

# **Developing an Evaluation Proposition for Local Welfare Assistance Schemes in London**

## **July 2021**

Produced by

**Mick McAteer, Gareth Evans and Matt Earnshaw**  
**Financial Inclusion Centre**

## Commissioned by



London Councils represents 32 borough councils and the City of London. It is a cross-party organisation that works on behalf of its members and their residents.

Contact: **Sam Ashton** (Principal Policy and Project Officer)

Email: [sam.ashton@londoncouncils.gov.uk](mailto:sam.ashton@londoncouncils.gov.uk)

Website: [www.londoncouncils.gov.uk](http://www.londoncouncils.gov.uk)



The Greater London Authority (GLA) is the body responsible for the strategic administration of the Greater London area and supports the work of the London Mayor and the London Assembly.

Contact: **Nick MacAndrews** (Senior Project and Policy Officer)

Email: [nicholas.macandrews@london.gov.uk](mailto:nicholas.macandrews@london.gov.uk)

Website: [www.london.gov.uk](http://www.london.gov.uk)

### In partnership with

The [London Recovery Board](#) brings together leaders from across London's government, business and civil society, as well as the health and education sectors, trade unions and the police, to oversee the long-term recovery effort from Covid-19. Key priorities include supporting our communities, particularly those most impacted by the virus, and narrowing social, economic and health inequalities.

## Produced by:



The Financial Inclusion Centre (FIC) is an independent research and policy innovation think-tank dedicated to reducing financial exclusion.

Written by: Mick McAteer, Gareth Evans and Matt Earnshaw.

Contact: **Gareth Evans** (Co Director)

Email: [gareth.evans@inclusioncentre.org.uk](mailto:gareth.evans@inclusioncentre.org.uk)

Website: [www.inclusioncentre.org.uk](http://www.inclusioncentre.org.uk)

# Contents

|   |           |
|---|-----------|
| <b>Executive summary .....</b>                                  | <b>5</b>  |
| <b>1. Introduction.....</b>                                     | <b>9</b>  |
| <b>2. Sector consultation .....</b>                             | <b>11</b> |
| 2.1 Key findings .....  | 11        |
| 2.1.1. Scheme applications .....                                | 12        |
| 2.1.2. Resident targeting.....                                  | 13        |
| 2.1.3. Measuring need and demand .....                          | 14        |
| 2.1.4. Monitoring delivery and performance .....                | 16        |
| 2.1.5. Measuring social value, wellbeing and cost-benefit ..... | 18        |
| 2.2 Summary .....   | 19        |
| <b>3. Best practice review .....</b>                            | <b>20</b> |
| 3.1 Research reports .....                                      | 20        |
| 3.1.1. National Audit Office .....                              | 20        |
| 3.1.2. Local Government Association .....                       | 21        |
| 3.1.3. Greater Manchester Poverty Action .....                  | 21        |
| 3.1.4. Social housing sector .....                              | 24        |
| 3.2 Case studies .....  | 25        |
| 3.2.1. North Yorkshire Local Assistance Fund (NYLAF) .....      | 25        |
| 3.2.2. Cambridgeshire Local Assistance Scheme (CLAS).....       | 26        |
| <b>4. The context surrounding support needs .....</b>           | <b>30</b> |
| 4.1 The psychological impacts of poverty .....                  | 30        |
| 4.2 Reflecting real impacts and outcomes .....                  | 31        |
| <b>5. Measuring social impact.....</b>                          | <b>33</b> |
| 5.1 The national TOMS framework .....                           | 33        |
| 5.2 HACT social value wellbeing approach .....                  | 33        |
| 5.3 Relevant HACT measures .....                                | 34        |
| 5.1.1. Confidence and control.....                              | 35        |
| 5.4 Summary .....   | 35        |
| 5.5 Useful resources .....                                      | 36        |

|  |           |
|--|-----------|
| <b>6. Cost benefit analysis .....</b>  | <b>37</b> |
| 6.1 Greater Manchester CBA model .....   | 37        |
| 6.2 Relevant measures .....  | 37        |
| 6.3 Useful resources .....   | 39        |
| <b>7. No recourse to public funds.....</b>   | <b>40</b> |
| <b>8. Developing an evaluation framework.....</b>                                    | <b>42</b> |
| 8.1 Establishing a Theory of Change for Local Welfare Assistance (LWA) schemes ..... | 42        |
| 8.2 An Evaluation Framework .....  | 45        |
| 8.3 Evaluation frameworks: summary of issues to consider .....                       | 49        |
| 8.3.1. Data availability.....  | 49        |
| 8.3.2. Data indicators .....   | 49        |
| 8.3.3. Data types .....  | 50        |
| 8.3.4. Realism and attribution .....   | 50        |
| 8.3.5. Context and allowance .....   | 50        |
| 8.3.6. Control groups and standardisation .....                                      | 51        |
| 8.4 Principles for developing LWA schemes .....                                      | 51        |
| <b>9. Key findings and recommendations.....</b>                                      | <b>53</b> |
| <b>Appendix.....</b>   | <b>56</b> |
| Appendix 1 – Council consultation: survey questions .....                            | 56        |
| Appendix 2 – The psychological impact of poverty: useful definitions .....           | 57        |
| Appendix 3 – HACT outcome values .....   | 58        |
| Appendix 4 – Example impact scorecards .....   | 59        |

## Executive summary

This research provides an assessment of the feasibility of carrying out a robust financial and social/societal evaluation of local welfare assistance (LWA) schemes that links back to a Theory of Change. It was commissioned by the Greater London Authority (GLA) and London Councils (LC) to feed into the work of the London Recovery Board.

FIC undertook a best practice review covering the use of data and evaluation within local welfare support schemes, and assessed current approaches to measuring social impact and cost benefit analyses. This was done via desk research and consultation with councils participating in the Local Government Association's Reshaping Financial Support programme.<sup>1</sup> From this research and assessment, FIC has proposed an approach for developing a robust evaluation framework that would allow the impact of LWA schemes to be evaluated.

### Key findings

Most councils now deliver some form of LWA scheme which, despite the differences in name, are broadly similar in terms of the type of support they provide in helping households deal with immediate hardship.

Undertaking a robust evaluation of schemes requires the right data, the right evaluation model(s), and a Theory of Change. There is limited use of robust or systematic data collection amongst Councils to effectively drive delivery or allow for evidence-based targeting of specific cohorts for support. As it stands, data is utilised primarily for the purposes of assessing LWA scheme applications.

Evaluation of LWA schemes is very limited. The research identified only a handful of examples where formal models are used, or systematic measurement of the impacts and cost-benefit generated by the delivery of support undertaken, to maximise value of local support schemes.

Notwithstanding the limited use of formal models or systematic approaches, the research did identify examples of data monitoring and a range of metrics within local welfare support schemes that could be utilised to:

---

<sup>1</sup> <https://www.local.gov.uk/reshaping-financial-support-how-local-authorities-can-help-support-low-income-households-financial>

- Assess the effectiveness of local welfare schemes;
- Better identify and target the most vulnerable residents ahead of a crisis;
- Better understand clients and identify wider support needs; and
- Contribute to an effective overall evaluation of LWA support provision.

There are a handful of well-developed tools / models that could be utilised to formally measure the impact of LWA schemes in terms of both:

- **Social Value** – with five outcome measures identified as being most relevant that could be adopted to determine the benefit to the household of the local welfare support schemes through changes in:
  - Financial comfort,
  - Relief from being heavily burdened with debt,
  - Higher levels of confidence,
  - Feeling in control of life, and
  - Relief from depression/anxiety.
- **Cost Benefit Analysis** – calculating the value for money achieved by LWA interventions using an established CBA tool allows the ‘financial case’ to be made by quantifying economic benefits that are generated for individuals and organisations.

Eligibility to hardship funding for No Recourse to Public Funds households appears to be limited across the Councils consulted with access having mostly been a temporary change made in response to Covid-19.

Wider research and learning on the behavioural and psychological impacts of poverty is important to inform the evaluation approach to LWA schemes.

A new Theory of Change (ToC) for LWA schemes would need to be established that addresses the outcomes and goals the organisations are trying to achieve and the parameters or limitations for the intervention as well as determining the evaluation framework and type and amount of data to be collected to allow evaluation.

The research identifies a number of appropriate data categories that would allow for an evaluation of: operational *outputs*, targets, and goals; organisational benefits; and policy *outcomes* and goals.

There appears to be no single evaluation framework that could be lifted directly and used for LWA schemes. An evaluation framework that is fit-for-purpose for LWA schemes could be developed by drawing on elements from the handful of models identified above plus building in elements that are specific and relevant to LWA schemes.

The adapted framework would consist of the identification of: the baseline set of conditions prior to intervention; costs of that intervention; outputs, organisational goals, and policy outcomes that are to be measured to evaluate the intervention; data that is to be used to evaluate the intervention (pre and post intervention, ongoing intervention); sources of that data and who is responsible for collecting and analysing data; methods for quantifying the impact and actual model to be used to evaluate the impact; and limitations of any evaluation framework.

To undertake proper comparative analysis of an LWA scheme it is important to contextualise the environment in which the intervention operates. An LWA scheme operating in a particular local authority area which scores badly on multiple deprivation indicators or is intended to support individuals with multiple challenging issues might find it more difficult to make an impact than a similarly constructed scheme operating in a less deprived area or designed to support individuals with comparatively simple, less difficult issues.

### **Recommended next steps:**

- 1) Immediately undertake a short mapping exercise across all within each local authority in London to:**
  - identify key contacts delivering LWA schemes;
  - understand current LWA provision and delivery mechanisms;
  - determine existing approach to LWA data capture and measuring impact;
  - existing and potential data categories that would allow for an evaluation of schemes – with an indication of the difficulty in obtaining such data on a routine basis; and
  - interest in exploring collective working with the London Recovery Board and relevant stakeholders.
- 2) Convening initial meeting with interested Councils to explore potential collaboration**  
– with intention to become a working group to progress best practice on LWA delivery and impact evaluation as well as driving regional lobbying on this agenda.

- 3) **Develop a staged roadmap** – agree a realistic roadmap toward shared delivery standards / principles and a universal approach to evaluation and measuring impact.
- 4) **Collectively establish the Theory of Change and Evaluation Framework for LWA schemes across London** - that universally collects and utilises data to:
  - identify and target the most vulnerable households;
  - measure the effectiveness of local welfare schemes; and
  - demonstrate the impact and value of local welfare schemes.
- 5) **Implement a pilot study with 3-5 Councils** to agree initial data collection metrics and test the standardised and centralised data collection both before and after the LWA intervention. This would be used to establish the foundation for a collective impact evaluation approach that could be amended and rolled out across all local authority areas in the capital.



# 1. Introduction

Local Welfare Assistance (LWA) schemes should play a critical role in the local safety net, providing vital and immediate support for low-income households in times of financial hardship. Yet, the removal of a dedicated funding stream after the government transferred their delivery to upper-tier local authorities has resulted in a significant reduction in available support, with some Councils being forced to cease operating their schemes. In addition, with the lack of centralised guidance, schemes have evolved very differently in each locality and often significantly.

By 2018/19, research conducted by End Hunger UK and Church Action on Poverty<sup>2</sup> showed that at least four London boroughs had closed their LWA schemes completely while severe financial pressure had led to others drastically reducing their annual budget.

However, the financial damage caused by Covid-19 and the various resulting discretionary funds announced by the government (such as the Covid Winter Grant Scheme) has resulted in a renewed focus on the need for such hardship grants for low-income households. This has seen many Councils reinstating and redesigning their LWA schemes to support the social and economic recovery.

Yet, with increasing demand and finite resources, it is important that such schemes are evidence-based and targeted, and that their impact is measured. Collecting and utilising data from LWA schemes is essential to help:

- ensure the benefit is understood and can therefore be maximised;
- better understand who is and who isn't accessing such support to highlight (and rectify) inequalities of access;
- evidence the value of crisis support internally within councils and externally to policy makers that helps justify investment in such interventions; and
- monitor the profile of households who come through the scheme.

This research, commissioned by the Greater London Authority (GLA) and London Councils (LC) to feed into the work of the London Recovery Board, provides an assessment of the feasibility of carrying out a robust financial and social/societal evaluation of local welfare assistance (LWA) schemes that links back to a Theory of Change.

