



Updating the English Indices of Deprivation 2004

Response of the Northern Housing Consortium, August 2007

1.0 Background

- 1.1 The Northern Housing Consortium (previously the Northern Consortium of Housing Authorities 1974 – 2002) was established in April 2002. It is an independent non-party political, not for profit organisation working to improve and promote housing services across the North. Its 186 members include Local Authorities, Registered Social Landlords (RSLs), Arms Length Management Organisations (ALMOs) and other organisations involved in housing.
- 1.2 The Northern Housing Consortium (NHC) is controlled by its members, who between them manage around 90% of social housing in the North, over 1.3 million homes. These organisations are drawn from the three Northern Government Office regions of the North East, North West and Yorkshire & Humberside, as well as the Housing Corporation (North).
- 1.3 The following details the views of NHC in relation to this consultation paper. To simplify analysis of our response, we have responded to the specific questions asked in the consultation paper in the order in which they appear.

2.0 Overall Response

- 2.1 NHC welcomes the opportunity to comment on the proposals outlined in this consultation paper.
- 2.2 We welcome the CLG reviewing the Indices with the view of updating and potentially strengthening the seven domains. NHC has a number of specific comments to make about the proposals and these are approached in seven sections for each of the domains.

3.0 Income Deprivation Domain

- 3.1 An attempt to move away from social security data is welcome. Frequently changing forms of Benefit and claimant eligibility criteria make comparison of deprivation over time problematic.
- 3.2 As eligibility for the Savings Credit element of Pension Credit allows for a higher income threshold, it would appear that at first sight inclusion of

this cohort would give an artificial weighting to a more affluent group. However, the upper threshold of £167 per week for a single person works out at only £8,684 p.a. income, which NHC feels is extremely low.

- 3.3 Also from 2010, the age of eligibility for Pension Credit will rise to 65 years of age, bringing it in line with the State Pension age becoming 65 for women as well as men by 2020. As Savings Credit is only available to those over 65 years of age, there may be an argument for this element of Pension Credit to be included in the Income Deprivation Domain for the purposes of comparability with future Indices.

4.0 Employment Deprivation Domain

- 4.1 NHC agrees with the suggestion that unemployment claimant counts should be replaced with counts of those in receipt of Job Seeker's Allowance. We feel that consistency is required across all studies on deprivation so that trends over time can be ascertained and that effective policy interventions can be formulated.
- 4.2 Seasonal changes in employment patterns can be misleading and give the impression of inaccurately high or low deprivation. For instance, coastal towns and rural areas can benefit from tourism in the summer and employment may increase before declining again in the winter. NHC agrees that in order to 'smooth' these peaks and troughs, all the indicators in this domain should be averaged across four quarter time points.

5.0 Education, Skills and Training Deprivation Domain

- 5.1 Any attempt to reduce volatility in data is a positive step and the proposed indicators using PLASC and NPD data for 2004-2005 is welcome. However, suggesting that data over 'several years' be used to reduce volatility is somewhat confusing. For an up-to-date indicator, the latest available data should be used. If however, earlier Indices were to be updated using this methodology and an historic average over several years as a comparative tool were be employed, this may be of more use in identifying where deprivation in this domain is concentrated.
- 5.2 We agree that modelling an indicator based on Labour Force Survey and Annual Population Survey data would be preferable to simply replicating the 2001 Census data, as accurate up-to-date data is paramount.
- 5.3 We also agree that using alternative data is preferable to dropping the indicator using LFS and APS data entirely. However, it is unclear from the consultation document whether using Census data would be used for one or more areas while the more up-to-date 2005 data is used for other areas. For reasons of comparability, we would hope that the same data be used across the board.

6.0 Barriers to Housing and Services Domain

- 6.1 That the household overcrowding sub-domain is based on Census 2001 data is a concern. We feel that this is an important indicator for identifying potential deprivation, which should be based on up-to-date information. The data is now six years out of date and trying to understand the current deprivation picture in an area based on this data could be problematic.
- 6.2 Other sources of overcrowding information include the Survey of English Housing (SEH). Although the last SEH was based on a sample size of just 18,386 households, we feel that this could be expanded to allow for robust data to be provided at a lower than the regional level. Alternatively, a methodology similar to that used for the homelessness sub-domain where district level acceptances are assigned to the constituent Lower Super Output Areas (LSOAs) could be adopted for the overcrowding sub-domain.
- 6.3 Apart from concerns over this sub-domain indicator, we agree that the sub-domain indicators should be retained and updated as directly as possible.

7.0 Miscellaneous

- 7.1 NHC believes that it is wise to formulate an alternative strategy in case ONS mid-2005 Lower Super Output Area population estimates are not available in time for the updated Indices.
- 7.2 In terms of the weighting given to each of the domains, although not necessarily advocating the Health and Education domains being swapped, greater weight should be given to the Health domain. This, we feel is a good indicator of deprivation in an area and should be given more emphasis when analysing this issue.
- 7.3 However, until a fundamental review of the methodology undertaken of the weights given to each domain, we agree that the current weights should be replicated for the ID2007.

8.0 Conclusion

- 8.1 NHC is pleased to have been given the opportunity to respond to this very important consultation on behalf of its members and will be happy to contribute to any further consultation in this area.
- 8.2 There are many proposals of merit in the proposal and we support the overall move to update the Indices. We strongly believe however, that the ID2007 should wherever possible be comparable to those Indices that have been published previously but also that the latest possible data be used to ensure that an up-to-date picture of an area can be ascertained.

Response prepared by:

Barry Turnbull
Policy and Research Officer
barry.turnbull@northern-consortium.org.uk

Northern Housing Consortium
15/08/2007