

Deprivation in London

The Indices of Deprivation 2010 from Communities and Local Government

Key points

- Nineteen of the London boroughs rank among the 50 most deprived local authorities in England on at least one summary measure of the Index of Multiple Deprivation 2010.
- Hackney, Newham and Tower Hamlets again rank the most deprived among London boroughs, although Barking and Dagenham, Haringey, Islington and Waltham Forest also rank among the top 10 in England on at least one measure.
- London has improved relative to other regions overall, with slightly fewer of its small areas among the most deprived in England than in the previous Indices. However, the levels remain high with more than one in four areas ranking among the worst fifth of England.
- London has fewest areas among the least deprived, with less than ten per cent of all London's small areas ranked among the 20 per cent least deprived.
- London still has an extremely high proportion of areas among the those ranked highest on the Income Deprivation Affecting Children Index with 23 per cent of London areas counted among the top 10 per cent in England.
- London has relatively few areas among the most deprived in the country in terms of education, skills and training deprivation, at less than one per cent among the top 10 per cent in the country.
- In terms of Barriers to Housing and Services, London fairs very badly, with over half of London's areas in the worst 20 per cent in England. On the Living Environment domain, the picture is only a little better, at around 43 per cent of London in England's worst 20 per cent. The Crime and Income Deprivation domains are also cause for concern, with nearly a third of London's areas in the worst fifth nationally.
- Tower Hamlets contains the most deprived area in London, within Spitalfields and Banglatown Ward . It also has the largest difference between the score of its most deprived and least deprived areas (in Millwall).
- Bromley contains the least deprived area in London, within Petts Wood and Knoll Ward, the only one in London among the 100 least deprived areas in England.
- Nearly half of all small areas in London have a rank within 1,000 places of their 2007 rank. Fewer than 100 areas have changed their rank by over 5,000 places.

Introduction

This *Update* presents an initial summary of the Indices of Deprivation 2010 from Communities and Local Government published on 24 March 2011, as they relate to London. The GLA's Intelligence Unit will be publishing further analyses in due course giving full detail of the published data for London and calculating ward level measures once the population denominators underlying these indices have been published.

The Indices of Deprivation 2010

The Indices of Deprivation 2010 (ID 2010) consist of three separate but related indices used by central government and other bodies to identify areas where disadvantage is concentrated, in order to build programmes or allocate resources appropriately. The indices use statistical techniques to combine information on economic and social issues to produce scores for small areas across the whole of England. These are then used to rank these small areas according to their relative level of deprivation. It is important to note that the underlying data relate mainly to the year 2008.

There are three indices produced. The first and main one is the Index of Multiple Deprivation (IMD). This combines 38 indicators into seven domains:

- Income deprivation
- Employment deprivation
- Health deprivation and disability
- Education, skills and training deprivation
- Barriers to Housing and Services
- Living environment deprivation
- Crime

These seven domains are then combined to produce a single score for each small area in the country. These are then ranked to compare the areas across England. Separate indices are available for other parts of the United Kingdom, which are not directly comparable with each other or with the ID2010. The Indices are based on the ONS 2008 mid-year estimates for SOAs. Where these estimates are too high, then the Index will have a lower score.

Two separate indices are created which are subsets of the income deprivation domain. These are the Income Deprivation Affecting Children Index (IDACI) and the Income Deprivation Affecting Older People Index (IDAOPI). Essentially these give the proportion of the age group (under 16 and aged 60 and over respectively) in receipt of or in a family in receipt of certain means-tested benefits. Again, these are ranked across all small areas in England.

How the ID2010 differ from the ID2007

There is very little difference in the indicators and no difference in the methods used to build the ID2010 compared with the ID2007. Indicators have simply been updated. Where no new data were available, the same data were used as in the previous indices. The only change is the inclusion of some information on the numbers of people claiming Employment Support Allowance which was introduced in the Autumn of 2008, replacing some other benefits. It is therefore possible to make reasonably robust comparisons between the two Indices, though where indicators have not been updated, changes need careful interpretation.

The geographical base is the lower layer Super Output Areas (LSOAs). These are small areas of consistent population size across the whole country, which means that the results are more easily compared than for local authority wards, which vary tremendously in size. These LSOAs are also smaller than wards, making it possible to identify smaller pockets of deprivation. For the most part, these LSOAs nest within wards. The exception within London is in the City due to the small ward populations. In all, there are 32,482 LSOAs in England, of which 4,765 are in London.

