



Department
for Work &
Pensions

In-work Housing Benefit

Analysis of on-flows and off-flows of in-work
Housing Benefit claims

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Introduction

1. This publication presents analysis of the flows into and out of in-work Housing Benefit (HB) over time.
2. It shows the number of new in-work HB claims each month, split by whether the claim is a new HB claim or whether the claimant was receiving out-of-work HB in the previous month.
3. It also shows the flows out of the in-work HB group, split by whether the household moves off HB entirely or moves on to claim HB on an out-of-work basis.
4. In addition, selected cohorts of new in-work HB claims are tracked over time to show;
 - a. the proportion of claimants who:
 - i. remain on in-work HB continuously throughout the defined period, or
 - ii. move off in-work HB at some point during the period, and whether their first move is to:
 - a. leave employment and receive HB on an out-of-work basis, or
 - b. move off HB.
 - b. the status of those claimants at four points in time (3, 6, 12 and 24 months after inflow), showing whether the claimant is then:
 - i. on in-work HB,
 - ii. receiving HB on an out-of-work basis, or
 - iii. not receiving HB.
5. This analysis was carried out to help inform public discussions on in-work Housing Benefit. It has been released as an ad hoc statistic given high levels of interest in this topic over the past year. **These management information have not been quality assured with the same rigour as those denoted as official statistics or National statistics.**

Contact details

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Background

6. Housing Benefit (HB) was introduced on 1st April 1983 and is an income-related benefit designed to help people on low incomes pay for rented accommodation whether in or out of work.
7. The Department's regular Housing Benefit statistics provide a breakdown of the housing benefit caseload and average award by a range of characteristics including whether the claimant is in employment. This information is published quarterly and is available on Stat-Xplore: <https://stat-xplore.dwp.gov.uk/>
8. The published data shows that in the last five years there has been an increase in the number of in-work HB claimants, from 439,000 at the end of 2008 to 1,059,000 in May 2014.
9. Further analysis has been undertaken to supplement the statistics that are already provided in Stat-Xplore. The analysis looks at the flows into and out of in-work HB.

Methodology

10. The figures presented here are based on analysis of the Single Housing Benefit Extract (SHBE) data. SHBE is a monthly electronic record of claimant level data compiled from scans taken directly from local authority computer systems. SHBE contains a range of information on all of the claims that are live in each month, including whether a claimant is employed or not. An in-work HB claim is defined here as one where the claimant or partner has some recorded income from employment or self-employment and the claimant is not in receipt of a passported benefit.¹
11. When a benefit unit is not claiming HB, they will not appear on the SHBE database for that month; this means that when a benefit unit is not claiming HB, their employment status is unknown.
12. Therefore in any particular month, this analysis assigns households to one of three possible statuses: claiming HB while in work; claiming HB while out of work; and not claiming HB.
13. By tracking claimants across consecutive months of SHBE data, it is possible to see when claims are closed or new claims are started and when a claimant stays on HB but has a change in their employment status.
14. In this analysis, an 'on-flow' to in-work HB refers to a case where a claimant is on in-work HB in one month but was not on in-work HB in the preceding month. It could be that they were not on HB at all in the previous month; alternatively

¹ There will be a small number of claimants who are on a passported benefit - that is those who receive either Income Support, Jobseeker's Allowance (Income-Based), Employment and Support Allowance (Income-Based), or Pension Credit (Guaranteed Credit) - who also work part-time but the administrative data does not provide information on the employment status of passported claims. Therefore only those claimants who are employed and not claiming a passported benefit are counted as being in work in this analysis.

they may have been claiming out-of-work HB, but have now started a job and so moved onto in-work HB.

15. An 'off-flow' from in-work HB occurs when a claimant is on in-work HB in the previous month but then either moves off HB, or remains on HB but is no longer in employment.
16. SHBE data is available on a consistent basis from November 2008 onwards.
17. In Table 1, the figures for March and April 2014 should be treated with caution. It is possible that the recording of earnings information from claimants and, where applicable, their partners, is not complete for some Local Authorities. This is currently being investigated by DWP statisticians. In the meantime there is uncertainty around the in-work HB caseload in March 2014 and the flows in and out of in-work HB for March and April 2014. This issue does not affect the results in Tables 2a, 2b, 3a and 3c.