---

<sup>2</sup> <http://www.church-poverty.org.uk/wp-content/uploads/2019/06/Compassion-in-Crisis.pdf>

To produce this assessment, we carried out desk research and consulted with councils participating in the Local Government Association's Reshaping Financial Support programme<sup>3</sup>, regarding the use of data and evaluation within local welfare support schemes.

The report includes:

- a summary of the approaches to LWA schemes adopted by councils;
- a best practice review and summary of approaches to cost-benefit analysis (CBA), and measuring social impact;
- a detailed review of data types and sources of data routinely collected by councils (or other partners) to both understand the need/demand for local welfare provision and to more efficiently/effectively target support at households at risk of financial hardship;
- relevant case study material of best practice/innovative ways councils have supported households with no recourse to public funds;
- relevant learning from wider research on the behavioural and psychological impacts of poverty, to understand how this may inform the evaluation approach;
- a proposed Theory of Change (ToC) for LWA schemes;
- examples of both existing and new data categories that would allow for an evaluation of schemes – with an indication of the difficulty in obtaining such data on a routine basis; and
- a detailed evaluation framework which would allow cost-benefit analysis of LWA schemes and objective assessment of the social impacts, outcomes, and value of LWA schemes.

---

<sup>3</sup> <https://www.local.gov.uk/reshaping-financial-support-how-local-authorities-can-help-support-low-income-households-financial>

## 2. Sector consultation

This section summarises results from the consultation undertaken with councils participating in the Local Government Association's Reshaping Financial Support programme<sup>4</sup>, regarding data use and evaluation within local welfare support schemes.

All the councils deliver a relevant scheme, which, despite the differences in name, are broadly similar in terms of the type of support they provide for residents/households dealing with financial hardship – as highlighted by the keywords diagram below. Three of the councils are within London: the London Borough of Barking and Dagenham, the London Borough of Tower Hamlets and the Royal Borough of Greenwich.

| Council                              | Local welfare support scheme                             |
|--------------------------------------|--|
| London Borough of Barking & Dagenham | Hardship Fund (Individual Assistance Payments)           |
| London Borough of Tower Hamlets      | Resident Support Scheme                                  |
| Royal Borough of Greenwich           | Emergency Support Scheme                                 |
| Newcastle City Council               | Crisis Support Scheme and Supporting Independence Scheme |
| Bristol City Council                 | Local Crisis and Prevention Fund                         |
| Brighton and Hove City Council       | Local Discretionary Social Fund                          |
| Leeds City Council                   | Local Welfare Support Scheme                             |
| Kent County Council                  | Kent Support and Assistance Service                      |

### 2.1 Key findings

The results have been summarised under five main themes: applications; targeting; measuring need and demand; monitoring delivery and performance and measuring social value, wellbeing and cost benefit. The responses from the three London authorities are highlighted grey within each question table. The full list of consultation questions is highlighted at **Appendix 1**.

---

<sup>4</sup> <https://www.local.gov.uk/reshaping-financial-support-how-local-authorities-can-help-support-low-income-households-financial>

### Keyword summary: Main types of support available via the LWA schemes



## Scheme applications

## What data do you routinely capture via scheme applications?

The data captured via scheme applications is broadly similar across the consulted councils, predominantly focusing on basic socio-economic and demographic data relevant to the individual/household and practical data required for the assessment of the application.

## Responses:

- |  |
|--|
| <ul style="list-style-type: none"> <li>• Items requested; reason for request; income and expenditure; household make-up; benefits status; tenure.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Detail relevant to the purposes of making a claim.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Number of applications; outcome; spend; items requested; reason agreed/refused.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Name; address; NINO; income; household; reason for application; items requested; equalities data (not compulsory).</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Name; address; NINO; DoB; household composition; equalities data (optional).</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Resident &amp; household information (name, DOB, NI, address), income and expenditure and information regarding the crisis or disaster experienced by the resident.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Household make up, benefit/income data, personal data (address, contact information and NINO).</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Name, DoB and NINO of all adults in the property; names and DoB's of children in the property; address and postcode; telephone number; income details and details of the customers circumstances/crisis for which they have presented.</li> </ul> |

## Resident targeting

### Is your scheme proactively targeted to any particular cohorts of residents?

Evidence of proactive, direct targeting of cohorts is limited. Several councils reference specifically vulnerable groups such as families with children and those with disabilities, but this often appears to be a broad wish or desire for these groups of people to access support, rather than a focus for planned direct targeting to ensure their engagement. Some councils have identified specific groups in response to Covid-19, but again, this appears limited.

| Responses:   |
|--|
| <ul style="list-style-type: none"><li>• Hardship Is open to all, it does not necessarily target.</li></ul>   |
| <ul style="list-style-type: none"><li>• None.</li></ul>  |
| <ul style="list-style-type: none"><li>• No, but we are particularly keen to help those with children, with disabilities and pensioners.</li></ul>  |
| <ul style="list-style-type: none"><li>• Usually not, but for this year £400k was used specifically for households with children of school age.</li></ul>   |
| <ul style="list-style-type: none"><li>• No specific cohorts. The scheme assists those who are at risk of becoming homeless, or recently being rehoused having been homeless, or might otherwise be returning from or at risk of going into care (including returning from prison).</li></ul>     |
| <ul style="list-style-type: none"><li>• Not generally, but in response to Covid-19 residents who have experienced a crisis, disaster, or financial hardship because of the pandemic are proactively targeted and assisted to make an application for Crisis Support where appropriate.</li></ul> |
| <ul style="list-style-type: none"><li>• Yes – low-income households.</li></ul>   |
| <ul style="list-style-type: none"><li>• None.</li></ul>  |

### If yes, what data do you use to identify and target the relevant cohorts?

Reflecting the responses above, the formal and robust use of specific data sets to proactively identify and target certain cohorts is limited. Broad reference to the use of household data and benefits/income data is made by two councils, but no specific detail is provided.

| Responses:   |
|--|
| • N/A.   |
| • N/A.   |
| • N/A.   |
| • Household data.  |
| • No targeting.  |
| • When a resident contacts Citylife Line information is taken by the Wellbeing and Welfare Team who are responsible for the administration of Citylife Line. This information includes the initial request, which could be food, and the resident is also asked further questions around their financial situation to see if further advice and support is required. Each day a member of the Crisis Support team triages all the contacts from residents into Citylife Line to assess if a Crisis Support application would be appropriate. If an application for Crisis Support would be appropriate the resident is contacted and assisted to make the application. |
| • Benefits and income data.  |
| • N/A.   |

## Measuring need and demand

### Do you measure the local need/demand for welfare assistance?

Most of the councils are not formally measuring the local need/demand for welfare assistance. Where councils highlight that they do measure this need/demand, it appears that this tends to be based on a more basic analysis of take-up numbers and budget spend, as opposed to the use of a comprehensive, detailed evidence base to identify and understand the scale of local hardship.

| Responses:  |
|---|
| • We compare demand year on year and against budget but not proactively.  |
| • We have data available that would give us an indication of levels of hardship in the borough, but don't track this purely for the purpose of demand modelling for LWAS. |
| • No.   |
| • No.   |
| • Not specifically no.  |

|  |
|--|
| <ul style="list-style-type: none"> <li>• Yes.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Yes, but retrospectively based on historic data.</li> </ul> |
| <ul style="list-style-type: none"> <li>• Yes.</li> </ul>   |

**If yes, what data sets do you use to estimate the potential scale of need/demand?**

Reflecting the responses above, most of the highlighted data sets suggest basic and limited analysis of scheme performance is undertaken to understand the scale of need/demand, rather than the use of a holistic and robust evidence base.

| Responses:   |
|--|
| <ul style="list-style-type: none"> <li>• N/A.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Unemployment, those on furlough, uptake of welfare / benefits for example.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• N/A.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• N/A.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• N/A.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Each year the following data is collected and compared to measure the need/ demand for welfare assistance: <ul style="list-style-type: none"> <li>- Number of applications,</li> <li>- Number awarded and declined,</li> <li>- Number of appeals,</li> <li>- Type of support provided (crisis, emergency, Universal Credit or COVID 19), and</li> <li>- Reasons for request.</li> </ul> </li> </ul> |
| <ul style="list-style-type: none"> <li>• Data from assessment tool – Firm Step.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• We collate the Leeds Poverty Factbook (<a href="http://www.leeds.gov.uk/fi">www.leeds.gov.uk/fi</a>) which gives an understanding of poverty and deprivation in the city, however the funding for the scheme is not determined by this data as we have a fixed and in recent years reducing budget for the service.</li> </ul>  |

## Monitoring delivery and performance

### What data do you regularly collect to measure the scheme delivery and performance?

Most of the consulted councils collect some similar data to measure the performance of the scheme. Typically, this tends to be broad programme/budget management related data including, for example: number of awards made, value, reason for award and number of declines.

#### Responses:

- Demographic information, whether app was made by resident or an approved partner, numbers of each item requested, refusal reasons, spend, how quickly approved items were fulfilled, number of appeals.
- Awards, Refusals, single/families, length of award, value, reason for award and refusals, post code.
- Number of applications; outcome; spend; items requested; reason agreed/refused.
- N/A.
- Number and value of awards, types of award given, ward information. Numbers of applications agreed, partially agreed, declined.
- Number of applications; Number awarded and declined and reasons for decision; Number of appeals; Type of support provided (crisis, disaster or emergency, Universal Credit or COVID 19); Reasons for request.
- Only collect quantitative data that measures numbers of awards, demography and geography of awards, amounts awarded. KSAS have an agreed set of performance targets based on output of assessment officers.
- Number of awards; value of awards; reason and geographical location.

### Do you collect data on outcomes or impacts generated for those who access support?

None of the consulted councils formally collect data to measure the outcomes or impacts that are generated for residents who access support.

#### Responses:

- No.
- This is collected at the point of application as residents declare what hardship they have and what specifically they need help on.



|   |
|---|
| • No.   |
| • No.   |
| • Not specifically no.  |
| • As Crisis Support is non-recoverable and is provided to help residents who have experienced a one-off crisis or disaster, data on the outcomes is not routinely collected. However, residents who apply based on financial hardship are referred to our inhouse debt advice team and the outcome of this advice is collected. |
| • No.   |
| • No.   |

#### **If yes, what data do you collect?**

Following on the responses above, no data sets specifically relevant to measuring the impacts / outcomes generated by the hardship support were identified.

| <b>Responses:</b>   |
|---|
| • N/A.  |
| • This Is collected at the point of application as residents declare what hardship they have and what specifically they need help on.   |
| • N/A.  |
| • N/A.  |
| • N/A.  |
| • Where residents are referred for debt advice the outcomes of the debt advice case are collected, such as, if the resident engaged, if debt advice was provided, if the resident opted for an insolvency option, if repayments were negotiated with creditors. |
| • N/A.  |
| • N/A.  |

**If yes, do you track this data over a certain period of time?**

Following on from the responses above, this question was not applicable.

| Responses:                               |
|--|
| • N/A.                                   |
| • We have data on all applications made. |
| • N/A.                                   |
| • N/A.                                   |
| • N/A.                                   |
| • Each quarter.                          |
| • N/A.                                   |
| • N/A.                                   |

**Measuring social value, wellbeing and cost-benefit**

**Do you measure the social value, wellbeing or cost benefit provided by the scheme?  
For example, in terms of understanding the value of positive impacts the support may have on physical or mental health?**

All eight councils highlighted that they do not undertake any formal measurement of the social value, wellbeing or cost benefit provided by the delivery of their local support scheme.

| Responses:   |
|--|
| • None.  |
| • No, not directly. However, Community Solutions takes a holistic approach whereby we look at the resident's whole circumstance to determine the root cause of their hardship. Alongside the Hardship award, we would connect them to the support that would help improve their life - whether job shop, skills & education courses, mental health support, social isolation or healthy ageing activities. |
| • None.  |
| • None.  |
| • Not specifically.  |

|         |
|---------|
| • None. |
| • None. |
| • None. |

### **If yes, do you use a specific methodology or any specific data sets?**

Following on from the responses above, no council identified any specific methodologies or data sets.

## **2.2 Summary**

Whilst this is obviously a small sample, the results are broadly like those identified by Greater Manchester Poverty Action (section 3.1.3, page XX). Whilst councils are collecting and using some data during the delivery of their local welfare support schemes, this is limited, with the data being primarily used for the purposes of assessing applications. In terms of identifying and targeting specific cohorts, whilst some of the councils do identify certain priority groups, this often appears to be more of a broad wish or desire for these groups of people to access support, rather than a focus for planned, evidence-based targeting to maximise their engagement.