Borough level summaries of the Index of Multiple Deprivation

While the IMD is created for small areas, six summary measures have been produced for local authority areas to allow comparisons to be made at this level. This is the level at which many funding decisions are made and central funds allocated. Local authorities are again ranked according to these summary measures. Each measure has been created to focus on different, but equally valid aspects of multiple deprivation in the

district. Therefore no single measure is favoured over another and all should be taken into account. The six measures are:

- *Average of SOA Scores* describes the overall position of people in the district
- *Average of SOA Ranks* again summarises the district as a whole, taking into account the ranks of both the deprived and less deprived SOAs
- *Extent* depicts how widespread high levels of deprivation are in a district
- *Concentration* identifies districts' 'hot spots' of deprivation
- *The Income Scale* gives the **number** of people in the district who are income deprived
- *The Employment Scale* gives the **number** of people in the district who are employment deprived

Results

The London local authorities

Of the 33 London local authorities (the 32 boroughs and the City of London), 19 rank within the top 50 of the 354 local authorities in England on at least one of the summary measures of deprivation. These are: Barking & Dagenham, Barnet, Brent, Camden, Croydon, Ealing, Enfield, Greenwich, Hackney, Hammersmith & Fulham, Haringey, Islington, Lambeth, Lewisham, Newham, Redbridge, Southwark, Tower Hamlets and Waltham Forest. These were all ranked in the top 50 on the ID2007 and only Redbridge was not also ranked in the top 50 on the ID2004. Westminster is the only borough ranked in the top 50 in 2004 but not in 2007, Wandsworth was the only borough ranked in the top 50 in 2007 but not in 2010. Some caution is needed in interpreting any changes in local authority rankings, as the number of local authorities has changed from 354 in the ID2007 to 326 in the ID2010, incorporating the 2009 administrative changes.

As in 2007, just two boroughs rank within the top 50 on all six summary measures: Hackney and Tower Hamlets. A further six boroughs rank in the top 50 on five summary measures: Haringey, Islington, Lambeth, Lewisham, Newham and Southwark. Six boroughs are within the top 50 only on the basis of the number of people affected by income deprivation and/or employment deprivation: Barnet, Camden, Croydon, Ealing, Enfield and Redbridge. This is at least partly because London boroughs tend to have larger populations than local authorities in some parts of the country. Nevertheless, this is a useful measure as it indicates the scale of the issue for a local authority to deal with. Boroughs were least likely to rank in the top 50 on the 'Local Concentration' measure, which identifies the 'hot spots' by calculating the average rank for the most deprived areas containing ten per cent of the borough's population.

Camden is again the borough showing the largest improvement in its relative deprivation status according to the ID2010, although it still ranks in the top 50 on one summary measure, down from three in 2007 and 5 in 2004. In contrast, Brent is the borough with the greatest worsening of its relative deprivation status, now ranking in the top 50 on four summary measures, up from three in 2007 and two in 2004. On the remaining two measures, Brent now ranks within the top 60.

