification level; Qualifications of school leavers; and destination of school leavers.
- Economy: Gross Domestic Product (GDP) and productivity per filled job.
- Enterprise: Business count; Business births; Business deaths; and Business survival.

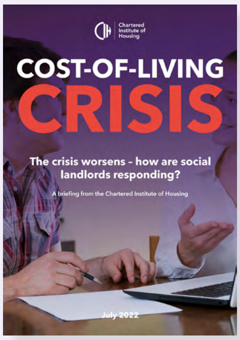
Research Highlights

Many of these indicators are available by various breakdowns including: LGD, gender, age group, and disability status.

The report demonstrates possible insights that can be drawn from the dashboard based on the ‘Economic Inactivity Excluding Students’ indicator for the four years from 2016 to 2019, with breakdowns available by gender and disability status. Some of the key insights drawn from the dashboard are:

- Causeway Coast and Glens (CC&G) has generally experienced the highest rates of economic inactivity excluding students across all LGDs, rising to 25.5% in 2019.
- Inactivity has continually been lowest in Lisburn and Castlereagh (L&C) for each of the four years from 2016 to 2019.
- In 2019, the economic inactivity excluding students rate in L&C was approximately half of that in CC&G at 12.9%. In comparison to NI, the LGDs Belfast, DC&S and CC&G have consistently been more prevalent for economic inactivity.
- Antrim and Newtownabbey (A&NA) experienced a prominent rise in economic inactivity amongst its male working age population, rising from 5.1% in 2016 to 14.6% in 2019. Conversely, it has seen a decline in the equivalent rates for females from 22.2% to 18.8%.
- Considering CC&G, although it underwent a decline of 7 percentage points in economic inactivity rates for females between 2016 and 2019, this was offset by an increase of 7.7 percentage points for males.
- Fermanagh and Omagh (F&O) had the highest economic inactivity rate for those with a disability at 67.8%.

Anti-poverty



Cost Of Living Crisis: the crisis worsens - How are social landlords responding?

The Chartered Institute of Housing, July 2022
This briefing document addressed the question 'what is the impact of the cost-of-living crisis on social housing tenants – and how the sector should respond? It begins by giving an overview of the latest evidence surrounding the crisis before focussing on social tenants with evidence from surveys pointing to difficulty in meeting rent at a time when already shoe-string budgets are being stretched further. Furthermore, the briefing examines case studies such as the Grand Union Housing Group's Financial Well-being team as well Newydd Housing Association which provides a wide range of digital support initiatives.

Key points noted in the brief are that:

- Recent government measures are welcomed but the paper indicates that they do not go far enough as one-off payments cannot be a replacement for adequate benefits rates and proper indexing in addition to the fact that other welfare reforms have negatively impacted household's ability to manage the crisis such as the benefit cap and the two-child limit.
- Examples of how social housing providers are providing support with the cost of living. According to the research, support for residents varies across organisations and includes offering fuel vouchers and money/ energy advice.

The briefing sets out 5 key long-term reforms that could be implemented by the government:

- Provide enough help with housing costs so people can access an affordable, decent place to call home, and permanently restore the £20 uplift for people on Universal Credit to ease the pressures of fuel poverty
- Bring forward investment with clear, long-term plans to tackle homes with poor energy efficiency
- Invest in a long-term strategy to end homelessness in all its forms and provide good quality temporary accommodation
- Invest in existing and new supported housing to meet a range of support needs.
- Increase grant levels to provide the number of homes at social rents we need each year.

Anti-poverty

Not working: Exploring changing trends in youth worklessness in the UK, from the 1990s to the Covid-19 pandemic

Resolution Foundation, June 2022

This report by the Resolution Foundation focuses on the labour market experience of young people, including its implications for health.

Key findings

- In 1995, over one-in-five (22 per cent) young people aged 18-24 were workless; by 2021, this had fallen to 15 per cent, meaning a fall from 1.1 million to 800,000 young people. Of the 300,000 fall in youth worklessness between 1995 and 2021, 280,000 of this was among young women.
- Among young women, the biggest change has been the decline in those who are economically inactive for family care reasons. Between 2006 and 2021, this number fell by 220,000, a fall of 78 per cent.
- Between 2006 and 2021, economic inactivity due to long-term health problems has been rising for young men and women. Economic inactivity due to long-term health problems rose by 45,000 for young men (to reach 91,000) and by 28,000 for young women (to reach 70,000). The sharpest increase has been in economic inactivity due to mental health problems.
- Having a Common Mental Disorder (CMD) increases young people’s odds of moving from work or study into worklessness: 8 per cent of young people with a CMD moved into worklessness one year later, compared to 6 per cent of those without a CMD.
- On current trends, overall youth worklessness rates are likely to rise again from 2024, as rising economic inactivity due to health problems overtakes the fall in the number of young women who are economically inactive for family care reasons.