Additionally, the positive use of data to support the evaluation of schemes is also extremely limited. Across all of the consulted councils no formal measurement of the impacts, social value or cost-benefit generated by the delivery of support is being undertaken. In summary, there is little evidence of the robust, formal use of data to effectively drive delivery, or maximise value, of local support schemes.

## 3. Best practice review

This section focuses on capturing additional evidence, good practice and learning as regards data monitoring and evaluation within local welfare support schemes, from a broader desktop review of relevant research reports and case studies.

### 3.1 Research reports

#### National Audit Office

Although the National Audit Office's report (Local Welfare Provision, January 2016)<sup>5</sup> is five years old, its findings and recommendations regarding the positive use of data and evaluation to improve local welfare support schemes are still pertinent today, particularly as a result of the increasing demand in response to Covid-19.

The NAO identified that a lack of monitoring can lead to poor targeting, which can therefore limit how well funding is spent. They suggested councils could target their support more effectively if they collected and used information on who is applying for local welfare provision and the circumstances that led them to do so. During their research they found that whilst councils often monitored data on the number of applications they received and the value and type of awards made, often they either did not collect information about the characteristics of applicants and their needs, or, if they did, made limited use of it. By collecting and positively analysing such data, councils can use it to proactively improve their provision of support.

#### NAO case studies:

|   |  |
|---|--|
| <b>Swindon Council</b>                        | The council found through monitoring that many applicants were experiencing benefit sanctions. The council extended its eligibility criteria to provide support to these applicants because it felt these applicants had nowhere else to go.               |
| <b>Bradford Metropolitan District Council</b> | The council identified through monitoring that its crisis support scheme was not always addressing essential needs. Therefore, after the first year, the council limited available support to emergency fuel top-ups through accredited advice centres and |

---

<sup>5</sup> Local Welfare Provision, National Audit Office (2016) - <https://www.nao.org.uk/wp-content/uploads/2016/01/Local-welfare-provision.pdf>

|                                   |  |
|-----------------------------------|--|
|                                   | gave financial assistance to a local food bank to provide food parcels.  |
| <b>East Sussex County Council</b> | During the first year, after monitoring applications, the council widened its eligibility criteria to support people on low incomes who were not receiving benefits. The council also received a few requests for support with expenses for getting to work for those who have started work and stopped receiving benefits, so it included this within its scheme. |

### Local Government Association

The LGA's good practice guide, Delivering Financial Hardship Support Schemes (July 2020)<sup>6</sup> provides a range of relevant evidence, good practice and learning on the effective development and delivery of financial hardship schemes, including in relation to how they are monitored and impact measured.

Two key considerations are recommended for councils relating to this agenda:

- (1) Monitoring of hardship schemes should include the collection of information about the characteristics of applicants and their needs. This data should be proactively analysed to help understand and improve the provision of local support, and
- (2) Thought should be given to the wider impact measurement of hardship schemes. The use of relevant tools to measure the social return on investment or social value can help in terms of evaluation as well as building the business case for longer-term investment in the provision of emergency support.

### Greater Manchester Poverty Action

Greater Manchester Poverty Action (GMPA) is a not-for-profit organisation that works to address poverty across Greater Manchester. The GMPA report (Strengthening the role of local welfare assistance (LWAS), December 2020)<sup>7</sup> provides a detailed review of local welfare assistance schemes, noting that there has been limited research to date on what a good LWAS offer should include.

<sup>6</sup> Delivering Financial Hardship Support Schemes, Local Government Association (2020) -

<https://www.local.gov.uk/good-practice-guide-delivering-financial-hardship-support-schemes>

<sup>7</sup> Strengthening the role of local welfare assistance, Greater Manchester Poverty Action (2020) -

<https://www.nao.org.uk/wp-content/uploads/2016/01/Local-welfare-provision.pdf>

Given the increase in financial hardship and the financial pressures on LWAS budgets the report sets out several recommendations as to how schemes can be improved to best support residents and make best use of the limited resources available. In relation to data and evaluation, the research found that whilst several local authorities collect detailed data about who uses their LWAS, it was unclear how this data was then used by the local authority and partners.

The report therefore identifies two recommendations for the use of data to:

### **(1) Identify and target the most vulnerable residents ahead of a crisis**

The report highlights that given the range of data collected by councils as part of the council tax process, as well as by DWP as part of Universal Credit applications, more could be done to identify residents who are at risk and ensure they are supported before a financial crisis. It sets out a range of potential metrics that could be used for this purpose, as detailed in the table below.

| Possible metrics                                      | Data owner                       |
|---|----------------------------------|
| Missed Council Tax payments in last 12 months         | Local authority                  |
| Late Council Tax payments in last 12 months           | Local authority                  |
| Number of historic LWAS applications                  | Local authority                  |
| Income level (if disclosed)                           | Local authority/Housing provider |
| Family size/status                                    | Local authority/Housing provider |
| Housing status (social rented/private rented/owned)   | Local authority/Housing provider |
| Known rent or mortgage arrears                        | Local authority/Housing provider |
| Energy rating of home                                 | Local authority/Housing provider |
| Historic consultations with welfare rights teams      | Local authority                  |
| Historic consultations with HA support team           | Housing provider                 |
| Historic applications for insolvency                  | Local authority                  |
| Time on Universal Credit (if applicable)?             | Local authority/Housing provider |
| Frequency of Universal Credit changes (if applicable) | Local authority/Housing provider |
| Foodbank referrals made                               | Local authority/Housing provider |

## (2) Measure the effectiveness of local welfare schemes

The report highlights a range of potential metrics that could be measured to evidence the effectiveness of how local welfare schemes could be used. It is important that the metrics recorded as part of LWAS provision are fed into the local authority governance relating to poverty mitigation and reduction. This will help inform the strategic view about living conditions for residents, but also help make improvements to how people in financial crisis are supported.

| Possible metrics   | Theme | Notes   |
|--|-------|---|
| Demographic information about applications and successful applications to include gender, age, marital status, number of children, ethnicity, address and employment and benefit status. | Reach | Allows groups with high LWAS use, or who are not accessing LWAS or receiving awards to be identified. |
| Housing status (owned/private tenant/HA/other).  | Reach |   |
| Number of applications per month.  | Reach | Gives an impression of demand.  |
| Annual rate of applications by population subgroups, to include appropriate ethnic groups and under/over 65s.  | Reach | Under access and whether certain groups are not accessing LWAS or receiving awards.                   |
| Number of applicants in part or full-time employment.  | Reach |   |
| Number of applicants who aren't receiving income benefits.   | Reach |   |
| Number of awards per month by award reason.  | Reach | Allows trends in the reason for awards to be understood.  |
| Awards as a percentage of applications per month.  | Reach |   |
| Number of rejected applications per month by rejection reason.   | Reach |   |
| Value of award per successful claim per month.   | Value |   |

|   |             |  |
|---|-------------|--|
| Value of awards/month - total, split by type (Fuel, furniture, food, cash, other).                                | Value       |  |
| Average number of times an applicant applies for LWA during a rolling 12-month period.                            | Root causes | Indication if residents' financial issues are getting resolved.  |
| % of applicants receiving wider advice/support as part of their application.                                      | Root causes | Advice/support could include budgeting assistance or debt advice.  |
| Number of formal/informal onward referrals to other services either following or without local authority support. | Root causes | Detail the different services that have been referred into (e.g. welfare rights, Council Tax Support, credit union, housing, employment support, local charities etc). |
| Additional benefit income ascertained by residents per rolling 12 months.   | Root causes |  |
| Residents' debt consolidated or written off per rolling 12 months.  | Root causes |  |
| Number of unique foodbank fulfilled referrals per rolling 12 months.  | Root causes | Indication of the people using foodbanks who aren't accessing wider support such as LWASs, or other services.  |
| Average number of foodbank visits per user over a rolling 12-month period.  | Root causes | If this is high, it suggests residents' financial challenges are going unresolved.   |

### Social housing sector

Previous research undertaken by the Financial Inclusion Centre with Clarion Housing, identified a number of broad principles to inform the effective evaluation of hardship/emergency support provision, that are considered directly relevant to the development of an evaluation framework for council-led welfare support schemes.

- 1) People accessing hardship support are often experiencing chaotic, complex and vulnerable situations – any impact evaluation/measurement should therefore reflect the individual applicant context at the point they access the support to measure the real impacts that are being achieved.



- 2) Measurement should be completed 'before' and 'after' support has been provided, so the customer's 'journey' can be measured.
- 3) It needs to be simple and easy for staff to implement and for applicants to understand.
- 4) It should be embedded within the existing processes of the welfare support schemes and viewed as 'business as usual'. Evaluation or impact measurement shouldn't just be viewed as a standalone activity undertaken once a year.
- 5) Measurement should be undertaken with all customers accessing support.
- 6) Different engagement approaches are likely to be needed to meet different customer needs, but as much as possible, the evaluation process should be automated.
- 7) Alongside the evaluation of the scheme, regular impact assessment can also be used as a tool to help facilitate longer-term change amongst applicants. Measuring residents' changes in feelings of control and confidence as they receive support and sharing these individual results and examples of their positive change with them, can also act as a valuable psychological tool to aid further behaviour change. However, it is important to be clear about what the impact assessment is trying to achieve.

### 3.2 Case studies

#### North Yorkshire Local Assistance Fund (NYLAF)

The NYLAF provides support for vulnerable adults to move into or remain in the community, and to help families under exceptional pressure to stay together.

In 2018, North Yorkshire County Council (NYCC) commissioned an independent evaluation<sup>8</sup> of the fund to understand the impact that it had on its voluntary, community, and frontline local authority service partners, as well as on fund applicants. Understanding current impact will enable the Council to: identify ways of increasing the impact and effectiveness of the Fund, identify potential gaps in service provision, collaborate with partners and other Council services, evidence the value of the Fund to key internal and external stakeholders, and help demonstrate best practice.



The evaluation primarily constituted surveys with Fund partners (e.g. local CAB's) and in-depth interviews with fund applicants and recipients of support. The in-depth interviews were used to produce detailed 'real-life' case studies, helping to highlight and evidence the

<sup>8</sup> North Yorkshire Local Assistance Fund Evaluation Report, North Yorkshire County Council (2018) - <https://www.northyorks.gov.uk/sites/default/files/fileroot/Health%20and%20social%20care/Adult's%20social%20care/Local%20assistance%20fund%20-%20impact%20study%202018.pdf>

actual impact the fund was having on people's lives. Whilst the evaluation report clearly highlights this impact, using the case studies to illustrate the impact the fund was having on issues such as stress and anxiety and feelings of low confidence and control, there is, unfortunately, a lack of formal analysis in terms of measuring the impact on wellbeing and social value of positively tackling these issues.

### Cambridgeshire Local Assistance Scheme (CLAS)

The CLAS is delivered by CHS Group on behalf of Cambridgeshire County Council



It provides information and advice services, and practical support (supermarket vouchers, new cookers and mattresses, recycled goods, furniture and paint) to those that meet the eligibility criteria of having income less than £16,380 and no savings or on means tested benefits, lived in Cambridgeshire for last 6 months and are over the age of 16.

Each year CHS Group produce an Annual Service Report<sup>9</sup> for their scheme, providing a comprehensive review and evaluation of the scheme, including details of performance management, customer satisfaction results, detailed 'real-life' case studies and a formal analysis of both the Social Value and Cost Benefit of the scheme.

Over the last three years, the Cambridgeshire Local Assistance Scheme has delivered:



### Social Value

In terms of Social Value analysis, CHS use HACT's Social Value Well-being Approach<sup>10</sup>, which monetises outcomes related to people's wellbeing. To capture the impact on scheme recipients, they use a simple social value survey which people complete when they are first seeking support and then again three months after receiving the support.

<sup>9</sup> CLAS Annual Service Report (2019/20), CHS Group (2020) -

[http://makingmoneycount.org.uk/assets/uploads/2020/10/CLAS-Annual-Service-Report-FY-19\\_20-Qtr-1-FY-20\\_21-Covid-19.pdf](http://makingmoneycount.org.uk/assets/uploads/2020/10/CLAS-Annual-Service-Report-FY-19_20-Qtr-1-FY-20_21-Covid-19.pdf)

<sup>10</sup> <https://www.hact.org.uk/measuring-social-impact-community-investment-guide-using-wellbeing-valuation-approach>

The outcomes identified through this survey work are then aligned with relevant values in the HACT toolkit to evidence the amount of social value that has therefore been generated. In terms of HACT measures, '**relief from being burdened by debt**', '**financial comfort**' and '**relief from depression/anxiety**' are identified by CHS as being the most relevant to the delivery of their welfare support scheme and the blue box below highlights a case study illustrating how this approach is applied to CLAS applicants.

