Appendix 1: Information about the Low Income Family Tracker (LIFT) and profiles of resident households

What is the Low Income Family Tracker?
LIFT brings together data from multiple datasets held within the Council as well as externally to build a picture of households in need and their potential entitlements. It visualises outputs from the Policy in Practice analytics engine. This can apply national and local welfare policy, both existing and upcoming, in order to give deep insight into how individual families will be impacted and therefore the best ways to support them. This system is used by Local Authorities across London and nationally to help better target support for low income households.

Summary of those on LIFT
LIFT captures residents accessing certain benefits, including Council Tax Reduction Scheme, Housing Benefit and the Housing element of Universal Credit. In order for a resident to be part of the LIFT database, they must be receiving one of the aforementioned benefits.

Features of LIFT

- Identify vulnerable residents missing out on benefits
- Analysis of households most impacted by welfare reform
- Track the impact of interventions on households
- Proactive approach to modelling the impact of known future policies
- Get monthly automated data refreshes
- Spot trends in your datasets
- Download the underlying datasets for further analysis
- Ability to export data into MS Excel
- Training and support including live chat support

Benefits of LIFT

- Quickly identify and access information on which households need support
- Understand and improve residents financial resilience and reduce poverty gaps
- Reduce problem debt, possible eviction/homelessness, food and fuel poverty
- Increase household's income from benefits and other support
- Maximise income and avoid costs by preventing vulnerability earlier
- Evidence of where support is needed from third party experts
- Make data-driven decisions
- Identify households that are in poverty now/in the future

Datasets used in LIFT

- The Single Household Benefit Extract (SHBE)
- The Council Tax Reduction Extract (CTR)* This is two datasets in Civica sites: the "Full Benefits Extract" and "CTS Extract".
- The Universal Credit Data Share (UCDS)**Other Universal Credit datasets are required should we not wish to share the UCDS
- Household-level data on discretionary housing payments
- Household-level data on council tax arrears
- Household-level data on social rent arrears
- Household-level data on Housing Benefit overpayments

Low Income Family Tracker (LIFT)

The datasets used to build the LIFT dashboard contain rich, household-level information on earnings, benefit incomes and family composition. It gives us the ability to take a more person-centred approach to support activities, be proactive and offer support to residents, and direct scarce resources where they're most needed. LIFT has already been successfully used for a number of targeted campaigns for the Council. This has included (but not limited to):

- Pension Credit take up to encourage the 337 eligible households that are not in receipt of the benefit. This ran throughout October 2024.
- Households in CT arrears with a cash shortfall.
- Supporting households affected by the Bedroom Tax.

Below are some examples of the type of residents that would be included within LIFT. The profiles that follow use a number of specific definitions for the state of residents finances as defined by Policy in Practice and the Joseph Rowntree Foundation. These are:

- Poverty - Households are considered to be below the UK poverty line if their income is below 60% of the median household income after housing costs for that year (currently 6,028 in Kensington and Chelsea)
- Fuel poverty – a households income after fuel expenditure would bring their income below the relative poverty line (1,937 in K&C)
- Food poverty – a household's total minimum acceptable food expenditure (based on the Minimum income Standard) is higher than their income after "priority costs" (1,232 in K&C)

Council tenants

Of the 15,179 households on the LIFT database, 3,773 are Council tenants. Figure 1 (below) shows the location of these households:

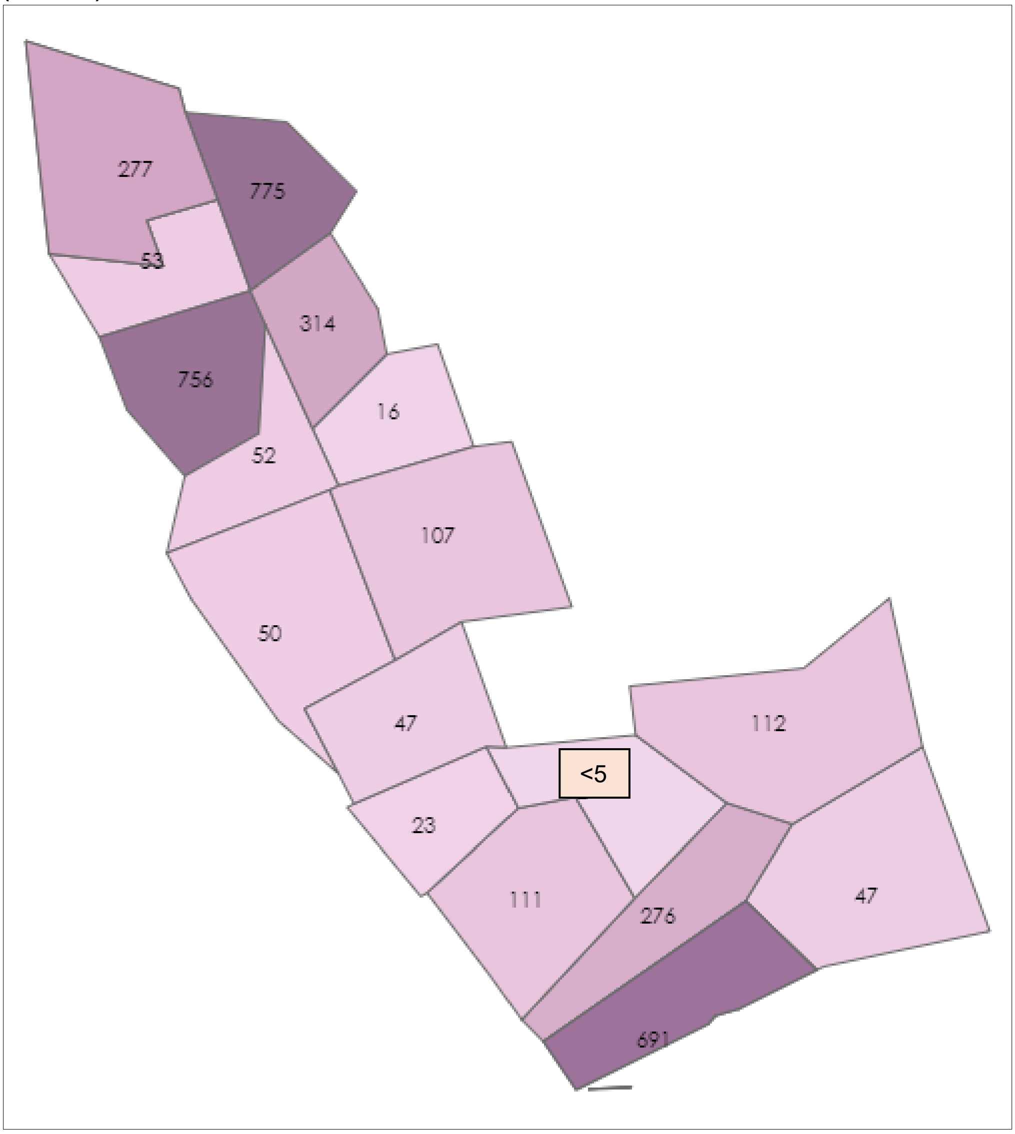

Figure 1: Council tenants on LIFT by ward

These tenants are made up of:

- 1,518 of pension age
- 2,255 of working age
- 1,258 children within the total 3,773 households
- 1,701 have at least one disabled person
- 440 are in work
- 1,612 are in poverty
- 1,878 are in fuel poverty
- 1,341 are in food poverty
- 969 are in Council Tax arrears (£680 average arrears)
- 440 are in rent arrears (£896 average arrears)

Pension age residents

Of the 15,179 households on the LIFT database, 5,275 are of pension age. Figure 2 (below) shows the location of these households:

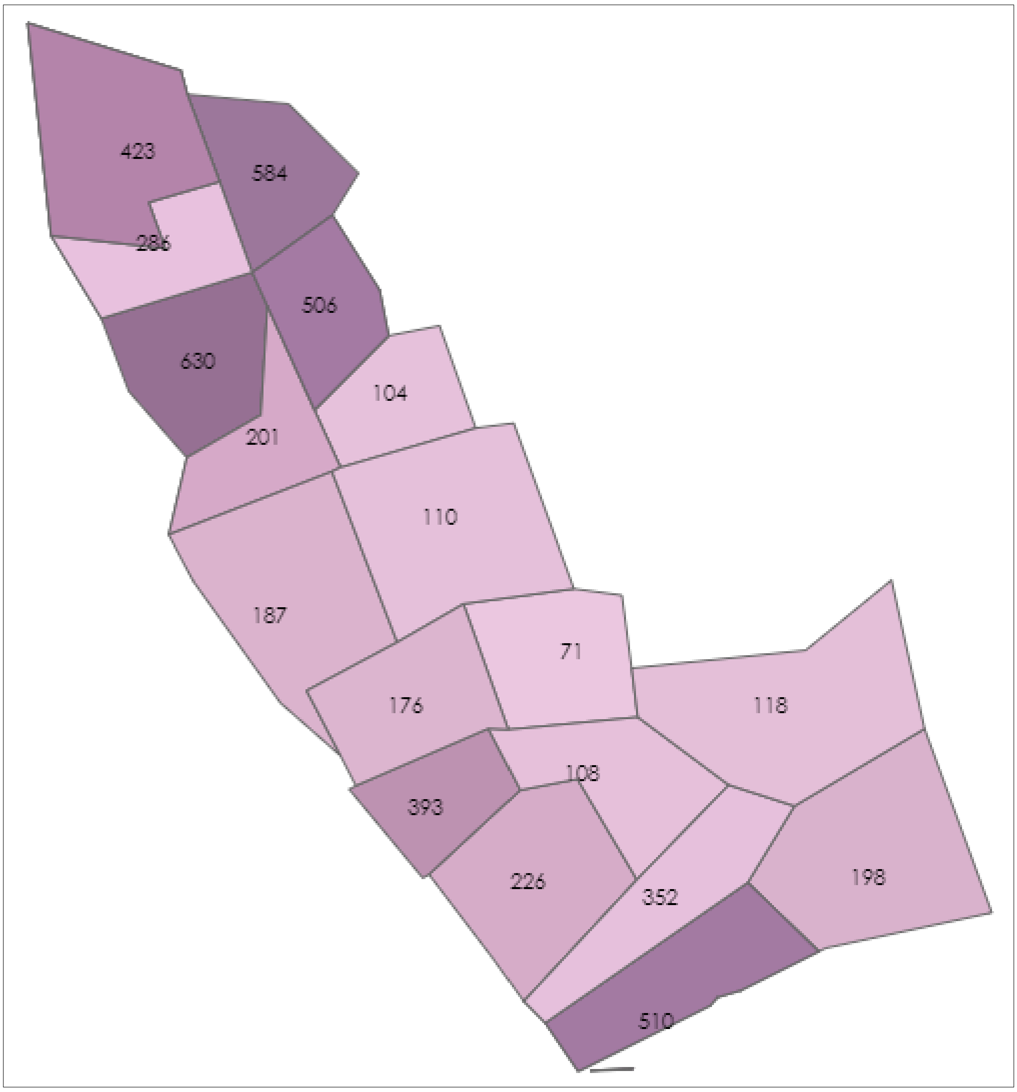

Figure 2: Pension age residents by ward

These residents are comprised of:

- 522 households in poverty
- 641 households in fuel poverty
- 235 households in food poverty
- 134 households in work
- 106 claiming Universal Credit
- 314 eligible for Pension Credit that are not claiming
- 71 households have children
- 1,013 have CT arrears (£472 average arrears)
- 294 have rent arrears (£886 average arrears)
- 102 are in crisis with a further 95 anticipated to be in crisis in 2025

Working age residents

Of the 15,179 households on the LIFT database, 9,904 are of working age. Figure 3 (below) shows the location of these households:

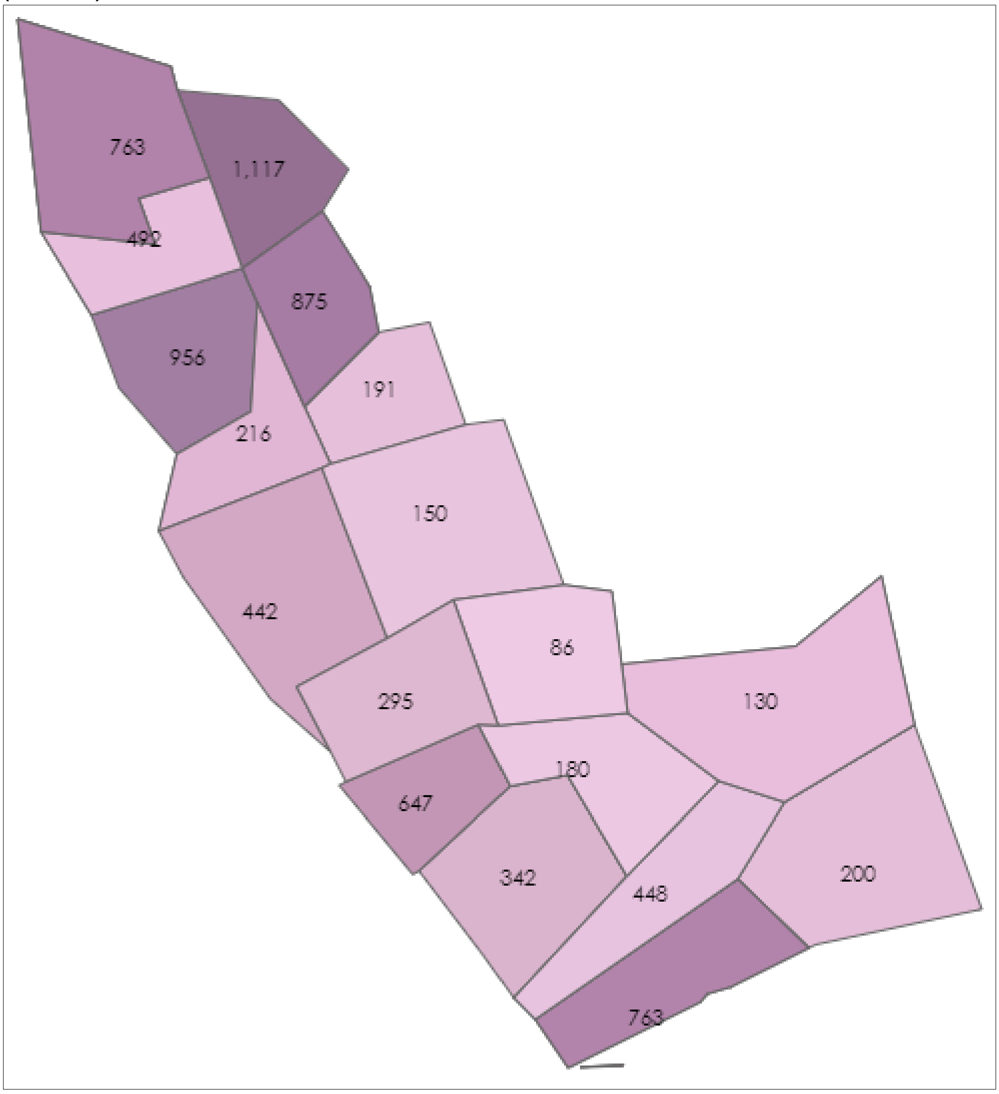

Figure 3: working age residents by ward

These residents are comprised of:

- 5,913 households with children
- 5,506 in poverty
- 1,952 households in work of which 1,197 are in poverty including 1,177 children
- 1,296 in fuel poverty
- 997 in food poverty
- 118 are in full time work

LIFT definitions

Fuel Poverty

Previously measured using the Low Income High Costs (LIHC) indicator, from 2021 it incorporates wider concerns over sustainability and is measured using the Low

Income Low Energy Efficiency (LILEE). Both definitions are made up of two criteria, listed below:

LIHC definition	LILEE definition
a household is considered to be fuel poor if: a) high cost. They have required fuel costs that are above average (the national median level); and b) low income: were they to spend that amount, they would be left with a residual income below the official poverty line.	A household is considered to be fuel poor if: a) low energy efficiency: they are living in a property with a fuel poverty energy efficiency rating of band D or below; and b) low income: when they spend the required amount to heat their home, they are left with a residual income below the official poverty line.
Pre-2021	2021 onwards

There are 3 important elements in determining whether a household is fuel poor:

- Household income
- Household energy requirements
- Fuel prices

Household-level information about property energy requirements and incurred fuel prices are not included in the main datasets used to populate LIFT. This means it is not possible to capture precisely which households meet the *low energy efficiency* criterion. In order to minimise the risk of excluding at-risk households. LIFT defines fuel poverty according to the *low-income* criterion only.

Financial resilience and cash shortfall definitions in LIFT

The financial resilience data concept describes the relationship between households income, savings and expected household expenditure using the following mutually exclusive categories:

- **In crisis** – household take-home-income is not enough to meet only their rent and their Council Tax liability and they do not have enough savings to meet 3 months' worth of expected expenditure.
- **At risk** – household take-home-income is less than their expected expenditure, and they do not have enough savings to meet 3 months' worth of their expected expenditure.
- **Struggling** – household take-home-income is between zero and £100 greater than their expected expenditure and they do not have enough savings to meet 3 months' worth of expected expenditure.
- **Coping** – household take-home-income is greater than expected expenditure by over £100. Or household take-home-income is less than £100 above expected expenditure, and they do have 3 months' worth of savings.

In addition, LIFT employs a 'cash shortfall' measure to capture whether households' expected take-home-income is less than expected expenditure. This is a binary

(Yes/ No) indicator that corresponds to the ‘In crisis’ and ‘At risk’ groups above; that is, households in cash shortfall will also be either in the ‘In crisis’ or ‘At risk’ group. Households are considered to be at risk of facing a cash shortfall if their take-home-income falls below their expected total expenditure. Total expenditure includes rent, council tax liability, disability, TV licence, electricity, gas, water, public transport, mobile, groceries and personal costs.