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Key recommendations:

- With less than a third of workless young men, and less than half of workless young women, claiming income-related benefits, policy makers should focus strategies on identifying young people who have historically been dubbed ‘hard to reach’. This will allow local and central governments to support those who are economically inactive due to poor health, and not just on those who are unemployed and engaging with jobcentre support.
- Policy makers should invest in employment support for young people who are workless. Policy makers should prioritise those young people who are economically inactive and face barriers to entering employment, including young people with mental health problems.
- When designing support for young people with mental health problems, policy makers should learn from previous successes of integrating employment support with psychological support.
- Policy makers should consider amendments to the social security system to ensure that young people, especially those with caring responsibilities or health problems, have access to an adequate level of income, for example by awarding young people with children the over-25s rate of Universal Credit.
- Policy makers should focus on improving job quality, for example, by giving workers the right to request longer hours, and receive compensation for shifts cancelled at short notice, since young people in insecure work have higher rates of mental health problems than those in secure jobs.

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CHILD POVERTY ACTION GROUP

PUSHED DEEPER INTO POVERTY

THE IMPACT OF THE BENEFIT CAP ON FAMILIES AMID RISING PRICES

March 2022

Pushed deeper into poverty: The Impact of the Benefit Cap on Families amid rising prices

Child Poverty Action Group, March 2022

This briefing published by the Child Poverty Action Group analyses how soaring inflation in the UK will impact households under the benefit cap in the UK following recent statistics revealing that 123,000 household were subject to the benefit cap in November 2021.

The briefing sets out why those who fall under the benefit cap will be particularly affected by the cost of living crisis. There are 3 main points that the authors highlight:

- Capped households are facing a monumental reduction in the real value of their benefits-the real value of benefits will decline with 77000 families with children outside of London seeing a fall in benefits in real terms of £1600. This loss is two to three times greater than those who receive universal credit without the cap. The authors note that this is particularly alarming as almost all households with children under the benefit cap are in deep poverty.
- Families with children are disproportionately impacted by the cap- the vast majority (85 per cent) of those affected by the benefit cap are families with children. The benefit cap does not account for higher costs of living with the benefits cap remaining constant for couples with and without children. Additionally, the briefing makes clear single parents face a disadvantage escaping the cap through work as they need to singlehandedly reach the household earnings threshold, on top of covering childcare costs. 80,000 households (65 per cent) affected by the cap are single parent households and 42,000 have a child under 5.
- With no increase in support, capped households will fall deeper into poverty- The cap was reduced to its current level in 2016, where it has remained frozen. Over the six years from 2016 to April 2022, the cost of living is expected to have risen by around 19 per cent, pushing families subject to the cap deeper into poverty. Families with children affected by the benefit cap lose £235 a month on average, but some lose far more – 15 per cent of capped families lose out on over £400 a month.

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CHILD POVERTY ACTION GROUP

PUSHED DEEPER INTO POVERTY
THE IMPACT OF THE BENEFIT CAP ON FAMILIES AMID RISING PRICES

March 2022

Families most in need are left exposed to rising costs

New statistics released today show that 123,000 households were subject to the benefit cap in November 2021.[1] The benefit cap limits the amount of social security received by some households, with families with children losing £235 a month, on average.[2]

In April, when inflation is expected to reach 8 per cent and most benefits will be increased by 3.1 per cent, capped households will see no increase in their benefits.

Capped households are facing a monumental reduction in the real value of their benefits

If the government doesn't act, **28,000 families with children in London will see the real value of their benefits fall by £1,840, and 77,000 families outside of London will see a real-terms fall of £1,600.**[3] This is between two and three times greater than the loss faced by families receiving universal credit who are not subject to the cap.[4] Families not affected by the cap will at least see a slight increase in their benefit income (but still not enough to keep pace with the cost of living).

Almost all capped households with children are already in deep poverty.[5] Widening even further the gap between what they need to make ends meet and what they receive will likely have serious consequences for households already struggling.

Registered charity numbers: 294841 and SC039339

Child Poverty Action Group
30 Micawber Street
London N1 7TB

The paper states that for every £6 the government 'saves' from the cap, £1 is spent countering the impact of the cap through Discretionary Housing Payments (DHPs).

The briefing sets out the recommendation of removing the benefit cap which would lift 175,000 children out of deep poverty and 30,000 children out of poverty at a cost of around £325 million. The paper indicates that without removing the benefit cap, those most in need of additional support will face unmanageable price increases with serious consequences.