### Social value case study - Cambridgeshire Local Assistance Scheme

**Background:** CI is a single mother with 3 young children. They had been living in temporary accommodation after fleeing her abusive partner - he was part of a drug dealing gang and extremely violent. She was relocated with the help of her social worker and needed help with white goods, securing school placements and school uniforms. CI was on low income and struggling to budget due to debts exceeding £9k. She was granted x 2 CLAS awards: A Green Goods voucher for £180 which she used to buy a washing machine and a double bed, and £70 in supermarket vouchers to help buy school uniforms. She also received a grant from John Huntingdon's Charity for a recycled cooker. The Charity also helped her secure school places for her children. CI was referred to a debt specialist at her local Citizens Advice Bureau who has been working with her to help her take back control of her finances. This support helped CI settle her children in a safe, comfortable home away from her abusive ex-partner.

**Results:** The responses in CI's social value survey suggest that she reported 'relief from being burdened with debt' and she 'felt more in control of her finances'. These responses have an average value of £10,836 and £8,917 respectively, which suggests that for the cost of the £250 of her CLAS award, and the support that she received through the CLAS intervention, CI reports an increase on her personal wellbeing valued at £19,753.

### Cost Benefit Analysis

In terms of Cost Benefit Analysis (CBA), CHS uses the Greater Manchester Cost Benefit Analysis Model<sup>11</sup> to identify the savings to the public purse for the issues prevented by the CLAS intervention. For example, it looks at potential impacts on issues such as prevention of homelessness or prevention of hospital admission. The analysis uses values from the model's accompanying unit cost database, which contains over 800 costs estimates relating to: crime; education and skills; employment and economy; fire; housing; health;

---

<sup>11</sup> <https://www.greatermanchester-ca.gov.uk/what-we-do/research/research-cost-benefit-analysis/>

social services; and energy. The blue box and table below highlight a case study illustrating how this approach is applied to CLAS applicants, whilst a detailed analysis spreadsheet produced by CHS is also available.

### Cost benefit analysis case study:

**Background:** BL is a single dad with 2 teenage daughters. They were all living in temporary accommodation and were moving into a housing association property. They had no white goods, furniture or beds and did not have the means to buy any. BL is working but on a very low income of £14k a year and is claiming Universal Credit.

**Awards:** BL was awarded a £250 CLAS Green Goods voucher and £100 from Octavia's Furniture Shop internal grant. He was able to get a tabletop cooker, a washing machine and x 2 complete double beds with mattresses. BL received benefits advice and was supported to complete the benefit applications to maximise his income.

**Potential crisis/issues prevented:** BL was able to procure the essential household items he needed without getting into debt. The CLAS grants and the benefits advice he received has put him in good stead to sustain his tenancy without the risk of falling into arrears. The help they received enabled them to move into a stable home and provided the girls the physical and mental space they needed to study for their exams. As a result, one daughter successfully applied to go to University and the other was able to move onto sixth form.

The unit costs of these outcomes and the main agency bearing the cost can be seen in the table below.

| Further crisis / issue prevented        | Cost           | Unit            | Main agency bearing the cost |
|---|----------------|-----------------|------------------------------|
| Prevention of homeless application      | £2,724         | Per application | District Council             |
| Enabling higher education               | £6,400         | Per year        | HM Treasury                  |
| Enabling person to remain in employment | £21,515        | Per year        | DWP                          |
| <b>Total</b>                            | <b>£30,639</b> |                 |                              |

This table illustrates the potential cash savings that may have been prevented or delayed for BL and his family because of the support he received from CLAS. This would suggest a non-cashable saving of £30,389 after deducting the cost of the £250 CLAS award.

## Understanding CLAS clients and identifying support needs

Alongside the use of data for evaluation purposes, CHS also use the data they collect to develop an understanding of CLAS clients. For example, this data has been most recently used by Cambridgeshire County Council's Research Team to complete an analysis of the grants issued in April 2019 compared to April 2020<sup>12</sup>. This analysis looked at the type of household making the claim and produced a claimant profile, helping them better understand the experiences of those in hardship and their changing support needs.

Headline findings included:

- An unprecedented increase in demand – referrals tripled in the first few weeks of UK lockdown. The majority are people who have lost their jobs or have been furloughed. Historically, 40% of CLAS awards are related to Universal Credit (UC). As new claims to UC increase, so do the number of households accessing CLAS. In the last 3 years, 1% of the total number of households claiming UC in Cambridgeshire accessed CLAS.
- New client profile - those needing help are people who are not familiar with the benefits system and have experienced a sudden and drastic loss of income. Historically CLAS clients have been struggling to keep afloat on low income or on benefits.
- Increase in numbers of households with children struggling to make ends meet – with a 21% increase in the numbers of families with children accessing CLAS.

---

<sup>12</sup> Profile of Cambridgeshire's Local Assistance Scheme Applications, July 2020 - <https://cambridgeshireinsight.org.uk/wp-content/uploads/2020/09/CLAS-Profile-Report-31-July-20.pdf>

## 4. The context surrounding support needs

Given the context faced by most people accessing support through local welfare support schemes, as illustrated in section 3.2.2, the research team thought it would be useful to highlight some relevant learning from wider research on the behavioural and psychological impacts of poverty, to understand how this may inform the evaluation approach.

### 4.1 The psychological impacts of poverty

Several reports evidence the psychological impact of poverty and financial hardship<sup>13</sup>, including recent research commissioned by Toynbee Hall that provides real-life examples of the impact the pandemic has had on residents across London<sup>14</sup>. In summary, this research highlights the detriment that financial worries, poverty and being in vulnerable situations can have on decision-making and the ability to take positive action. Poverty has significant cognitive and psychological aspects, eroding self-esteem and self-confidence and generating feelings of helplessness and fear of dependence.

Research has evidenced that when people on lower incomes suffer from financial pressure, the drop in their cognitive function is equivalent to an entire night's sleep. In short, the all-consuming daily-life efforts of people in these situations can prevent them from finding the right route out of poverty. A sense of control and levels of self-efficacy (see [Appendix 2](#)) are evidenced as critical components of support in these circumstances.

The New Horizons evaluation report provides an easily digestible summary of this psychological context. Additionally, the report highlights several useful points around the delivery of the New Horizons programme within this psychological framework, which are directly relevant to the support provided by local welfare support schemes, and thus their effective evaluation, including:

---

<sup>13</sup> How poverty affects the brain and behaviour (Association for Psychological Science)

- <https://www.psychologicalscience.org/observer/how-poverty-affects-the-brain-and-behavior>

How poverty affects people's decision-making processes (Joseph Rowntree Foundation, February 2017)

- [https://www.jrf.org.uk/file/49906/download?token=gE5-D8\\_z&filetype=full-report](https://www.jrf.org.uk/file/49906/download?token=gE5-D8_z&filetype=full-report)

Poverty and decision making (The Behavioural insights Team, October 2016)

- <http://www.behaviouralinsights.co.uk/wp-content/uploads/2017/02/JRF-poverty-and-decision-making.pdf>

- Tackling digital, financial and employment exclusion – evaluation of the New Horizons programme (Cambridge Centre for Housing and Planning Research, University of Cambridge, July 2019) -

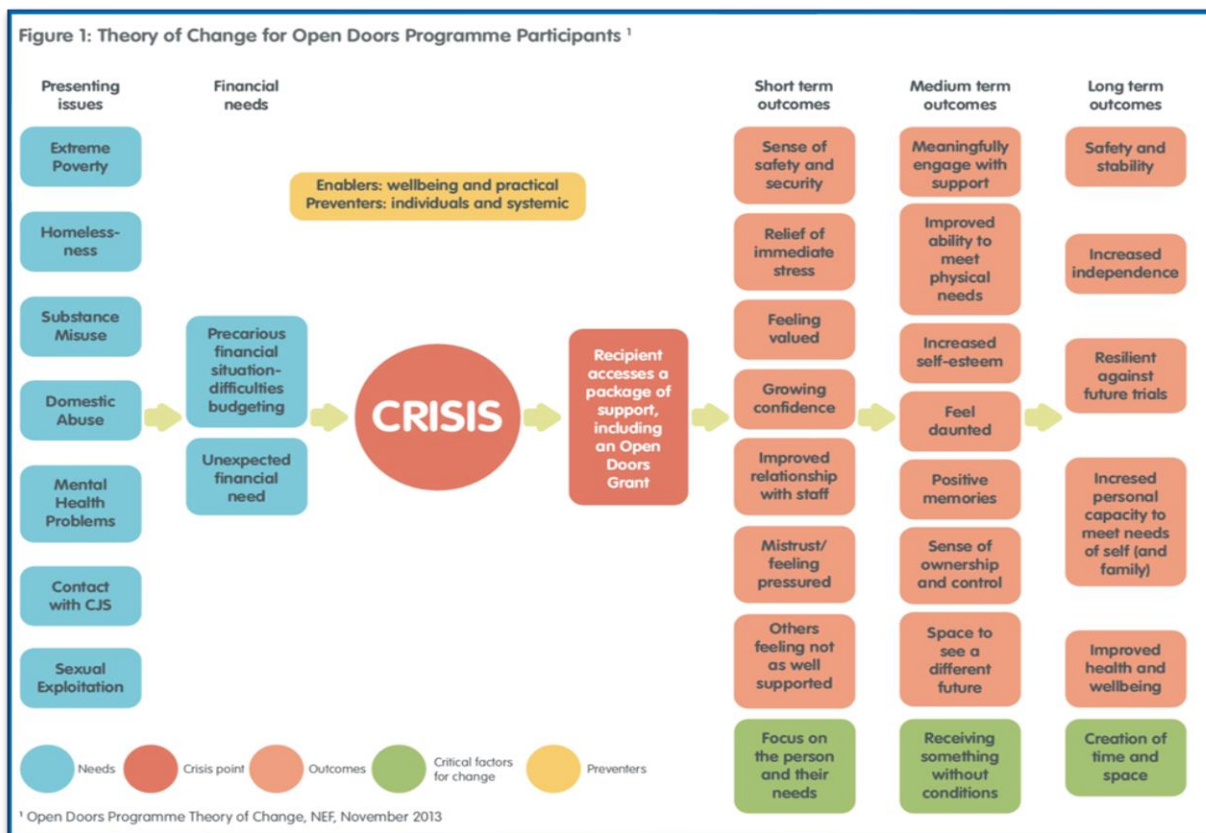
[https://www.cchpr.landecon.cam.ac.uk/Research/StartYear/2017/building\\_better\\_opportunities\\_new\\_horizons/tackling\\_digital\\_financial\\_employment\\_exclusion/final\\_report\\_2019/at\\_download/file](https://www.cchpr.landecon.cam.ac.uk/Research/StartYear/2017/building_better_opportunities_new_horizons/tackling_digital_financial_employment_exclusion/final_report_2019/at_download/file)

<sup>14</sup> Pandemic stories (Toynbee Hall and Thrive LDN) - <https://www.toynbeehall.org.uk/research/>

- Support can enable participants to experience significant psychological relief from the most immediate pressing issues (such as debt), which in turn frees participants 'mental bandwidth.'
- Processes which build in small empowering interactions between users and service providers, at key moments, can potentially boost a person's psychological resources, which in turn can increase their ability to overcome disadvantage.
- Getting clients onto a stable base from which they can start to build their skills, reduce pressure, increase their confidence and free some 'mental space' for other purposes should be a priority for this type of support programme.

## 4.2 Reflecting real impacts and outcomes

The Open Doors grants programme, funded by the Lankelly Chase Foundation and administered by Family Action, provides cash grants alongside intensive support to those facing severe and multiple disadvantage. The programme is run in line with a Theory of Change, as illustrated in the following diagram, which illustrates how the grants create real change in the lives of the recipients.