Results

18. This section contains graphs displaying the analysis. The underlying figures used to produce these graphs can be found in Tables 1-3 in the Annex. The figures in Tables 1, 2a and 3a have been rounded to the nearest ten.
19. Excel versions of all of the tables are available on the DWP website: <https://www.gov.uk/government/collections/ad-hoc-statistical-analysis-2014-quarter-3>

Flows on and off of in-work HB over time

20. Table 1 shows the monthly on-flows to in-work HB split by previous status; the monthly off-flows from in-work HB split by destination; and the in-work HB caseload in each month. The in-work HB caseload figures are based on data published in Stat Xplore as part of the Department's regular HB statistical release.
21. Figure 1a presents the on-flows to in-work HB, split by whether in the previous month the claimant was not on HB or was already on HB but on an out-of-work basis. Figure 1b presents the off-flows from in-work HB, split by whether the claimant flows off HB or onto out-of-work HB.
22. The spike in the number of off-flows from in-work HB into out-of-work HB in March 2014 in Figure 1b should be viewed in the context of the warning about a potential recording issue for the March 2014 HB data (see paragraph 17). The same applies for the spike in on-flows to in-work HB from out-of-work HB in April 2014 in Figure 1a.

Figure 1a: On-flows to in-work HB, by previous status, 2008-2014

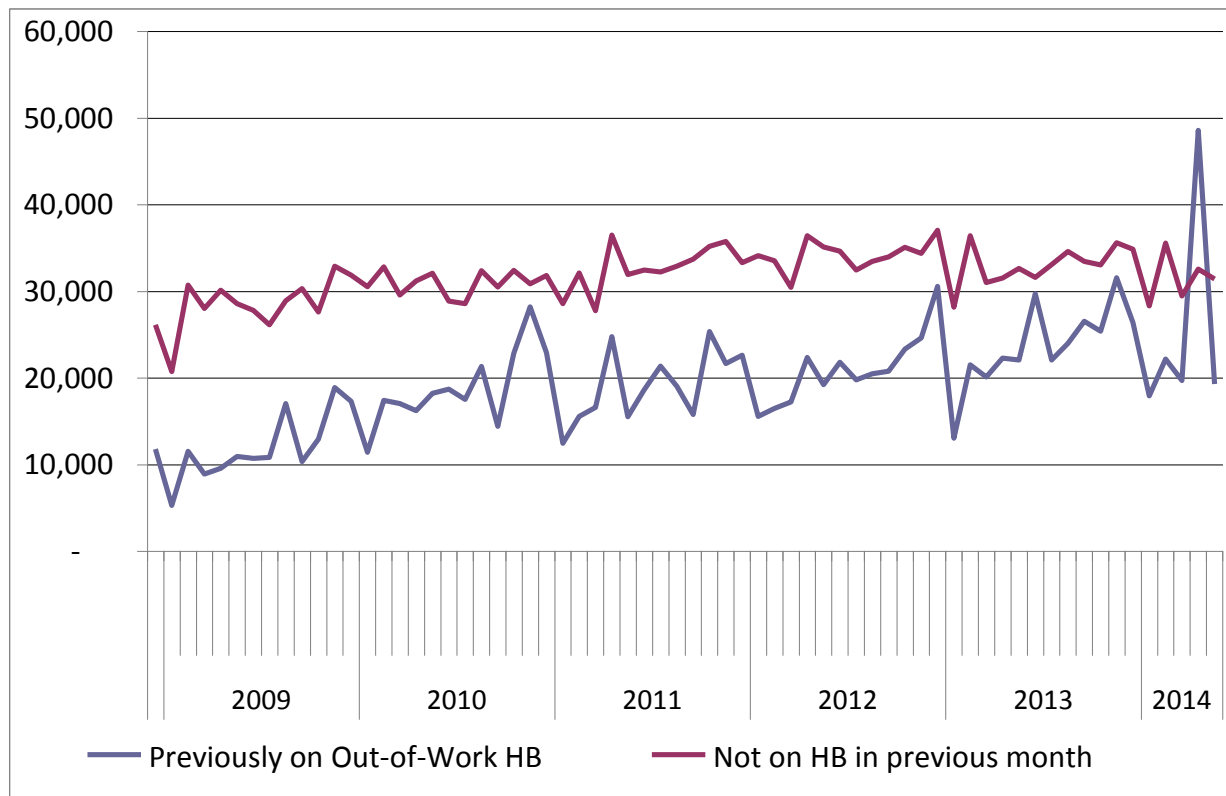
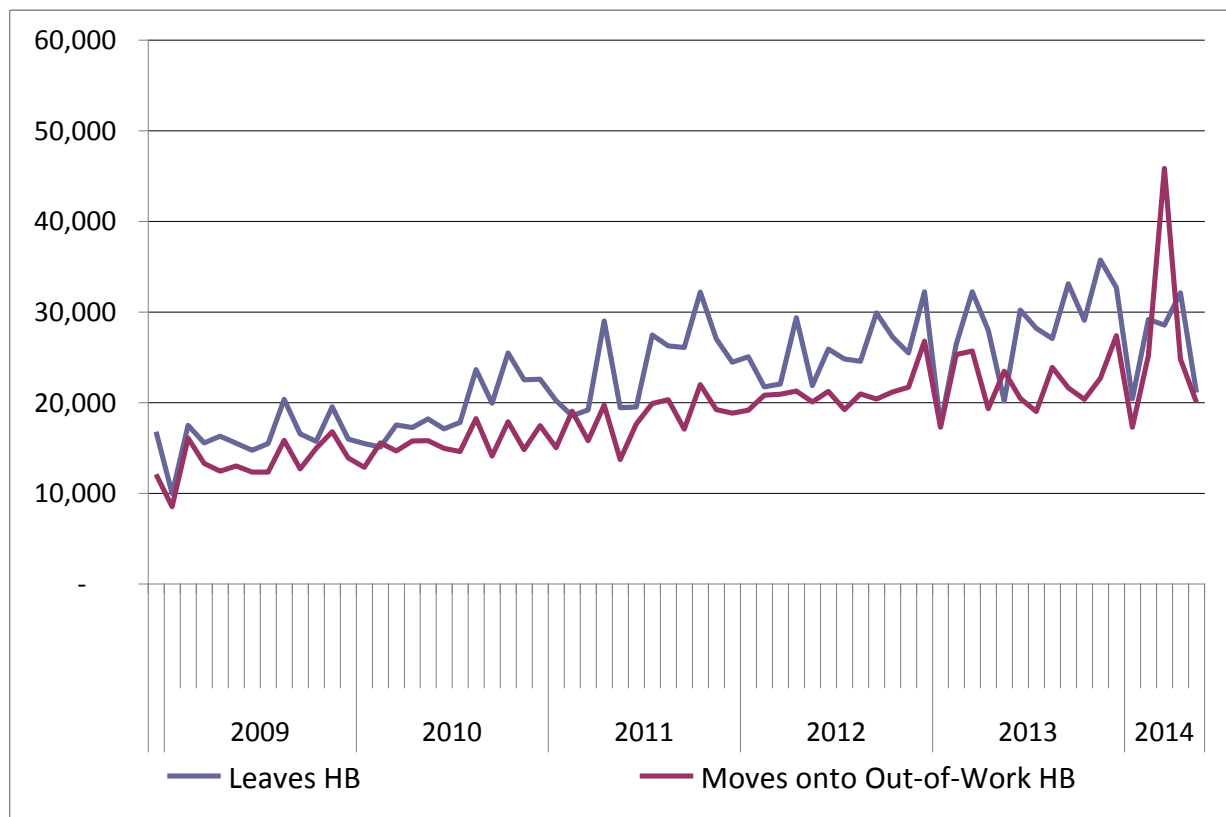