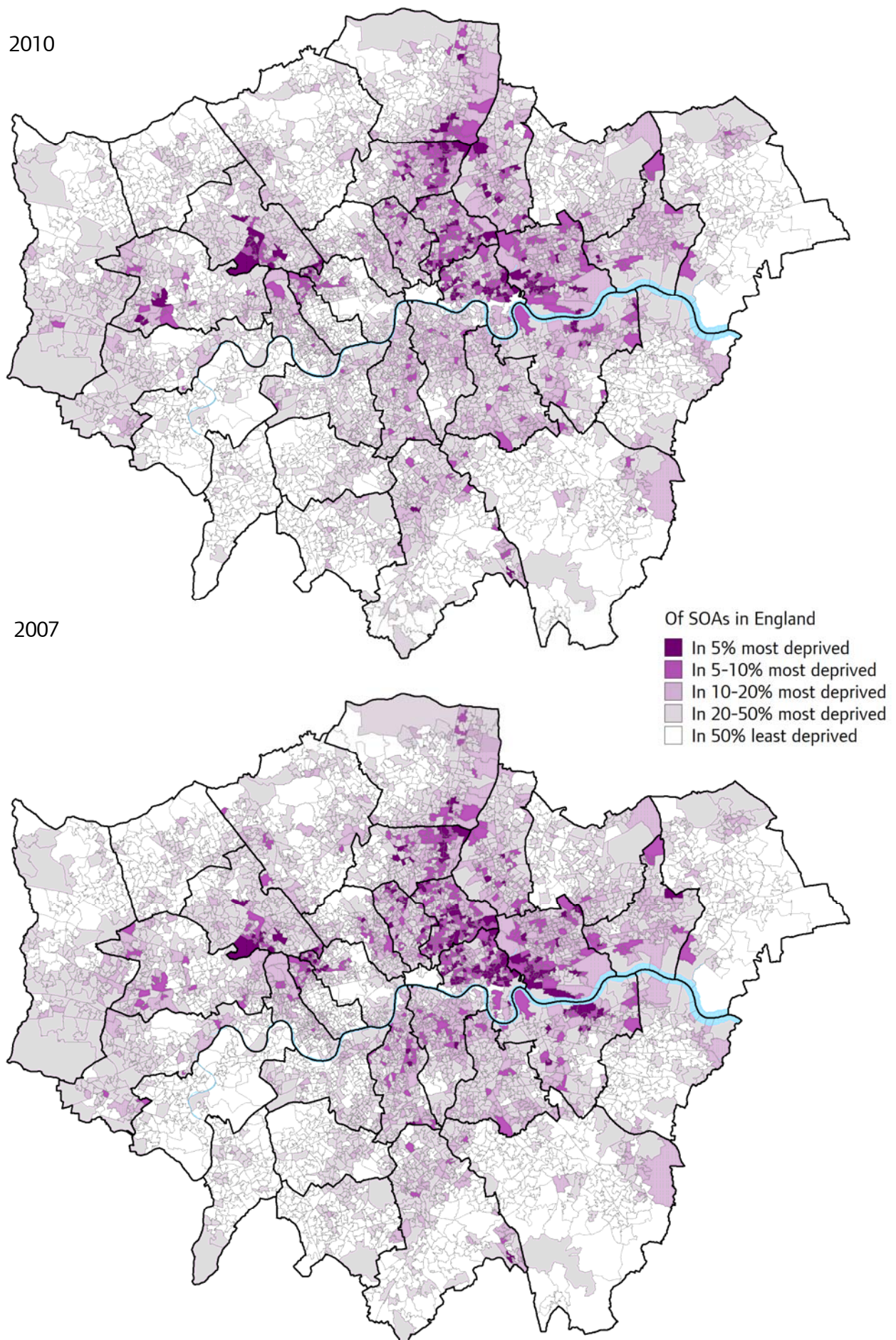
The IMD for small areas within London

As stated earlier, the indices are created to identify the areas with the concentrations of deprivation or disadvantage, and this is best done at small area level. It is not possible to say that one area is twice as bad as another using these data, but it is possible to say where an area falls in relation to all other areas in England according to this index. The distribution of these areas is illustrated in Figure 1 showing very similar overall patterns in 2010 and 2007. For around half of all LSOAs in London, the 2010 IMD rank was within 1,000 places of the 2007 rank. Fewer than 100 LSOAs had a rank that differed by more than 5,000 and at least some of these are because of changes in the population denominators.

Less than ten per cent of London LSOAs are ranked in the ten per cent most deprived areas in the country, an improvement on 2007, but similar to the position shown in the IMD2004. However, the proportion in the next ten per cent, that is ranked between 10 and 20 per cent most deprived is well above average, at almost 18 per cent of all London areas. None of London's areas are in the worst one per cent in England.

Over half of all local authorities nationally have at least one LSOA among the most deprived ten per cent in England, including 24 of the 33 London authorities. In the IMD2007, more than half of London local authorities contain at least one LSOA among the five per cent most deprived LSOAs in England, but this

Figure 1 IMD for Super Output Areas in London in relation to England for 2010 and 2007