Following on from this, research into the programme<sup>15</sup> highlights a number of relevant learning points in relation to the psychological outcomes and impacts of providing direct support to individuals and households in vulnerable circumstances:

- Open Doors Grants help to make a house a home – this is the starting point for helping those receiving support to be safe and secure. The grant also enables recipients to feel secure about themselves in terms of their ability to provide for their families and their standing in the community.
- After receiving a grant, 73% of recipients felt in control of their lives. For recipient's empowerment is not just about this sense of control, but also the feeling of confidence, value and worth that the grant gives them. They are proud of the progress they have made and that someone has given them some responsibility in their life.
- Our experience of managing the Open Doors Programme shows that receiving a cash grant enables the recipient to make progress towards their aims and meet needs which improve their wellbeing. Cash grants help recipients feel safer, more valued, more confident and more able to cope. Grants also improve housing conditions that would otherwise impact negatively upon physical health.
- Grants enhance the services of partner organisations, regardless of what type of support this is, by enabling more holistic support to be provided and giving clients the space to focus on the other changes they need to make in their lives. Support workers are also better able to engage clients.
- Receiving a grant does not alleviate all of the problems faced by those experiencing severe multiple disadvantage meaning they are still likely to need further support in the future. However, receiving a cash grant enables recipients to learn skills and develop a structure to their lives, which increases their resilience and sustains progress resulting from the support.

---

<sup>15</sup> Opening doors, changing lives: Measuring the impact of cash grants on disadvantaged individuals and families (Lankelly Chase Foundation and NEF Consulting, March 2016) - <https://www.family-action.org.uk/content/uploads/2014/11/Open-Doors-Full-Report.pdf>



## 5. Measuring social impact

This section details two of the main methods of measuring the social impact or value of community activity across the public sector, through the monetisation of potential benefits and outcomes derived from its delivery.

### 5.1 The national TOMS framework

The national TOMS framework is a methodology developed by the national Social Value Taskforce for social value delivery and measurement, originally developed for local authorities but now expanded to allow for measurement and monetisation across other sectors. Available as a downloadable calculator, it has been designed around 5 key themes, 20 core outcomes and 48 core measures. The measures enable the capture of individual social value with each allocated a financial proxy value to represent the additional contribution that a project will make to society in terms of fiscal savings, broader economic benefits and value to local communities.

Available at: <https://socialvalueportal.com/national-toms/>

### 5.2 HACT social value wellbeing approach

The HACT social value wellbeing approach provides a robust set of 122 social outcomes related to people's wellbeing, enabling an estimate of social impact to be made for a wide variety of community activity. Available as a downloadable interactive Social Value Calculator framework, each outcome has methodologically consistent unit costs that can be adjusted for location and beneficiary demographics.

Available at: <https://hact.org.uk/hact-value>

**Having reviewed both tools, the HACT calculator would seem to offer a more suitable measure as it provides a broader range of community measures and outcomes relevant to the delivery of local welfare support schemes, as well as modifiable unit costs.**

### 5.3 Relevant HACT measures

The HACT social value bank provides outcome measures across a range of different themes, as detailed in the table below. From a review of these themes, the **financial inclusion** and **health** themes include the outcome measures that are most relevant to measuring the impact of local welfare support schemes on applicant's wellbeing.

| Themes                     |                      |
|----------------------------|----------------------|
| Employment                 | Social groups        |
| Local environment          | Physical activity    |
| <b>Health</b>              | Homelessness         |
| <b>Financial Inclusion</b> | Physical environment |
| Youth                      | Other                |

| Financial inclusion outcome measures         | Health outcome measures                |
|--|--|
| Debt free                                    | High confidence (adult)                |
| Afford to keep home well decorated           | Relief from depression/anxiety (adult) |
| Able to save regularly                       | Good overall health                    |
| Relief from being heavily burdened with debt | Relief from drug/alcohol problems      |
| Able to pay for housing                      | Smoking cessation                      |
| Financial comfort                            | Feel in control of life                |
| Access to internet                           | Can rely on family                     |
| Able to insure home contents                 |  |

This is backed up by the case study of the Cambridgeshire Local Assistance Scheme (section XX, page XX), within which three main outcome measures were used to measure social impact:

- Relief from being heavily burdened with debt (financial inclusion);
- Financial comfort (financial inclusion); and
- Relief from depression/anxiety (health).

## Confidence and control

In addition to these three measures, it is proposed that consideration should also be given to the use of two further health measures: **high confidence** and **feel in control of life**. As highlighted in section 4, both confidence and control are important psychological constructs, relating to empowerment and behaviour change. Feelings of control can influence not only how you respond to events happening in your life, but also your motivation to act, whilst this motivation is directly underpinned by self-efficacy, or confidence, in your ability to undertake certain actions<sup>16</sup>. Providing some 'breathing space' and psychological relief / support for residents is a critical element of welfare assistance schemes, helping residents to feel more settled, stable and secure, which provides a platform upon which longer term, sustainable life changes can start to be built.

## 5.4 Summary

In summary therefore, the following five outcome measures are identified as those considered most relevant to the delivery of local welfare support schemes. Further details, including the modifiable unit costs across different age ranges for each of the measures, are highlighted in **Appendix 3**.

| Outcome                                      | Description of outcome   | Average value |
|--|--|---------------|
| <b>Financial health</b>                      |  |               |
| Financial comfort                            | How well would you say you yourself are managing financially these days?<br>1. Living comfortably (* valuable answer)<br>2. Doing alright (* valuable answer)<br>3. Just about getting by<br>4. Finding it quite difficult<br>5. Finding it very difficult | £8,917        |
| Relief from being heavily burdened with debt | If you are in debt, how much of a burden is that debt?<br>1. Heavy burden<br>2. Somewhat of burden (* valuable answer)<br>3. Not a problem (* valuable answer)   | £10,836       |

<sup>16</sup> Tackling digital, financial and employment exclusion – evaluation of the New Horizons programme (Cambridge Centre for Housing and Planning Research, University of Cambridge, July 2019) - [https://www.cchpr.landecon.cam.ac.uk/Research/StartYear/2017/building\\_better\\_opportunities\\_new\\_horizons/tackling\\_digital\\_financial\\_employment\\_exclusion/final\\_report\\_2019/at\\_download/file](https://www.cchpr.landecon.cam.ac.uk/Research/StartYear/2017/building_better_opportunities_new_horizons/tackling_digital_financial_employment_exclusion/final_report_2019/at_download/file)

| Health                         |   |         |
|--------------------------------|---|---------|
| High confidence (adult)        | Have you recently been losing confidence in yourself?<br>1. Not at all (* valuable answer)<br>2. No more than usual<br>3. Rather more than usual<br>4. Much more than usual | £13,080 |
| Feel in control of life        | I feel that what happens to me is out of my control?<br>1. Often<br>2. Sometimes<br>3. Not often (* valuable answer)<br>4. Never (* valuable answer)                        | £15,894 |
| Relief from depression/anxiety | Do you suffer from depression or anxiety?<br>1. Yes<br>2. No (* valuable answer)<br>3. Prefer not to answer (* valuable answer)   | £36,766 |

## 5.5 Useful resources

|                         |  |
|-------------------------|--|
| Social value bank       | <a href="https://hact.org.uk/hact-value">https://hact.org.uk/hact-value</a>  |
| Social value calculator | <a href="https://www.hact.org.uk/calculating-your-social-value">https://www.hact.org.uk/calculating-your-social-value</a>  |
| Guidance                | Measuring the social impact of community investment: A guide to using the wellbeing valuation approach - <a href="https://www.hact.org.uk/measuring-social-impact-community-investment-guide-using-wellbeing-valuation-approach">https://www.hact.org.uk/measuring-social-impact-community-investment-guide-using-wellbeing-valuation-approach</a> |

## 6. Cost benefit analysis

This section details one of the main models of cost benefit analysis utilised across the public sector.

### 6.1 Greater Manchester CBA model

The Greater Manchester Combined Authority (GMCA) Research Team (formerly New Economy) has pioneered the development of a cost benefit analysis (CBA) methodology that has become nationally leading in its approach to articulating the fiscal, economic and social value of interventions. The methodology has been subject to an ongoing process of development since it was initially developed in 2011 and was adopted as supplementary guidance to [HM Treasury's Green Book](#) in 2014. Representatives from a range of central government departments have supported the development process and remain engaged in further refinement of the model and accompanying resources.

The CBA model is used to understand the value for money provided by an intervention, particularly in terms of the use of taxpayers' money and the extent to which new delivery models might generate savings and improved outcomes compared to 'business as usual' – the 'financial case' within the Green Book five case model. The model also enables the wider 'economic case' or public value to be articulated, quantifying economic benefits that accrue to individuals and businesses, and social benefits in terms of improved individual health and well-being. CBA outputs include quantification of the return on investment (ROI), and provided there is a positive ROI, the pay-back period – how long it will take before the benefits start to outweigh the costs.

The CBA model is used extensively across the country by public, private and voluntary and community sector partners. The methodology has been applied to a wide range of intervention types, including: troubled families programmes; employment and skills initiatives; health and social care propositions; new approaches to delivering early years' services; and redesigns of criminal justice system interventions and blue light services.

### 6.2 Relevant measures

The unit cost database utilised by the Greater Manchester CBA model brings together a range of cost estimates across a number of different themes, including: crime, education and skills, employment and economy, fire, housing, health, social services and energy.

Whilst the CBA outcomes realised from the provision of support are likely to vary between individuals, the following measures, identified and utilised in the cost benefit analysis of the Cambridgeshire Local Assistance Scheme (section 3.2.2, page xx), are likely to be some of the most relevant.

| Cost saving detail – reason for award   | Value   | Unit                  |
|---|---------|-----------------------|
| <b>Housing related</b>  |         |                       |
| Prevention of eviction from LA accommodation                                  | £7,276  | Per incident          |
| Prevention of homeless application  | £2,724  | Per application       |
| Prevention of rough sleeping  | £8,605  | Per year              |
| Prevention of housing benefit claim   | £94     | Per week              |
|   | £52     | Per application       |
| <b>Social services</b>  |         |                       |
| Prevention of child taken into care   | £52,676 | Per year              |
| Prevention of child remaining in foster care                                  | £722    | Per week              |
| Prevention of older person going into residential care                        | £555    | Per week              |
| Prevention of older person needing home care                                  | £199    | Per week              |
| Prevention of older person needing day care                                   | £142    | Per week              |
| Prevention of need for additional support for person with learning disability | £355    | Per week              |
| Prevention of need for additional support for person with physical disability | £180    | Per week              |
| Prevention of need for additional support for person with mental health issue | £59     | Per day               |
| Social worker adult services cost per hour                                    | £59     | Per day               |
| <b>Education</b>  |         |                       |
| Prevention of truancy – assumes 5 weeks per year                              | £2,926  | Per person per year   |
| Prevention of exclusion from school   | £12,131 | Per year              |
| Enable school readiness   | £1,053  | Per year              |
| Enable further education  | £1,627  | Per year              |
| Enable higher education   | £6,400  | Per year              |
| <b>Employment</b>   |         |                       |
| Enable a JSA claimant to enter work   | £25,111 | Per claimant per year |

|   |         |                       |
|---|---------|-----------------------|
| Enable ESA claimant to enter work               | £22,327 | Per claimant per year |
| Enable IS claimant to enter work                | £17,108 | Per claimant per year |
| Enable a person to remain in employment         | £21,515 | Per claimant per year |
| <b>Health</b>                                   |         |                       |
| Prevention of reduction of alcohol misuse       | £3,580  | Per year per person   |
| Prevention or reduction of drug misuse          | £16,894 | Per year per person   |
| Prevention of A&E attendance                    | £117    | Per incident          |
| Prevention of hospital admission                | £1,863  | Per episode           |
| Prevention of need for outpatient care          | £114    | Per admission         |
| Prevention of need for GP/Nurse contact         | £125    | Per hour              |
| <b>Crime</b>                                    |         |                       |
| Prevention of anti-social behaviour             | £673    | Per incident          |
| Prevention of domestic violence                 | £10,639 | Per incident          |
| Prevention of youth offending – case management | £3,620  | Per year              |
| Prevention of other incident of crime           | £3,194  | Per incident          |
| Prevention of prison sentence                   | £34,840 | Per person per year   |
| <b>Fire</b>                                     |         |                       |
| Prevention of domestic building fire            | £51,129 | Per incident          |
| Prevention of non-building fire                 | £7,363  | Per incident          |
| Increase fire safety/prevention/reduce risk     | £18     | Per hour              |

### 6.3 Useful resources

|                    |   |
|--------------------|---|
| Unit cost database | <a href="https://www.greatermanchester-ca.gov.uk/media/2007/unit-cost-database-v20.xlsx">https://www.greatermanchester-ca.gov.uk/media/2007/unit-cost-database-v20.xlsx</a>   |
| CBA analysis tool  | <a href="https://www.greatermanchester-ca.gov.uk/media/2566/gm_cba_tool_version_4_5_1.xlsm">https://www.greatermanchester-ca.gov.uk/media/2566/gm_cba_tool_version_4_5_1.xlsm</a>   |
| Guidance           | Supporting public service transformation:<br>cost benefit analysis guidance for local partnerships -<br><a href="https://www.greatermanchester-ca.gov.uk/media/1583/cba_guidance_020414_1312_final.pdf">https://www.greatermanchester-ca.gov.uk/media/1583/cba_guidance_020414_1312_final.pdf</a> |

## 7. No recourse to public funds

This section summarises results from the council consultation referenced in section 2, specifically in relation to households with ‘no recourse to public funds.’