Figure 2b: Off-flows from in-work HB, by destination, 2008-2014

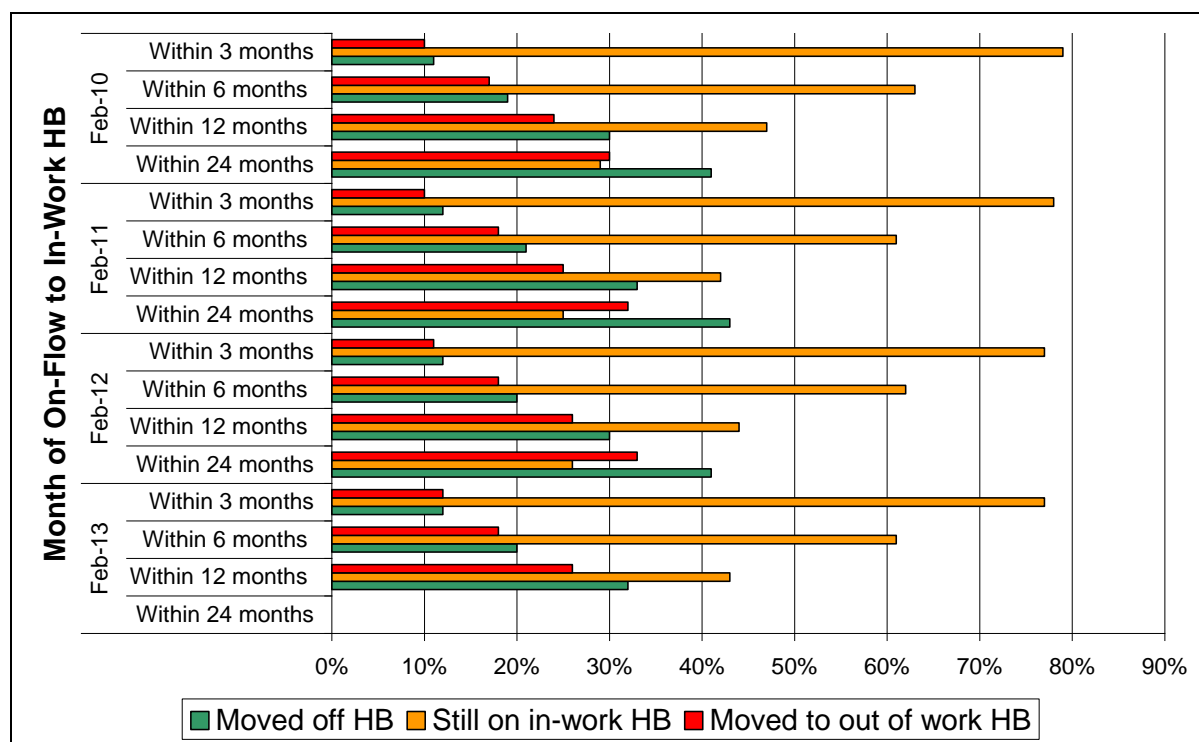


23. Table 1 shows that the in-work HB caseload has increased steadily since 2008, although the rate of increase has slowed. In 2009, there was an average monthly increase in the in-work caseload of 11,000; in 2013, the average increase was 6,000 per month.
24. The analysis also shows that in 2013, 42% of new in-work claims were from people who were previously claiming HB as an out-of-work benefit and then moved into work. This proportion has increased over time; in 2009, 30% of new in-work claims were from those who had previously been claiming out-of-work Housing Benefit.

The frequency and type of off-flows from in-work HB, within 2 years of on-flow

25. Tables 2a and 2b contain information on four specific cohorts of on-flows to in-work HB – those who flowed on in February 2010, February 2011, February 2012 and February 2013 – providing information on their claims in the two years after they flowed onto in-work HB. At present, the latest month of SHBE data that is available is May 2014. Therefore the February 2013 cohort is only observed for one year.
26. Table 2a shows whether the claimant moves out of work or flows off HB within the first 3 months, 6 months, year or 2 years after flowing onto in-work HB, or whether they remain on in-work HB continuously throughout the period. If a claimants' benefit and employment status changes more than once within 2 years – for example if a claimant flows onto out-of-work HB before flowing off HB entirely – only the first change is counted. Table 2b shows the same results as 2a, but displays them as proportions of the cohort. The data from Table 2b is displayed in Figure 2.