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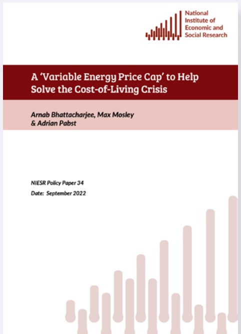

National Institute of Economic and Social Research

A 'Variable Energy Price Cap' to Help Solve the Cost-of-Living Crisis

Arnab Bhattacharjee, Max Mosley & Adrian Pabst

NIESR Policy Paper 34

Date: September 2022

A 'Variable Energy Price Cap' to Help Solve the Cost-of-Living Crisis

National Institute of Economic and Social Research (NIESR), September 2022

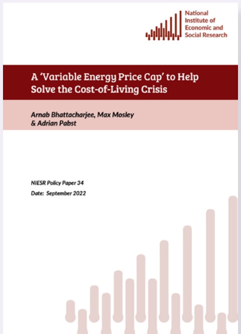
This policy paper published by NIESR sets forward the proposal of an energy variable price cap where the price per-unit of energy increases with usage. The intended effect of this would be to reduce energy bills for lower-income households in the country while higher earners, who consume more energy, bear a commensurate share of the higher costs.

The paper finds a strong positive relationship between income and energy use as well as a negative relationship between income and proportion of income spent on energy. This is justification for the policy proposal as it means the variable price cap would be financed by raising the cost of energy for those who use it most, which are richer households that can afford this rise in energy bills in terms of their income and their savings, taking their energy bills from about 2 percent to just 3 per cent of their income.

The paper acknowledges there is not homogeneity of energy use amongst the low-income households, and would therefore recommend the variable price cap to be supplemented by Universal Credit and cash transfers to low-income households who use more energy e.g. due to poor insulation or a large number of dependents.

The paper compares the policy with the scenarios of no further state support as well as interventions such as freezing energy bills or nationalising energy companies. The findings are that the variable price cap could reduce the bills of the poorest households from nearly £3,000 to around £1,000 per year, a 70 per cent reduction.

Anti-poverty



The main benefits of the variable price cap against other measures such as freezing energy bills are summarised below:

- The policy proposal could be 'revenue neutral' which would not require further fiscal support such as extra borrowing or tax rises, unlike other policy ideas such as nationalising energy companies or freezing all energy bills (predicted cost of £100bn).
- Freezing energy bills detaches the price signal mechanism from the purchase of energy, which would have the effect of locking in energy demand at its current level. A variable price cap is argued to allow stronger incentives to bring energy consumption down.

As it is not still clear how long the current level of energy costs will last, the high cost of freezing all bills could be absorbed in the short-run, but if prices continue to stay high this policy likely becomes unaffordable in the long-run. Therefore, a more cost-effective alternative, like our proposal, presents a more sustainable option.

Wellbeing & Inclusion

Living standards of working-age disability benefits recipients in the UK

Institute for Fiscal Studies (IFS), July 2022

This working paper was published by the IFS and examines the living standards and health of working-age disabled people and disability benefits recipients over time in the UK. The paper gives the policy context of the Disability Living Allowance (DLA) to Personal Independence Payment (PIP) transition and wider government disability strategy.

The paper examines the trend in poverty and material deprivation among those who are disabled and those on disability benefits, comparing them with trends among the overall population. In addition, the health and types of conditions among disability benefits recipients is discussed with results from event studies that examine associations between a reduction in disability benefits and several outcomes.

The key findings from this research paper are:

Overall Disability Rates

- The share of working-age adults reporting a disability, and the fraction of working-age adults in receipt of disability benefits, have both been rising steadily over the last three decades. Less than a third of those who report a disability are in receipt of disability benefits.
- The government has now almost finished its reform of the disability benefits system, replacing DLA with PIP. This began in 2013 with the aim of reducing government spending on disability benefits by 20% while targeting support to those with the highest medical need. However, since the PIP rollout started, spending on disability benefits has increased – and at a faster rate than spending on DLA was growing before PIP.

Disability Benefits and Poverty

- People on disability benefits are much less likely to be employed and have much higher rates of relative income poverty than the overall working-age population.

Wellbeing & Inclusion

- Disability is found to be strongly related to material deprivation.
- There are around a million people who are disabled and in the most materially deprived tenth of the population but not receiving disability benefits. This could be down to ineligibility (perhaps because their condition is not severe enough to entitle them) or to eligible people not claiming the benefit (perhaps because they do not know they are eligible or find the assessment process too complex or unappealing). It may also relate to wait times.
- It was found that disability benefits receipt has become more concentrated among those with a substantial number of conditions, suggesting that disability benefits in 2018–19 were more targeted at those in the worst health than in 2012–13.
- Some people see their disability benefits reduced during their claim, due to either a periodic reassessment of their disability or a self-reported change in circumstances such as an improvement in health.