### **Are residents with ‘No Recourse to Public Funds’ eligible to access your scheme?**

The responses present a mixed picture regarding the eligibility of NRPF residents / households to access local welfare support. Whilst the stringent application of NRPF restrictions appears limited, full access/eligibility for NRPF households is also limited across the sample. Several councils highlight that formally these households are not eligible to access their local support scheme, although discretion and exceptions can be applied in certain circumstances to support access.

| Responses:   |
|--|
| • No-but we did give a grant to Praxis to help support these residents.              |
| • NRPF residents who apply for the hardship scheme can only use it for food support. |
| • Yes.   |
| • Usually not - but can be by exception.   |
| • Yes, but are recorded separately as being assisted by central Covid funds.         |
| • No.  |
| • No, although discretion is used where appropriate.                                 |
| • Yes.   |

### **If yes, was this a temporary change in response to Covid-19 and how long will this be for?**

Where access to support is available to NRPF residents/households, this has broadly been a temporary change made in response to Covid-19.

| Responses:  |
|---|
| • N/A.  |
| • Yes - hardship scheme was set up directly in response to Covid. |
| • Yes.  |



|  |
|--|
| <ul style="list-style-type: none"> <li>• Yes.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Yes - temporary, unknown how long for.</li> </ul>                                   |
| <ul style="list-style-type: none"> <li>• N/A.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• No.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Yes, the intention is to keep this policy in place until further notice.</li> </ul> |

**Are residents with ‘No Recourse to Public Funds’ eligible to access any other support initiatives that you may provide?**

The responses below highlight a few examples of how NRPF residents/households are supported via additional local programmes and schemes across the consulted councils.

| Responses:  |
|---|
| <ul style="list-style-type: none"> <li>• N/A.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• During Covid NRPF households can now access the council's Community Food Clubs, Food Banks.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Yes, via Welfare Reform or social prescribing model in borough (called Live Well).</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Yes for 2020/21 - Emergency Assistance Grant and Winter Support Grant plus ring fenced monies from MHCLG Hardship Fund.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Other than what is available via Children’s Services or Adult Social Care, none that I'm aware of.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Newcastle City Council has a dedicated team of LA Asylum Seeker Liaison Officers (LAASLOs) who can support residents during the asylum process. These support the ‘move on’ process if refugee status is granted and offer advice and signposting if a negative decision is received. We have also commissioned 12 beds through Action Foundation for residents who have NRPF and are homeless. Action Foundation also provide advice/support to help with their immigration status and once resolved move into their own tenancies. As part of the ‘everybody in’ policy during the pandemic residents who have NRPF have been offered hotel accommodation until 31/03/21 and support with their immigration status and help to move into their own tenancies.</li> </ul> |
| <ul style="list-style-type: none"> <li>• Yes.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Yes.</li> </ul>  |

## 8. Developing an evaluation framework

In this section, we set out an approach for developing a Theory of Change (ToC) for LWA schemes. This is important as it is key in determining the evaluation framework, particularly the data sets that need to be collected and analysed. This leads onto the proposed evaluation framework including: the stages that should be followed to evaluate LWA schemes consistently and robustly; issues that need to be considered when developing an evaluation framework and using that framework in practice; and finally, the principles for designing effective LWA schemes.

Looking at the available published research, there is no single evaluation framework that could be lifted directly and used for LWA schemes. There are several approaches to choose from. What we are proposing is a model which takes the best from a range of models to create a framework that fits best with the use of LWA schemes.

### 8.1 Establishing a Theory of Change for Local Welfare Assistance (LWA) schemes

The Theory of Change (ToC) clearly sets out:

- what detriment/ problem(s) an organisation is trying to address;
- who is affected;
- what are the root causes the detriment/ harm identified;
- what interventions or actions the organisation is using to address the detriment/ harm (in this case LWA schemes);
- who the intervention is designed to help;
- what outcomes and goals the organisation is trying to achieve; and
- the parameters or limitations for the intervention.

The ToC is important as this determines the evaluation framework and type and amount of data to be collected to allow evaluation.

The ToC should also be framed with parameters or a statement of ambition so that it is clear what the intervention is expected realistically to achieve. Setting goals for the intervention that are too ambitious can end up being disappointing and paint false perceptions of underperformance/ low impact which could in turn result in decisions to withdraw support for interventions. Claiming impacts which are difficult to attribute to the intervention can undermine trust in the process.

| ToC Stages   | Description   |
|--|---|
| <b>1. Definition of what detriment/ problem(s) the organisation is trying to address</b> | <p>This can also be known as the problem statement. It sets out what detriment or harms the intervention is designed to address. In this case the intervention are LWA schemes.</p> <p>Is the intervention designed to address a short term financial need or wider set of issues created by financial problems eg. homelessness, employment related, health/ mental health issues, and so on?</p> <p>Part of the problem statement may relate to organisational priorities. For example, failure to deal with a specific emergency debt issue may have knock on effects if, say, a person is evicted from a PRS property which could create costs further down the line for a local authority.</p> <p>These are the conditions prior to an intervention and will determine the baseline data that needs to be collected and analysed to evaluate the intervention.</p> |
| <b>2. Who is the intervention designed to help?</b>                                      | <p>The ToC should also set out who the intervention is aimed at. Does the intervention have a general purpose e.g. relieving financial needs, or providing emergency relief, with anyone who qualifies being eligible?</p> <p>Or is it aimed at a limited group of people with specific needs e.g. people with NRPF?</p> <p>This will also determine the data that needs to be collected to:</p> <ul style="list-style-type: none"> <li>• identify people who need intervention so that the intervention can be as effective as possible; and</li> <li>• monitor and evaluate the impact properly.</li> </ul>   |
| <b>3. What are the root causes of the detriment identified?</b>                          | <p>The most vulnerable individuals may face serious, intractable, chronic, or multiple detriments and multiple issues (e.g. financial/ debt problems, physical and mental health issues, language barriers and literacy challenges, low level of financial literacy etc).</p> <p>These may be interlinked – for example, debt problems can contribute to mental health issues and vice versa. By definition, it will be more difficult for any intervention to have an impact on their wellbeing.</p> <p>Understanding the root cause of the harm(s) the intervention is designed to address is important for context. That is, to evaluate</p>   |

|  |   |
|--|---|
|  | <p>the impact of an intervention objectively and fairly, it is important to understand what challenges the LWA scheme has to overcome to make an impact.</p>  |
| <p><b>4. What intervention or action is the organisation using to address the harm and root causes of harm identified above?</b></p> | <p>In this case, the intervention is LWA schemes. LWA schemes can vary from area to area and may have a number of different components – see below.</p> <p>The ToC should set out how the intervention will address the detriments and root causes identified above. This should include:</p> <ul style="list-style-type: none"> <li>• the extent of the intervention, is it a single intervention, or does it have multiple components;</li> <li>• how much does the intervention cost; and</li> <li>• who does the intervention apply to?</li> </ul> <p>The organisation may want to evaluate the LWA intervention on its own terms – that is, how much has the intervention cost compared to the impact achieved.</p> <p>But it may want to compare a LWA scheme against differently designed interventions with similar objectives. Or compare a LWA scheme against a similar scheme operating in a different area.</p> <p>So, when evaluating interventions against a comparator or peer group it is better if this is done so on a like-for-like basis. However, this may not always be possible given differences in scheme design. So, it is important any differences are understood and adjusted for.</p> |
| <p><b>5. What are the operational and policy outcomes/ goals for the intervention(s)?</b></p>  | <p>These are broken down into:</p> <ul style="list-style-type: none"> <li>• operational <b>outputs</b>, targets, and goals;</li> <li>• organisational benefits; and</li> <li>• policy <b>outcomes</b> and goals.</li> </ul> <p>Along with Step 1, being clear about the outputs, outcomes, and goals will be critical in determining the type and amount of data needed to evaluate the intervention.</p>   |
| <p><b>6. Parameters/ statement of ambition</b></p>   | <p>The statement of ambition sets out clearly what detriment/ root causes the ToC applies to, what the selected intervention can be realistically expected to achieve, and how much can be attributed to an intervention.</p> <p>Again, this will determine what type and how much data should be collected and analysed.</p>   |

## 8.2 An Evaluation Framework

The evaluation framework is closely linked to the ToC and sets out the:

- baseline set of conditions prior to intervention;
- costs of that intervention;
- outputs, organisational goals, and policy outcomes that are to be measured to evaluate the intervention;
- data that is to be used to evaluate the intervention (pre and post intervention, ongoing intervention);
- sources of that data and who is responsible for collecting and analysing data;
- methods for quantifying the impact and actual model to be used to evaluate the impact; and
- limitations of any evaluation framework.

In the case of LWA schemes, the following stages should be adopted.

| Evaluation stage   | Description   |
|--|---|
| <b>1. What are the conditions prior to intervention?</b>   | <p>This could be the harm experienced by individuals, or at aggregate level in a community/ local authority area.</p> <p>This is the base situation against which progress/ impact is evaluated.</p> <p>The types of harm addressed by the intervention defines the data that is to be collected prior to the intervention and throughout the lifetime of the intervention to allow the impact to be monitored and evaluated.</p> |
| <b>2. What is the intervention, how much does it cost?</b> | <p>In this case, it is Local Welfare Assistance (LWA) schemes. LWA schemes can vary from area to area and can have different components – direct cash grants, low-cost loans, or ‘in kind’ benefits such as food or fuel vouchers and essential items such as</p>   |

|   |  |
|---|--|
|   | <p>furniture and white goods to people who cannot afford to buy their own.<sup>17</sup></p> <p>Eligibility can also vary. Schemes can be restrictive on who can apply with some insisting that applicants have exhausted other possibilities including borrowing from family and friends and applying for commercial loans.</p> <p>In terms of accessibility, the means can vary<sup>18</sup> as can the speed with which decisions are made and support provided to scheme applicants.</p> <p>What is the cost of the scheme at the individual level and aggregate level? This will depend on the number of components in the scheme, how many people the scheme is intended to support, and delivered to, and the cost of delivering the scheme to the target groups (e.g. the cost of administering and promoting the scheme). This forms the denominator in any calculation of 'social return on intervention'.</p>                    |
| <b>3. Identifying and defining outputs, organisational goals, and policy outcomes</b> | <p>What the intervention is intended to deliver in terms of outputs, organisational goals, and policy outcomes.</p> <p>Operational output metrics might include how many people reached, number and value of awards per month, numbers rejected, processing time and so on. These may be further analysed by different groups (e.g. people with NRPF), by housing status, or groups with protected status.</p> <p>Specific targets and goals for these operational outputs can be agreed.</p> <p>Organisational benefits might include impacts such as reductions in rent arrears further down the line, cost savings from pre-empting the need to provide additional support later.</p> <p>Policy outcomes and goals might be defensive/ preventative, or positive.</p> <p>Preventative or defensive goals might include tangible benefits for individuals and families such as prevention of problem debt/ arrears and homelessness.</p> |

<sup>17</sup> According to The Children's Society, of the schemes run by local authorities, 64% were in-kind only, 8% were cash only, and 24% were a mixture of in-kind and cash support. See: p5 [Briefing-Strengthening-local-welfare-support-during-the-COVID-19-outbreak.pdf \(trusselltrust.org\)](#)

<sup>18</sup> For example, online, telephone and face-to-face (when Covid rules are relaxed).