Figure 3: The frequency and type of off-flows from in-work HB, within 2 years of on-flow

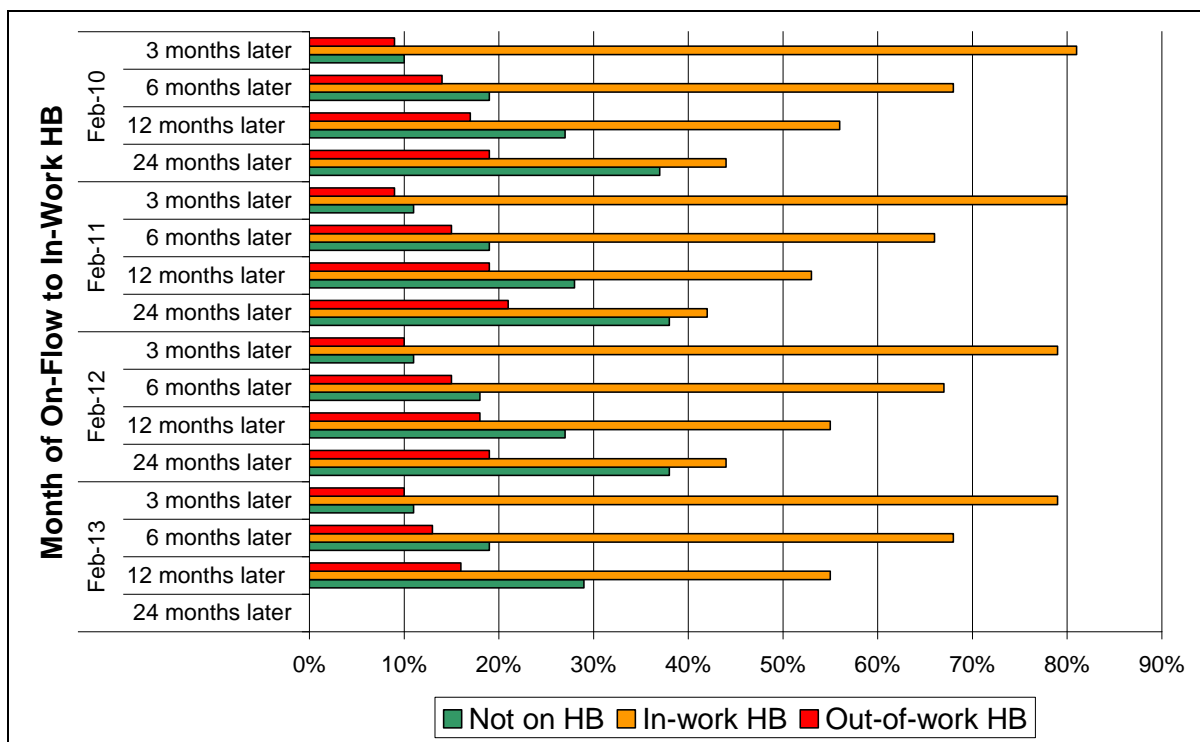


- 27. The data shows that around 30% of in-work HB cases flow off HB within a year, and over 40% flow off within 2 years.
- 28. Across the four cohorts, there has been little change in the proportion of in-work claimants who flow off HB within 3 months, 6 months, a year or 2 years.

Claimants' HB status 3, 6, 12 and 24 months after flowing onto in-work HB

- 29. Tables 3a and 3b are also based on the 4 cohorts of claimants who flowed onto in-work HB in February 2010, February 2011, February 2012 and February 2013.
- 30. Table 3a provides a breakdown of how many of the claimants in each cohort have an in-work HB claim 3 months, 6 months, a year and 2 years after flowing onto in-work HB, and how many are on out-of-work HB or are not on HB at these points. These results refer only to the claimants' status at these set points in time; they ignore any changes in status during the intervening periods. Table 3b provides the results in 3a as proportions of the cohort. Figure 3 displays the data from Table 3b.
- 31. The February 2013 cohort is only observed for one year because the latest month of SHBE data that is available is May 2014.

Figure 4: Claimants' HB status 3, 6, 12 and 24 months after flowing onto in-work HB



- 32. The data shows that, one year from making a new in-work HB claim, over 80% of claimants are either claiming in-work HB or are off HB entirely.