Disability Benefits and Employment

- The researchers found a reduction in disability benefits (including losing them altogether) is associated with an increase in the likelihood of being in paid work, and this association grows over time from a 4-percentage point increase in the year following the reduction in benefits, to a 10-percentage point increase four years after the reduction. This is consistent with some people moving off disability benefits as their health improves, and the reduction in disability benefits encouraging some into work. But four years after a reduction in disability benefits, almost half (47%) are not in paid work.
- The increase in employment following reduced disability benefits does not prevent an increase in rates of income poverty among this group. Nonetheless, claimants' own assessment of their financial situation changes little following a reduction in benefits. This suggests that the benefits are removed at a time when they are less needed (e.g. as individuals' health-related costs decline).

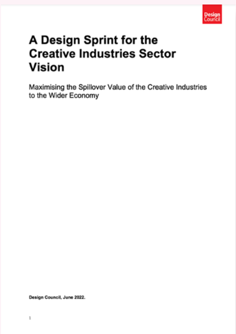
Wellbeing & Inclusion


IFS
Institute for Fiscal Studies
Living standards of working-age disability benefits recipients in the UK
Working paper 22/24
JRF

Disability Benefits and Mental Health

- Four-fifths of the rise in the number of disability benefits recipients over the past two decades is accounted for by psychiatric conditions (such as mental health problems and learning disabilities).
- Among those who report being disabled with a mental health or social/behavioural condition but who are not in receipt of a disability benefit, the proportion in work has increased. At the same time, the prevalence of employment among those with mental health or social/behavioural conditions who are receiving disability benefits has remained fairly stable over the period.
- This provides suggestive evidence that while we have seen a widespread increase in the reporting of mental health and social/behavioural issues in the overall population, disability benefits remain targeted to those with the most severe conditions.

Wellbeing & Inclusion


A Design Sprint for the Creative Industries Sector Vision

Maximising the Spillover Value of the Creative Industries to the Wider Economy

Design Council, June 2022.

A Design Sprint for the Creative Industries Sector Vision: Maximising the spillover value of the creative industries to the wider economy

Design Council, June 2022

This study was undertaken to develop an understanding of how government and industry led interventions could help maximise the economic spill-over value of the Creative Industries to other sectors.

The report sets out the individual sectors comprising the creative industries and outlines the spill-over impact and value of emerging hybrid sectors involving creative industries. Furthermore, the report provides key insights on the types of spill-over being created and the barriers and enablers to maximising creative spill-over value.

Four key areas for potential policy intervention to maximise the economic spill-over value of the creative industries were identified:

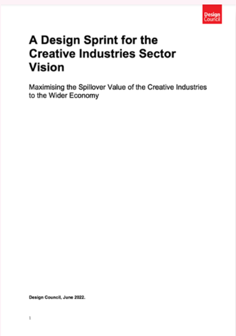
Awareness:

- Build a shared understanding and value of the Creative Industries and their wider impact to other sectors through improved metrics, case studies and the use of unusual suspects to champion this value.
- Convene cross-sector government departments and industry bodies to form a Creative Industries Spillover Commission to give a mandate for this work.
- Create an Impact Framework with specific metrics.

Innovation:

- Improve and adjust the definition of R&D tax credits to further incentivise the wider spillover value to other sectors
- Build Creative Industries' understanding around the commercialisation and collaboration opportunities provided by intellectual property.
- Provide research and innovation funding to incentivise cross sectoral collaboration.

Wellbeing & Inclusion


A Design Sprint for the Creative Industries Sector Vision

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Design Council, June 2022.

Cross-sector collaboration

- Convene mission and place-based clusters (which include creative and non-creative organisations) to maximise their wider impact, including economic, social, environmental, and democratic.
- Local and central government should provide guidance to industry on the benefits of working with creatives, what to expect along the project lifecycle, and how to commission work that is inclusive and open to different sectors' approaches.
- Support clusters to achieve their mission and consolidate learning, for example: government and industry could provide guidance on creating a circular economy to stimulate intentional knowledge and innovation spillover in addressing the climate emergency.

Education & skills

- Improve creative provision within the UK's education system, to embed creative skills at an early age, and illuminate the diverse career pathways into the creative industries and the creative economy for both students and parents – embedding this into the upcoming Cultural Education Plan (2023) and adopting the learnings from where this has been achieved in Scotland and Wales.
- Upskill and bridge skills gaps to further develop and create a more resilient and collaborative workforce, particularly within digital skills where this has formed barriers to cross-sectoral collaboration.