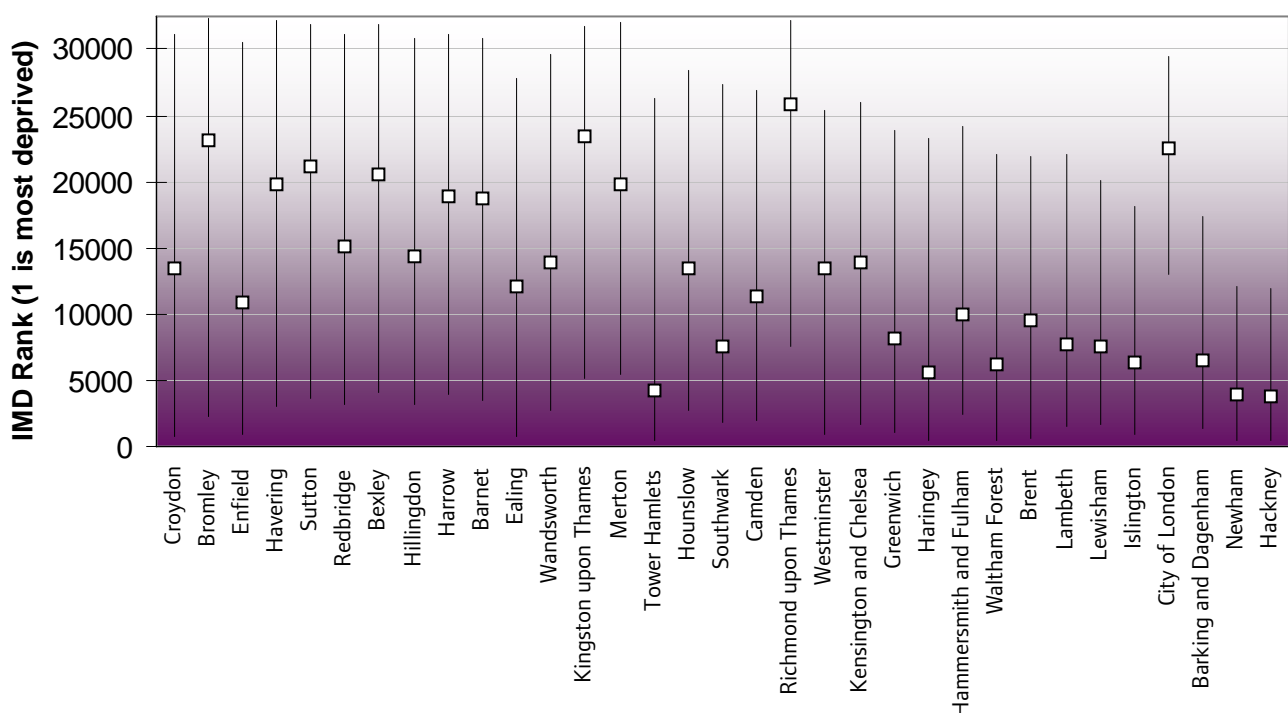
situation has improved, with just fourteen boroughs including these most deprived areas in IMD2010. In fact, there are only 112 LSOAs in London in this category, and fewer than ten of them south of the river. Further indications of improvement are that only two boroughs have no LSOAs at all among the least deprived 50 per cent in England: Hackney and Newham, whereas in 2007, this was also true for Islington.

At a regional level, London has just over 26 per cent of its LSOAs ranked among the most deprived 20 per cent in England, as in 2007 behind the North East and North West, but also now behind Yorkshire and the Humber and the West Midlands. At the other end of the scale, London still has fewest LSOAs ranked among the 20% least deprived in England (nine per cent) with just one in three London areas rank as less deprived than the national average.

Another way to consider the variation within boroughs is to look at the polarity – the difference between the most deprived and least deprived areas. Figure 2 illustrates aspects of this gauge, the black line for each borough showing the spread between the highest and lowest ranks of LSOAs within that borough. These lines are ordered on the chart with the largest within borough spreads in Croydon and Bromley, and the smallest within borough spreads in Hackney and Newham. The chart also shows the median LSOA rank within each borough. The small square on each line marks the median LSOA rank, that is the “middle” LSOA with half of the borough’s ranked above it and half below.