Annex

Table 1: Monthly flows onto in-work HB by previous status, monthly off-flows from in-work HB by destination, and the total monthly caseload for in-work HB					
	On-flows to In-Work HB		Off-flows from In-Work HB		In-work HB Caseload
	From Out-of-Work HB	No Previous HB Claim	Off HB	On to Out-of-Work HB	
Dec-08	11,800	26,140	16,770	12,090	439,250
Jan-09	5,280	20,750	9,970	8,500	446,810
Feb-09	11,550	30,730	17,500	16,090	455,500
Mar-09	8,920	28,030	15,550	13,280	463,620
Apr-09	9,580	30,140	16,280	12,440	474,620
May-09	10,940	28,560	15,530	12,990	485,610
Jun-09	10,720	27,810	14,720	12,330	497,090
Jul-09	10,840	26,120	15,460	12,340	506,250
Aug-09	17,050	28,920	20,340	15,820	516,060
Sep-09	10,340	30,310	16,550	12,680	527,480
Oct-09	12,950	27,610	15,720	14,950	537,360
Nov-09	18,890	32,900	19,550	16,790	552,820
Dec-09	17,290	31,850	15,960	13,880	572,110
Jan-10	11,420	30,540	15,480	12,860	585,730
Feb-10	17,400	32,830	15,090	15,540	605,330
Mar-10	17,050	29,590	17,520	14,650	619,810
Apr-10	16,220	31,210	17,240	15,770	634,230
May-10	18,240	32,080	18,210	15,790	650,550
Jun-10	18,720	28,860	17,120	14,950	666,060
Jul-10	17,510	28,580	17,810	14,600	679,730
Aug-10	21,330	32,400	23,650	18,250	691,560
Sep-10	14,430	30,510	19,930	14,090	702,490
Oct-10	22,850	32,430	25,490	17,870	714,420
Nov-10	28,210	30,880	22,500	14,800	736,210
Dec-10	22,930	31,830	22,590	17,450	750,930
Jan-11	12,440	28,580	20,200	15,030	756,720
Feb-11	15,560	32,140	18,560	19,030	766,830
Mar-11	16,600	27,750	19,180	15,810	776,200
Apr-11	24,780	36,480	29,010	19,700	788,740
May-11	15,520	31,930	19,420	13,710	803,070
Jun-11	18,620	32,470	19,510	17,640	817,010
Jul-11	21,370	32,220	27,470	19,880	823,250
Aug-11	19,030	32,910	26,260	20,320	828,610
Sep-11	15,800	33,710	26,090	17,050	834,970
Oct-11	25,360	35,200	32,180	21,980	841,370

Nov-11	21,670	35,740	27,020	19,210	852,550
Dec-11	22,620	33,310	24,450	18,820	865,210
Jan-12	15,580	34,130	25,070	19,140	870,700
Feb-12	16,490	33,530	21,730	20,800	878,180
Mar-12	17,220	30,470	22,060	20,930	882,890
Apr-12	22,380	36,410	29,360	21,270	891,050
May-12	19,240	35,110	21,890	20,070	903,440
Jun-12	21,800	34,630	25,900	21,230	912,730
Jul-12	19,790	32,470	24,820	19,210	920,960
Aug-12	20,490	33,440	24,570	20,970	929,340
Sep-12	20,770	33,980	29,900	20,400	933,790
Oct-12	23,320	35,080	27,260	21,160	943,770
Nov-12	24,610	34,380	25,480	21,710	955,570
Dec-12	30,560	37,040	32,210	26,800	964,150
Jan-13	13,060	28,180	17,520	17,290	970,580
Feb-13	21,530	36,400	26,420	25,310	976,780
Mar-13	20,120	31,010	32,210	25,680	970,020
Apr-13	22,300	31,530	27,990	19,320	976,540
May-13	22,080	32,660	20,190	23,480	987,610
Jun-13	29,730	31,620	30,200	20,460	998,300
Jul-13	22,060	33,070	28,210	19,020	1,006,190
Aug-13	23,980	34,620	27,060	23,900	1,013,820
Sep-13	26,550	33,440	33,120	21,640	1,019,050
Oct-13	25,390	33,040	29,090	20,340	1,028,050
Nov-13	31,580	35,590	35,720	22,700	1,036,820
Dec-13	26,410	34,850	32,680	27,390	1,038,010
Jan-14	17,920	28,310	20,430	17,270	1,046,540
Feb-14	22,190	35,580	29,170	25,210	1,049,940
Mar-14	19,700	29,450	28,560	45,830	1,024,690
Apr-14	48,580	32,570	32,120	24,790	1,048,950
May-14	19,300	31,430	21,080	20,020	1,058,570

Note:

In this table, the figures for March and April 2014 should be treated with caution. It is possible that the recording of earnings information from claimants and, where applicable, their partners, is not complete for some Local Authorities. This issue is currently being investigated by DWP statisticians. In the meantime there is uncertainty around the in-work HB caseload in March 2014 and the flows in and out of in-work HB for March and April 2014.