Wellbeing & Inclusion

Libraries and the cost-of-living crisis

Libraries Connected, June 2022

This briefing note sets out the results of a Libraries Connected survey of heads of library service from across England, Wales and Northern Ireland on the demand for library services and the support that libraries are providing in response to the cost of living crisis.

The results of the survey suggest libraries have seen demand for services increase already and those surveyed expected demand to increase further in the coming winter months.

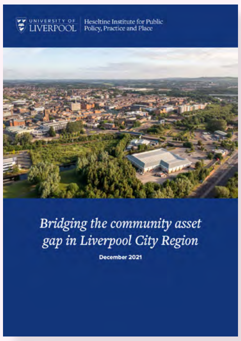
The key services that libraries provide to support people through the cost of living crisis are:

- **Information and advice** - A traditional way that libraries help people with the cost-of-living crisis is through books and resources on budgeting, personal finance and debt, along with fiction titles exploring these themes. Over a quarter (28%) had developed their stock on these topics in recent months. The vast majority (88%) also signpost users to advice and advocacy organisations such as Citizens Advice or Age UK. Many libraries also host advice sessions run by charities or local council service points.
- **Digital support** - Every library in Britain offers free use of computers and free Wi-Fi, with most also offering one-to-one support with using PCs. The survey suggests that libraries are increasingly being asked for help by providing internet services to switch utility suppliers, find the best deals on household goods and apply for the £150 council tax rebate to help with rising energy costs. Library PCs are also being used to claim and manage Universal Credit, which can only be done online.
- **Skilling up** - Libraries have reacted quickly to programme a range of learning events to equip people with essential skills that could lessen the impact of the crisis. Examples include informal drop-in sessions on reducing household bills, budget cooking workshops and intensive support for rough sleepers looking for employment. The vast majority of these sessions are free and open to all

Wellbeing & Inclusion

- **Food, clothing and hygiene banks** - Over half of library services surveyed host food, clothing or hygiene banks - or act as donation and distribution points for them. Libraries are a natural choice for this role as they are located in the heart of communities, are convenient to access, have high local recognition and, as they are used by a very wide range of people for many different purposes, may be perceived as less stigmatising than other venues. Examples of clothing banks hosted by libraries include school uniform swaps, winter coat rails and smart outfits to borrow for job interviews.
- **Clubs and cultural activities** - Every library service in the country runs clubs and cultural activities. It could be scrabble club or "knit and natter" sessions aimed at older people, rhyme time for young children and their carers or a reading group for all ages. Libraries told us they have noticed an increase in people attending these events and then staying in the library for the rest of the day. Importantly, most libraries (59%) provide free drinks and sometimes food at these events. Many libraries host Holiday Activity and Food (HAF) events, which support children in receipt of free school meals through holiday period.

Wellbeing & Inclusion



Bridging the community asset gap

Belong - The Cohesion and Integration Network & University of Kent, May 2021

This research, by the Heseltine Institute, explores the role played by social infrastructure assets in communities within St Helens Borough Council and considers where there may be gaps in the provision of social infrastructure. The research involved stakeholder interviews and mapping of community assets.

Key findings include:

- **The social infrastructure data gap** - Budget constraints mean gaps in local social infrastructure provision are hard to identify with consultancies mainly providing useful data. Mapping and indexing must be backed by community-level qualitative methods to understand the role of social infrastructure in local areas.
- **The role of planning policy** - Two ‘social infrastructure deserts’ lacking facilities were housing estates created in the last 30 years. Planning policy must support integration of new housing with community facilities and use frameworks such as the 20 Minute Neighbourhood concept.
- **Social infrastructure and levelling up** - Cuts to community facilities are prevalent in areas where need is greatest and budget constraints are pronounced. Adequate support for developing community spaces could reduce NHS pressures through improved health outcomes.
- **Developing social infrastructure indexes** - Further research is needed into the development of community-based social infrastructure indexes as previous mapping and indexes do not account for regional differences. Community workshops and focus groups could be utilised to make mapping social infrastructure more nuanced.

Sustainability & Inclusive Growth

Homeworking and the high street | Centre for Cities

Centre for Cities, June 2022

This briefing paper by the Centre for Cities, uses spending and footfall data, to examine the impact that homeworking is having on local businesses, how important it is for the high street that office workers return, and what prospects it faces if they do not.

Centre for Cities' research focuses on the UK's 63 largest cities and towns, defined as primary urban areas (PUAs) with stronger city centres being defined as the ones with a higher-than-average share of exporting jobs that are high-skilled.