|   |  |
|---|--|
|   | <p>Positive goals and outcomes might include improving financial and personal wellbeing, promoting financial inclusion and resilience.</p> <p>An intervention may be intended to produce wider social impact benefits such as enabling someone to get / keep a job.</p> <p>Policy outcomes and goals can be broken down into short, medium, long term outcomes/ ultimate goals. For example, the short-term outcome/ goal might be to deal with a problem debt, the medium-term goal might be preventing further debt building up, and longer-term goal might be building financial inclusion and security and financial wellbeing.</p> <p>Is the intervention designed to help individuals or have wider impacts on local areas/ communities? This will determine the categories of data that need to be collected before, during, and after the intervention to evaluate the impact.</p>   |
| <b>4. Identifying data and data sources</b> | <p>At this stage, the required data should be identified and agreed to:</p> <ul style="list-style-type: none"> <li>• target the intervention on those who need it; and</li> <li>• evaluate the intervention (pre and post intervention evaluation, and ongoing monitoring)</li> </ul> <p>For evaluation purposes, this should include data on: outputs, organisational goals, and policy outcomes.</p> <p>Output data is likely to be the easiest to collect as this will be within the control of the organisation. With output data, the assumption is that increasing the number of awards for example would translate into welfare gains for recipients (i.e. policy outcomes). But, this cannot be taken for granted. Tangible outcomes are different to outputs. There is a limit to how much output data can tell us about the impact of an intervention.</p> <p>Data on organisational goals e.g. reduction in rent arrears can be obtained by methods such as tracking studies.</p> <p>Good data on policy outcomes will be the most informative on the impact of the intervention. It is more difficult to set up and collect this type of data compared to, say, output data.</p> <p>But this can be done. For example, tracking studies can measure the before, during, and aftereffects. Well-constructed surveys can measure the effects on the financial wellbeing of recipients.</p> <p>Questions to be asked at this stage should include: is the appropriate data available; and can less direct benefits be</p> |

|   |   |
|---|---|
|   | <p>measured? There are reference sources which allow monetary values to be put on less tangible gains.</p> <p>The data collected will depend on the ToC outlined above and on what particular monitoring and evaluation approach selected – see below.</p> <p>At this stage, who is responsible for collecting and analysing data including external partners should be identified.</p>   |
| <b>5. What approach to monitoring and evaluation is being used?</b> | <p>Monitoring is about collecting relevant data and information in a planned, systematic, and consistent way. The frequency and extent of monitoring should be agreed at this stage.</p> <p>Monitoring data is important for tracking the impact of the intervention but, where necessary, to redirect the intervention to emerging vulnerable groups.</p> <p>Evaluation involves the use of an appropriate model and relevant data and information to assess the impact of the intervention – in this case LWA schemes.</p> <p>The ToC determines the <b>type</b> of data and information to be collected. The particular monitoring and evaluation approach will determine <b>how, when, and who</b> collects that data and information.</p>  |
| <b>6. What impacts have the intervention(s) produced?</b>           | <p>The main point of the evaluation framework. The evaluation model applied should allow the organisation to answer questions like:</p> <ul style="list-style-type: none"> <li>• To what degree have the intended outcomes been achieved?</li> <li>• Can the impacts be quantified/ measured?</li> <li>• To what degree can any improvements be attributed to the intervention(s)?</li> </ul> <p>Is the intention to measure the impact on the individual or more generally on an area/ community. It is possible to evaluate the impact on individual recipients and on groups/ communities.</p> <p>In its simplest terms, the formula for measuring the impact of the intervention is the improvement observed on the chosen outputs, organisational goals, and policy outcomes compared to the base position adjusted for the total resources spent on the intervention.</p> |
| <b>7. Contextual analysis</b>                                       | <p>To undertake proper comparative analysis of an intervention (in this case the LWA scheme), it is important, where possible, to contextualise the environment in which the intervention operates.</p>   |



|  |  |
|--|--|
|  | <p>Is it possible to identify a control group or peer groups to put the intervention in proper context when undertaking evaluation?</p> <p>For example, a LWA scheme operating in a particular area which scores badly on multiple deprivation indicators or is intended to support individuals with multiple challenging issues might find it more difficult to make an impact than a similarly constructed scheme operating in a less deprived area or designed to support individuals with comparatively simple, less difficult issues.</p> |
|--|--|

### 8.3 Evaluation frameworks: summary of issues to consider

There are several points to consider when developing an evaluation framework.

#### Data availability

Before selecting an evaluation framework, it is important to determine whether the appropriate data is available for optimal targeting of the intervention, and to monitor and evaluate the intervention. LWA schemes may have a number of components. The intervention may have a number of intended outcomes and goals. But, it may not be possible to quantify whether those outcomes have been achieved because the data is not available. It can often be easier to measure outputs e.g. number of awards, speed of turnaround etc. It can be harder to measure and evaluate outcomes. Of course, the availability of data shouldn't limit the scope of an intervention. However, it is important to recognise the limits of what can be monitored and measured using 'hard' data.

This has particular relevance when trying to evaluate the impact of interventions on specific marginalised groups on whom it may be difficult to collect data. A good example of this would be people who are classified as having No Recourse to Public Funds (NRPF).

#### Data indicators

Given the problems associated with collecting, verifying, and standardising data it may be better to focus on a limited number of critical outcomes and indicators. This should be established at the outset when agreeing the ToC and Evaluation Framework. Of course, if comprehensive data on wider set of indicators is available then it makes sense to collect and monitor this data. What may well involve a fairly minimal investment could reap rewards later on even if the value may not be immediately obvious.

## Data types

Linked to the above point, it may not be possible to find reliable, meaningful, and easily accessible 'hard' data to quantify impacts. It may be necessary to use softer, qualitative assessment, or rely on judgment. In the absence of hard data, it may be helpful to use independent assessors to judge the impact.

## Realism and attribution

Can any impacts actually be attributed to the intervention? It is important not to overclaim about any intervention. Benefits identified amongst the recipient group may be due to other factors or changes in personal circumstances. Care must be taken when trying to read across gains identified with individual recipients to wider groups. For example, in the case studies we have included the provision of a CLAS award of just £250 is estimated to have produced a benefit of £19,735. In another example, an award of £350 was estimated to have resulted in a benefit of £30,389. These estimates are not wrong. Indeed, a CLAS award of low value did indeed prevent the beneficiaries experiencing significant harm. But, it would be wrong to then assume that making 100 awards of £350 (a total of £35,000) would produce a total benefit of over £30 million.

## Context and allowance

It is also important to allow for the scale of the problem the intervention is trying to address – including at individual level and area/ community level.

A LWA scheme being used to support an individual facing serious, intractable, chronic, or multiple detriments and having multiple issues (e.g. financial/ debt problems, physical and mental health issues, language barriers and literacy challenges, low level of financial literacy etc) may struggle to have an impact.

This will apply at the area/ community level if the local authority is having to deal with large numbers of people with multiple or chronic conditions.

It would be misleading to conclude that a LWA scheme was ineffective if it appeared to have little **positive** impact on citizens facing this level of detriment. It may well be that the LWA scheme is having a major **defensive** impact by preventing conditions from deteriorating or mitigating the harms experienced by citizens (this can be illustrated by using social value metrics which attempt to quantify the benefits of defensive interventions such as emergency payments that prevent a person being evicted and so on – see above).

## Control groups and standardisation

Where possible, any evaluation should include control groups or an attempt to standardise the evaluation. Assuming a robust model is adopted, it would be possible to adjust or control for conditions within different boroughs – for example, the financial resources available to Councils and socio-economic/ demographic conditions within the local area. It would be fair and reasonable to assume that LWA schemes in more disadvantaged areas would face greater challenges in producing a large return on intervention/ greater social impact than schemes operating in less disadvantaged areas.

Therefore, where possible, the results should be standardised. This can be done by comparing the social impact in one area with an area with a similar socio-economic profile.

## 8.4 Principles for developing LWA schemes

During the research, we were able to identify principles for developing effective LWA schemes.

| Principle  | Description   |
|--|---|
| <b>Effective identification</b>                                    | The design of the scheme should incorporate ways to identify people or target groups who are most in need of support and would benefit most from the scheme. The data gathered as part of the evaluation process can help this.   |
| <b>Well designed to tackle the harm faced by vulnerable groups</b> | LWA schemes can vary from area to area and can have different components – direct cash grants, low-cost loans, or ‘in kind’ benefits such as food or fuel vouchers and essential items such as furniture and white goods to people who cannot afford to buy their own. <sup>19</sup> LWA should be effective, components and approach of LWA designed to tackle root causes of detriment. |
| <b>Sufficiently resourced</b>                                      | The LWA should be well resourced, not just in terms of the resources allocated to the scheme itself but available for raising awareness, distributing the scheme  |
| <b>Inclusive and non-discriminatory</b>                            | The LWA should be designed to be inclusive and non-discriminatory   |

---

<sup>19</sup> According to The Children’s Society, of the schemes run by local authorities, 64% were in-kind only, 8% were cash only, and 24% were a mixture of in-kind and cash support. See: p5 [Briefing-Strengthening-local-welfare-support-during-the-COVID-19-outbreak.pdf \(trusselltrust.org\)](#).

|                              |  |
|------------------------------|--|
| <b>Accessibility</b>         | The LWA should be accessible by a number of means – on-line, face to face etc  |
| <b>Efficiently processed</b> | The LWA should be distributed to qualifying recipients as quickly as possible to ensure their needs are met, and to avoid further/ prolonging harm |
| <b>Awareness of scheme</b>   | To be accessible and inclusive, awareness of the scheme must be high, the scheme must be promoted to target groups                                 |

## 9. Key findings and recommendations

The impact of Covid-19 has resulted in a renewed focus on the need for Local Welfare Assistance (LWA) schemes to provide vital financial support for households facing hardship. It has seen Councils both reinstating and redesigning their LWA schemes to help support the social and economic recovery.

The feasibility of carrying out robust financial and social evaluation of these local welfare assistance (LWA) schemes that links back to a Theory of Change has been examined as part of this short research project.

### Research findings

**Most councils now deliver some form of LWA scheme** - which, despite the differences in name, are broadly similar in terms of the type of support they provide in helping households deal with immediate hardship.

**Limited use of robust data collection amongst Councils** - to effectively drive delivery or evidence-based targeting of specific cohorts for support. Instead, data is only regularly being utilised for the purposes of assessing LWA scheme applications.

**Evaluation of LWA schemes is extremely limited** - Only a handful of examples were identified where formal measurement of the impacts or cost-benefit generated by the delivery of support were being undertaken to maximise value of local support schemes.

**There are a range of data monitoring and metrics within local welfare support schemes** - that could be utilised to enable:

- measurement of the effectiveness of local welfare schemes;
- identifying and targeting of the most vulnerable residents ahead of a crisis;
- understanding clients and identifying wider support needs; and
- effective evaluation of LWA support provision.

**There are a handful of well-developed tools / models** that could be utilised to formally measure the impact of LWA schemes in terms of both:

- **Social Value** – with five outcome measures identified as being most relevant that could be adopted to determine the benefit to the household of the local welfare support schemes through changes in:
  - Financial comfort,
  - Relief from being heavily burdened with debt,
  - Higher levels of confidence,
  - Feeling in control of life, and
  - Relief from depression/anxiety.
- **Cost Benefit Analysis** – calculating the value for money achieved by LWA interventions using an established CBA tool allows the ‘financial case’ to be made by quantifying economic benefits that are generated for individuals and organisations.

**Eligibility to hardship funding for No Recourse to Public Funds households appears to be limited** across the Councils consulted with access having mostly been a temporary change made in response to Covid-19.

**Wider research and learning on the behavioural and psychological impacts of poverty** is important to inform the evaluation approach to LWA schemes.

**A new Theory of Change (ToC) for LWA schemes would need to be established** that addresses the outcomes and goals the organisations are trying to achieve and the parameters or limitations for the intervention as well as determining the evaluation framework and type and amount of data to be collected to allow evaluation.

**The research identifies a number of appropriate data categories** that would allow for an evaluation of: operational *outputs*, targets, and goals; organisational benefits; and policy *outcomes* and goals.