Table 2a: The number of claimants who move into out-of-work HB or flow off HB in the period after on-flow to in-work HB, and the number who remain on HB continuously throughout the period

Cohort flowing onto in-work HB in...		Within...			
		3 months	6 months	12 months	24 months
Feb-10	Still on in-work HB	39,750	31,880	23,380	14,340
	Moved to out-of-work HB	5,090	8,620	11,860	15,190
	Moved off HB	5,390	9,720	14,980	20,700
Feb-11	Still on in-work HB	37,280	29,280	20,030	11,790
	Moved to out-of-work HB	4,790	8,430	12,080	15,440
	Moved off HB	5,630	10,000	15,590	20,480
Feb-12	Still on in-work HB	38,640	30,770	21,850	13,140
	Moved to out-of-work HB	5,600	9,240	13,100	16,580
	Moved off HB	5,780	10,010	15,080	20,290
Feb-13	Still on in-work HB	44,480	35,540	24,750	
	Moved to out-of-work HB	6,670	10,630	14,900	
	Moved off HB	6,780	11,760	18,280	

Table 2b: The proportion of claimants who move into out-of-work HB or flow off HB in the period after on-flow to in-work HB, and the proportion who remain on HB continuously throughout the period

Cohort flowing onto in-work HB in...		Within...			
		3 months	6 months	12 months	24 months
Feb-10	Still on in-work HB	79%	63%	47%	29%
	Moved to out-of-work HB	10%	17%	24%	30%
	Moved off HB	11%	19%	30%	41%
Feb-11	Still on in-work HB	78%	61%	42%	25%
	Moved to out-of-work HB	10%	18%	25%	32%
	Moved off HB	12%	21%	33%	43%
Feb-12	Still on in-work HB	77%	62%	44%	26%
	Moved to out-of-work HB	11%	18%	26%	33%
	Moved off HB	12%	20%	30%	41%
Feb-13	Still on in-work HB	77%	61%	43%	
	Moved to out-of-work HB	12%	18%	26%	
	Moved off HB	12%	20%	32%	

Table 3a: Claimants' employment and benefit status 3, 6, 12 and 24 months after on-flow to in-work HB, by cohort

Cohort flowing onto in-work HB in...		3 months after on-flow	6 months after on-flow	12 months after on-flow	24 months after on-flow
Feb-10	In-work HB	40,640	34,120	28,100	22,040
	Out-of-work HB	4,370	6,810	8,590	9,750
	Not on HB	5,220	9,300	13,540	18,430
Feb-11	In-work HB	38,110	31,630	25,250	19,830
	Out-of-work HB	4,400	7,070	9,070	9,810
	Not on HB	5,190	9,010	13,390	18,070
Feb-12	In-work HB	39,690	33,510	27,410	21,780
	Out-of-work HB	5,060	7,580	9,220	9,280
	Not on HB	5,270	8,930	13,400	18,960
Feb-13	In-work HB	46,050	39,350	31,780	
	Out-of-work HB	5,640	7,740	9,430	
	Not on HB	6,240	10,840	16,720	

Table 3b: Claimants' employment and benefit status 3, 6, 12 and 24 months after on-flow to in-work HB, by cohort

Cohort flowing onto in-work HB in...		3 months after on-flow	6 months after on-flow	12 months after on-flow	24 months after on-flow
Feb-10	In-work HB	81%	68%	56%	44%
	Out-of-work HB	9%	14%	17%	19%
	Not on HB	10%	19%	27%	37%
Feb-11	In-work HB	80%	66%	53%	42%
	Out-of-work HB	9%	15%	19%	21%
	Not on HB	11%	19%	28%	38%
Feb-12	In-work HB	79%	67%	55%	44%
	Out-of-work HB	10%	15%	18%	19%
	Not on HB	11%	18%	27%	38%
Feb-13	In-work HB	79%	68%	55%	
	Out-of-work HB	10%	13%	16%	
	Not on HB	11%	19%	29%	