The briefing can be split into 3 sections:

The state of play pre-pandemic - The high streets that performed well did so because the significant presence of office workers fuelled demand for local services, tying the performance of the high street to the strength of the local economy. The food and drinks sector, in particular, benefitted from daily inflows of workers who boosted high street spending, with cash to splash in cafes, corner shops and pubs.

Covid disrupted the status quo - Office workers (whose jobs could more feasibly be done from home) were more exposed to shifts towards homeworking and as a result, stronger city centres lost 33 weeks of sales, compared to 22 weeks in weaker places.

Spring 2022 data showed a sluggish return to the office - Many have returned to the office, but working practices are clearly different from what they were pre-pandemic, with many more people adopting hybrid working patterns. Nearly 70 per cent of the remaining gap to pre-Covid spending levels is the result of missing weekday spend, meaning getting workers back to their desks remains a big challenge for the high street.

In the short to medium term, the fortune of many local businesses will be tied to the return of office workers and some businesses will have to evolve and adapt to this new nature of demand.

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The briefing paper provides recommendations to help city centres and high streets remain successful:

- Support better job creation in city centres by making them better places to do business and strengthening their role as places of work
- Help city centres to grow and adapt to a reconfigured demand, by finding creative and more flexible ways to repurpose and use space

Sustainability & Inclusive Growth


LSE Housing and Communities

Keeping Communities Together:
How smaller social landlords and community-led housing can provide affordable, secure, local accommodation for communities in need

Eleanor Benton, Ruby Russell and Anne Power
LSE Housing and Communities

CASE

CASE Report 141

Keeping communities together: how smaller social landlords and community-led housing can provide affordable, secure, low-cost accommodation for communities in need

LSE Centre for Analysis of Social Exclusion, April 2022

The report focused on the role of community-led housing and the benefits it yields in tackling housing problems and wider issues such as social isolation and homelessness.

Key conclusions include:

- Community led housing groups need professional and financial support to grow.
- Larger organisations must partner with community-led housing groups to tap into people with the right skills and knowledge
- Community-led projects often include the development of new community assets for the benefit of the wider community.
- Government support is required to provide a stable environment to allow community-based housing organisations to flourish
- Community-led and based housing organisations offer the advantage of having close connections to the local community and being able to meet the needs of local people.
- Collectively, community-led housing has the potential to make a significant difference to housing supply in the UK, helping to provide affordable homes to people in housing need

Sustainability & Inclusive Growth

Growing clean Identifying and investing in sustainable growth opportunities across the UK

The Resolution Foundation, May 2022

This report has provided analysis and assessment of the role that clean growth and innovation can play in the UK's future economic strategy, and considers how the UK financial system can be geared towards realising these.

Context - Nationally and Globally

- The 2020s will be the decisive decade for climate change in the UK requiring substantially increased investment and action across the economy
- The UK is among the top countries in terms of its specialisation in clean technologies and products, and there are specific areas of strength that can be built upon as part of a new economic strategy for the UK
- Government support is likely to generate value that is retained within the UK

Opportunities for UK in Wind and Tidal Energy

- There are opportunities across the UK with different areas offering their own activities to move towards net-zero. Considerations of place into capital allocation decisions and building capacity can allow the finance sector and related institutions to ensure that finance is channelled to the places that, socially and economically, stand the most to gain in the transition. Tidal and offshore wind also offer opportunities for a better regionally balanced growth through strong, local innovation clusters across the country
- The UK has particular focus on tidal, offshore wind, nuclear energy and carbon capture usage and storage technologies. Returns for tidal and offshore wind are estimated to be three times the average of all technology fields. Offshore has seen significantly less reliance on sources of public funds.

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- Wind energy is an area of technological specialisation in the UK generating relatively high returns. More needs to be done to export wind-related products

Green Finance

- The UK is a leader in green finance and is heavily specialised in services and pharmaceuticals. However, investments are assessed on financial risk rather than environmental impact
- Private and public sector need to work together. Clean technology firms have attracted relatively low investment. Areas such as software start-ups are seen to be less risky, but government can reduce the risk and develop investable business models

Fuel and Heating opportunities

- Heat pumps and insulation are highly relevant for decarbonising the UK building stock. Large scale deployment across the UK could generate new opportunities
- 85% of decarbonisation will need to be through low carbon fuels or technologies; 15% through behavioural change. Surface transport will need to deliver the majority of the reductions in UK CO_2 emissions required to meet the net-zero target for 2050

The report concludes net zero is not a silver bullet for reversing the UK's economic stagnation and addressing inequalities. But embedding the transition into a coordinated and system-wide policy approach that stimulates increased and well-targeted investments across innovation, infrastructure and skills will maximise the chances that these objectives can be achieved.