**There appears to be no single evaluation framework that could be lifted directly and used for LWA schemes.** Therefore, it requires the adoption of elements from a range of models to create a framework that fits best with the use of LWA schemes. The adapted framework would consist of the identification of: the baseline set of conditions prior to intervention; costs of that intervention; outputs, organisational goals, and policy outcomes that are to be measured to evaluate the intervention; data that is to be used to evaluate the intervention (pre and post intervention, ongoing intervention); sources of that data and who is responsible for collecting and analysing data; methods for quantifying the impact and actual model to be used to evaluate the impact; and limitations of any evaluation framework.

**To undertake proper comparative analysis of an LWA scheme it is important to contextualise the environment in which the intervention operates.** An LWA scheme operating in a particular local authority area which scores badly on multiple deprivation indicators or is intended to support individuals with multiple challenging issues might find it more difficult to make an impact than a similarly constructed scheme operating in a less deprived area or designed to support individuals with comparatively simple, less difficult issues.

### **Recommended next steps:**

- 6) Immediately undertake a short mapping exercise across all within each local authority in London to:**
  - identify key contacts delivering LWA schemes;
  - understand current LWA provision and delivery mechanisms;
  - determine existing approach to LWA data capture and measuring impact;
  - agree existing and potential data categories that would allow for an evaluation of schemes – with an indication of the difficulty in obtaining such data on a routine basis; and
  - assess interest in exploring collective working with the London Recovery Board and relevant stakeholders.
- 7) Convening initial meeting with interested Councils to explore potential collaboration** – with intention to become a working group to progress best practice on LWA delivery and impact evaluation as well as driving regional lobbying on this agenda.
- 8) Develop a staged roadmap** – agree a realistic roadmap toward shared delivery standards / principles and a universal approach to evaluation and measuring impact.
- 9) Collectively establish the Theory of Change and Evaluation Framework for LWA schemes across London** - that universally collects and utilises data to:
  - identify and target the most vulnerable households;
  - measure the effectiveness of local welfare schemes; and
  - demonstrate the impact and value of local welfare schemes.
- 10) Implement a pilot study with 3-5 Councils** to agree initial data collection metrics and test the standardised and centralised data collection both before and after the LWA intervention. This would be used to establish the foundation for a collective impact evaluation approach that could be amended and rolled out across all local authority areas in the capital.

# Appendix

## Appendix 1 – Council consultation: survey questions

1. Do you currently have a local welfare assistance scheme (or similar) in place?
2. What is the name of your LWA scheme?
3. What support is provided by the scheme?
4. What was the budget of the scheme for 2020/21?
5. What data do you routinely capture via scheme applications?
6. Is your scheme proactively targeted to any particular cohorts of residents?
7. If yes, what data do you use to identify and target the relevant cohorts?
8. Are residents/households with 'No Recourse to Public Funds' eligible to access your scheme?
9. If yes, was this a temporary change in response to Covid-19 and how long will this be in place for?
10. Do you measure the local need/demand for welfare assistance?
11. If yes, what data sets do you use to estimate the potential scale of need/demand?
12. What data do you regularly collect to measure the delivery and performance of the scheme?
13. Do you collect any data on the outcomes or impacts generated for residents who access support?
14. If yes, what data do you collect?
15. If yes, do you track this data over a certain period of time?
16. Do you measure the social value, wellbeing or cost benefit provided by the scheme? For example, in terms of understanding the value of positive impacts the support may have on physical or mental health?
17. If yes, do you use a specific methodology or any specific data sets?
18. Are residents/households with 'No Recourse to Public Funds' eligible to access any other support initiatives that you may provide?



## Appendix 2 – The psychological impact of poverty: useful definitions

- **Bandwidth** – cognitive resources (working memory and executive control) that allow us to reason, to focus, to learn new ideas, to make creative leaps and to resist our immediate impulses. Having low bandwidth, for example in times of particular stress, can impede our overall ability to proactively make effective decisions.
- **Cognitive overload** – having a lot on your mind impairs decision-making and tends to result in the simplest, but not necessarily most lucrative option being selected or course of action taken.
- **Locus of control** – the extent to which people feel that they have control over the events that influence their lives. Research shows that control is an essential feature of mental life – it is one of the primary motives of behaviour. We have a deep need to feel competent and to be in control of our environment.
- **Self-efficacy** – a judgement of your ability to perform a certain behaviour or achieve an outcome, linked to confidence. If programmes are focused on personal or social change, and in particular changes that may last beyond the length of the intervention, then targeting self-efficacy is considered important.

## Appendix 3 – HACT outcome values

| Outcome                                      | Description of outcome   | Average value | <25     | 25-49   | >50     | London  | <25     | 25-49   | >50     | Outside London | <25     | 25-49   | >50     | Deadweight | Evidence needed |
|--|--|---------------|---------|---------|---------|---------|---------|---------|---------|----------------|---------|---------|---------|------------|-----------------|
| <b>Financial health</b>                      |  |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
| Financial comfort                            | How well would you say you yourself are managing financially these days? | £8,917        | 8,530   | £8,802  | £9,428  | £8,763  | £8,491  | £10,378 | £7,937  | £8,898         | £6,910  | £9,762  | £8,879  | 0.19       | Survey          |
|  | 1.) Living comfortably   |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 2.) Doing alright  |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 3.) Just about getting by  |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 4.) Finding it quite difficult   |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 5.) Finding it very difficult  |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
| Relief from being heavily burdened with debt | If you are in debt, how much of a burden is that debt?                   | £10,836       | £7,065  | £11,857 | £12,962 | £7,065  | £7,065  | £7,065  | £10,132 | £11,078        | £7,065  | £11,928 | £13,377 | 0.19       | Survey          |
|  | 1.) Heavy burden   |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 2.) Somewhat of burden   |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 3.) Not a problem  |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
| <b>Health</b>                                |  |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
| High confidence (adult)                      | Have you recently been losing confidence in yourself?                    | £13,080       | £14,224 | £13,065 | £12,565 | £13,188 | £15,264 | £12,801 | £12,817 | £13,065        | £14,152 | £13,096 | £12,549 | 0.27       | Survey          |
|  | 1.) Not at all (* valuable answer)                                       |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 2.) No more than usual   |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 3.) Rather more than usual   |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 4.) Much more than usual   |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
| Feel in control of life                      | I feel that what happens to me is out of my control?                     | £15,894       | £15,637 | £17,504 | £16,427 | £14,894 | £18,607 | £12,833 | £15,311 | £15,878        | £14,399 | £16,474 | £15,734 | 0.27       | Survey          |
|  | 1.) Often  |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 2.) Sometimes  |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 3.) Not often (* valuable answer)  |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 4.) Never (* valuable answer)  |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
| Relief from depression/anxiety (adult)       | Do you suffer from depression or anxiety?                                | £36,766       | £33,107 | £36,949 | £38,800 | £35,563 | £52,293 | £38,053 | £28,627 | £36,827        | £31,914 | £36,706 | £39,302 | 0.27       | Survey          |
|  | 1.) Yes  |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 2.) No   |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |
|  | 3.) Prefer not to answer   |               |         |         |         |         |         |         |         |                |         |         |         |            |                 |

## Appendix 4 – Example impact scorecards

| Social Value Feedback Survey Form for CLAS Services  |          |       |     | Start           |        |
|--|----------|-------|-----|-----------------|--------|
| Date   |          |       |     | Name of advisor | Agency |
| Name   |          |       |     |                 |        |
| Address  |          |       |     |                 |        |
| Postcode   |          |       |     |                 |        |
| Age  | under 25 | 25-49 | 50+ |                 |        |
| <div style="display: flex; justify-content: space-between;"> <div style="width: 70%;"> <p>1. If you are in debt, how much of a burden is that debt?</p> <p>2. How well would you say you yourself are managing financially these days?</p> <p>3. Have you had any nights in the last week when you lost sleep worrying or any days in the last week when you felt unhappy, in relation to your financial difficulties?</p> </div> <div style="width: 25%; border: 1px solid black; padding: 5px;"> <p>1. Heavy burden</p> <p>2. Somewhat of burden*</p> <p>3. Not a problem*</p> </div> </div>   |          |       |     |                 |        |
| <div style="display: flex; justify-content: space-between;"> <div style="width: 70%;"> <p>1. If you are in debt, how much of a burden is that debt?</p> <p>2. How well would you say you yourself are managing financially these days?</p> <p>3. Have you had any nights in the last week when you lost sleep worrying or any days in the last week when you felt unhappy, in relation to your financial difficulties?</p> </div> <div style="width: 25%; border: 1px solid black; padding: 5px;"> <p>1. Living comfortably*</p> <p>2. Doing alright*</p> <p>3. Just about getting by</p> <p>4. Finding it quite difficult</p> <p>5. Finding it very difficult</p> </div> </div> |          |       |     |                 |        |
| <div style="display: flex; justify-content: space-between;"> <div style="width: 70%;"> <p>1. If you are in debt, how much of a burden is that debt?</p> <p>2. How well would you say you yourself are managing financially these days?</p> <p>3. Have you had any nights in the last week when you lost sleep worrying or any days in the last week when you felt unhappy, in relation to your financial difficulties?</p> </div> <div style="width: 25%; border: 1px solid black; padding: 5px;"> <p>1. Yes</p> <p>2. No*</p> <p>3. Prefer not to answer</p> </div> </div>  |          |       |     |                 |        |
|  |          |       |     |                 |        |
|  |          |       |     | Finish          |        |
| Date   |          |       |     |                 |        |
| <div style="display: flex; justify-content: space-between;"> <div style="width: 70%;"> <p>1. If you are in debt, how much of a burden is that debt?</p> <p>2. How well would you say you yourself are managing financially these days?</p> <p>3. Have you had any nights in the last week when you lost sleep worrying or any days in the last week when you felt unhappy, in relation to your financial difficulties?</p> </div> <div style="width: 25%; border: 1px solid black; padding: 5px;"> <p>1. Heavy burden</p> <p>2. Somewhat of burden*</p> <p>3. Not a problem*</p> </div> </div>   |          |       |     |                 |        |
| <div style="display: flex; justify-content: space-between;"> <div style="width: 70%;"> <p>1. If you are in debt, how much of a burden is that debt?</p> <p>2. How well would you say you yourself are managing financially these days?</p> <p>3. Have you had any nights in the last week when you lost sleep worrying or any days in the last week when you felt unhappy, in relation to your financial difficulties?</p> </div> <div style="width: 25%; border: 1px solid black; padding: 5px;"> <p>1. Living comfortably*</p> <p>2. Doing alright*</p> <p>3. Just about getting by</p> <p>4. Finding it quite difficult</p> <p>5. Finding it very difficult</p> </div> </div> |          |       |     |                 |        |
| <div style="display: flex; justify-content: space-between;"> <div style="width: 70%;"> <p>1. If you are in debt, how much of a burden is that debt?</p> <p>2. How well would you say you yourself are managing financially these days?</p> <p>3. Have you had any nights in the last week when you lost sleep worrying or any days in the last week when you felt unhappy, in relation to your financial difficulties?</p> </div> <div style="width: 25%; border: 1px solid black; padding: 5px;"> <p>1. Yes</p> <p>2. No*</p> <p>3. Prefer not to answer</p> </div> </div>  |          |       |     |                 |        |

|  |                     |       |              |            |              |                  |                                   |
|--|---------------------|-------|--------------|------------|--------------|------------------|-----------------------------------|
| Sense of control - in the last month, how often have you felt that you were able to control the important things in your life? |                     |       |              |            |              |                  |                                   |
|  |                     |       |              |            |              | Valuable answers | Can wellbeing outcome be applied? |
|  |                     | Never | Almost Never | Some-times | Fairly Often | Very Often       |                                   |
| Customer Assessment  | Before intervention |       |              |            |              |                  |                                   |
|  | After intervention  |       |              |            |              |                  | Yes                               |
|  |                     |       |              |            |              | Value            | £00,000                           |
| Confidence - in the last month, how often have you felt the confidence to deal with the issues you may be facing?              |                     |       |              |            |              |                  |                                   |
|  |                     |       |              |            |              | Valuable answers | Can wellbeing outcome be applied? |
|  |                     | Never | Almost Never | Some-times | Fairly Often | Very Often       |                                   |
| Customer Assessment  | Before intervention |       |              |            |              |                  |                                   |
|  | After intervention  |       |              |            |              |                  | Yes                               |
|  |                     |       |              |            |              | Value            | £00,000                           |
|  |                     |       |              |            | Total Value  |                  | £00,000                           |
|  |                     |       |              |            | Time spent   |                  | 60 mins                           |
|  |                     |       |              |            | £ Ratio      |                  |                                   |