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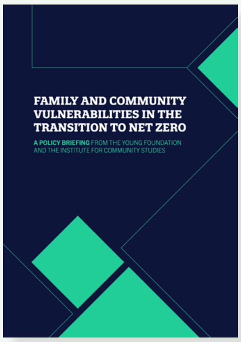

Family and Community Vulnerabilities in the Transition to Net Zero

Young Foundation, September 2022

The Young Foundation's Institute for Community Studies has conducted research on the impact the UK's transition to net zero carbon emissions will have on our society's most vulnerable families and communities.

The first half of the report assesses whether national-level net zero policies enable the different forms of participation needed before considering the key aspects of policy across the four UK regions that are most relevant to deprived families and communities, in terms of future impact.

The second half of this report sets out brief policy implications for supporting a 'just transition' to net zero by showing that a fair transition to a carbon neutral society, can be achieved by, with and for communities.

The report provides recommendations for the NI Executive in 6 areas:

National Domestic Housing Policies

- Minimum standards for energy efficiency of buildings
- Funding and support for retrofitting buildings
- Support for low-carbon heat technologies
- Phase out fossil fuels for home heating
- Ensure all buildings are net zero ready by 2026/27

National Electric Vehicle (EV) and Transport Policies

- Support transition to low- and zero-carbon vehicles, including through EV charging infrastructure
- Local Transport Strategy: to invest in infrastructure that supports public transport provision, invest in infrastructure that supports active travel and connect active travel and transport options

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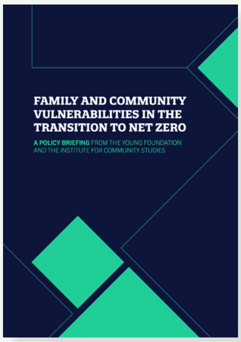


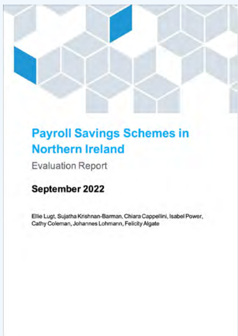
National Employment Policies

- Skills strategy: emphasis on identifying and addressing key skills for low-carbon energy sector
- Support job generation in low carbon and renewable energy sector
- Regional Development Strategy including location of jobs and houses to adapt to climate change

National Food Policies

- Support behaviour change to minimise food waste
- Encourage sustainable land management and food production practices

Agility & Innovation


Payroll Savings Schemes in Northern Ireland

Evaluation Report

September 2022

Ellie Lugt, Sujatha Krishnan-Barman, Chiara Cappellini, Isabel Power, Cathy Coleman, Johannes Lohmann, Felicity Algate

Supporting employees to save via Credit Unions in Northern Ireland

Behavioural Insights Team, September 2022

The Behavioural Insights Team ran a research project with the Money and Pensions Service to evaluate the roll-out of payroll savings in two small and medium businesses in Northern Ireland, delivered through Credit Unions (CUs).

The payroll savings pilot scheme launched with two companies in Northern Ireland, one with over 150 employees, and another that employs 120 people. Both businesses offered employees the opportunity to set up a payroll savings account with a CU. The study reviewed how the payroll savings scheme was set up by employers and CUs, how the scheme was communicated to employees, and how users signed up to the payroll savings scheme.

The research project produced the following recommendations:

- Employers should consider implementing payroll savings schemes in their organisation.
- Consider the financial background of your employees (for example, whether they might already be a member of a CU).
- Choose engagement strategies that are tailored to the size and context of the organisation and highlight the benefits to your employees proactively.
- Highlight the ‘set and forget’ nature of payroll savings and the flexibility to withdraw or modify contributions
- Consider offering an incentive to boost take up.
- Consider both opt-in and opt-out payroll savings schemes

The findings of this project in Northern Ireland are in line with other UK research suggesting that payroll saving schemes may be especially beneficial to employees with relatively low levels of existing savings

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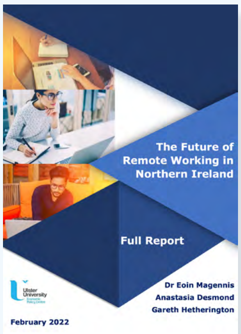

Future of Remote Working in Northern Ireland

Ulster University Economic Policy Centre, February 2022

The paper reviews the degree of working from home in the UK with a focus on Northern Ireland. The content covers both private and public sector attitudes and the views of employers and employees. It includes advantages and disadvantages of working from home, how businesses have adapted and views from optimists and sceptics on the future of working patterns.

Key points highlighted in the research include:

Overall Statistics

- Working from home had been increasing slowly over previous decades. Before 2020 less than 4% of workers in Northern Ireland worked mainly from home. This peaked at 41% soon after the onset of the coronavirus pandemic then decreased to 17% in February 2022
- IT infrastructure performed better than expected when transitioning from office-based work to working from home

Feasibility of Remote Working

- For employees, flexibility seen as when to work, not just where to work which raises different challenges
- In theory between 41% and 60% of workers in NI could work remotely although it would take time to transition and does not mean that remote working would be full-time (5 days per week)
- Successfully working from home depends on several factors. There is no one size fits all approach. For some businesses working from home can work within some areas of the business but not others

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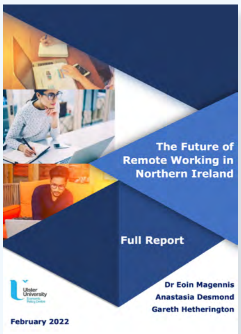

Remote Work in Public Sector

- Public sector workers are more likely to want to work from home (94% public sector workers; 81% private sector workers)
- There are 23,000 employees within NICS, 62% of whom commute outside their own council area for work with the majority commuting to Belfast. Existing facilities have been reformed into regional hubs to create a greater regional economic balance in urban areas across NI

Hybrid working

- Respondents overwhelmingly backed working from home but only if it were coupled with office-based working
- Hybrid working needs to be employer-led with consultation with employees
- 61% of private sector employers expected more than 75% of their workforce to return to the office

Agility & Innovation

Social security: The risks from automation and economic insecurity for social renters

The royal society for arts, manufacturers and commerce, February 2022

The report focuses on the economic security of social renters of working age in Manchester and London. It also studies the risk of automation to the jobs of employed social renters. Key findings include:

Economic Security

- Social renters have the lowest overall levels of subjective financial security
- Social renters are more likely to have "affordable" rents (less than 30% of income)
- Social renters (included in the survey) indicated that their home had given them the security and stability they needed
- When employed, social renters are less likely to benefit from good work practices that support their economic and personal security. This resulted in a security trap with a trade-off between economic life (being employed) and health and wellbeing (job satisfaction and working conditions)]

Automation Risk

- Social renters are at greatest risk of trends in automation. 61% of employed social renters surveyed were in jobs with a high automation risk with 13% employed in jobs with a low automation risk
- 74% of social renters have a qualification of level 2 or below. The report recommends improved maintenance grants for adult learners instead of loans
- Social renters are at the highest immediate risk from automation and technological disruption. Three quarters of social renters never worked from home (March 2021) and were employed in an occupation where a physical presence was required

Agility & Innovation


Social security:
The risks from automation and economic insecurity for England's social renters

- In total 1.1 million social renters are within the report's list of "10 most at risk jobs". There was a high concentration of social renters employed as sales assistants and retail cashiers. These jobs were at a high risk due to the decline of the high street and an increase in online shopping and e-commerce
- Care work is automation resilient and a growing industry which employs many social renters. The report recommends good work strategies to increase job security and economic security in jobs which are resilient to automation

The paper highlights two factors that contributed to the insecurity of social renters:

- decreased housing stock; and,
- a shift in policy from targeting social housing to the most critically insecure, to home ownership with the latter also increasing the employment gap between social renters and owner occupiers.

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UK Parliament POST

POSTNOTE

The impact of digital technology on arts and culture in the UK

The impact of digital technology on arts and culture in the UK

UK Parliament Post May 2022

This report examines the impact of digital technology on arts and culture in the UK. Notable points include:

- The Office for National Statistics found that arts, entertainment, and recreation was the sector second most impacted during the Covid-19 pandemic
- Digital technology was used to avoid closing and to engage audiences remotely, but this did not entirely mitigate the negative impacts of COVID-19 and recovery has been slow
  - Those who would have attended theatres etc in person substituted their attendance through the digital alternative and live streaming
  - Access and interest increased from disabled and younger audiences
  - Streaming film and TV increased with revenue to commercial channels decreasing
  - Certain groups and locations lacked digital infrastructure which widened the digital divide in skills and access
  - Large organisations could adapt much easier and quicker, and experience more benefits than smaller organisations
  - Gaps in skills and capabilities using digital technology appeared across arts and culture, especially in museums, galleries, and theatres
  - The sector is at a crucial point where it can learn from increased digital activity during lockdowns
- Social media has allowed creatives to interact with the customer directly, while arts and culture organisations use it to improve visitor outreach and increase sales

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UK Parliament
POST

POSTNOTE

The impact of digital technology on arts and culture in the UK

The report identified the following potential areas for future intervention:

- Funding to improve the sector's digital capability, research and development, and support for smaller organisations
- Using technology to support the Levelling Up agenda
- Improving accessibility and diversity for both audiences and practitioners
- Creative education to promote creative and digital (createch) skills in the workforce

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