For some boroughs, such as Westminster the median is close to the middle of the range, so around half way along the line between highest and lowest, whereas for other boroughs the median is much closer to one end. For example, the median for Tower Hamlets is much closer to the lower end of the line, showing that, while there is quite a large spread between the rank of the most and least deprived LSOAs, the spread is far from even, with far more LSOAs clustered at the most deprived end of the range. The most deprived LSOA in London lies within Tower Hamlets, in Spitalfields and Banglatown Ward, while the least deprived LSOA lies in Petts Wood and Knoll Ward in Bromley. From the chart, we can also see that the most deprived area in the City is less deprived than the least deprived area in either neighbouring Hackney or in Newham, while Richmond upon Thames is the borough with the least deprived median LSOA. Seven boroughs have a more deprived median LSOA than the most deprived LSOA in Richmond, so more than half of LSOAs in Tower Hamlets, Haringey, Waltham Forest, Islington, Barking and Dagenham, Newham and Hackney are more deprived than the most deprived LSOA in Richmond upon Thames.

Figure 2 Minimum, maximum and median LSOA ranks on IMD 2010 by borough

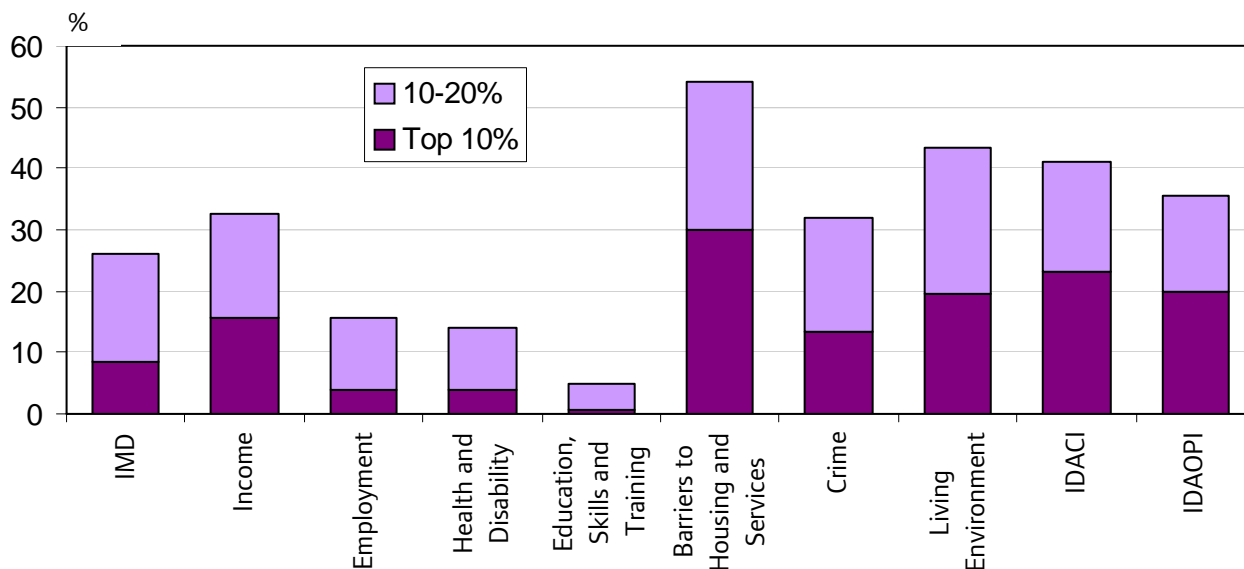


The domains of the IMD

Each of the domains of the IMD measures a different aspect of deprivation. Some areas are ranked highly in terms of deprivation on one measure, but may be ranked very low on another. Overall, London has very few areas with high levels of deprivation in the education, training and skills domain and few ranked highly in terms of health deprivation and disability. In contrast, more than half of London areas rank among the 20 per cent most deprived on the Barriers to Housing and Services domain and there are also many areas considered relatively deprived in terms of income deprivation, crime and living environment. Most domains showed fewer LSOAs in London among the most deprived 20 per cent in England, though there was a slight increase in the Crime domain.

Figure 3 shows what proportion of London SOAs rank among the most deprived 10 and 20 per cent in England on each of the domains. The chart also shows clearly that the number of areas in London with large proportions of children and older people affected by income deprivation are well above average - around twice as many children as would be expected if London had an average profile on this measure and 75 per cent more older people, with both having double the expected proportion in the most deprived ten per cent of areas. While the proportion of areas with high proportions of children in income deprivation changed little between ID2007 and ID2010, there were more areas with high proportions of older people in income deprivation.

Figure 3 Percentage of London SOAs among the most deprived in England



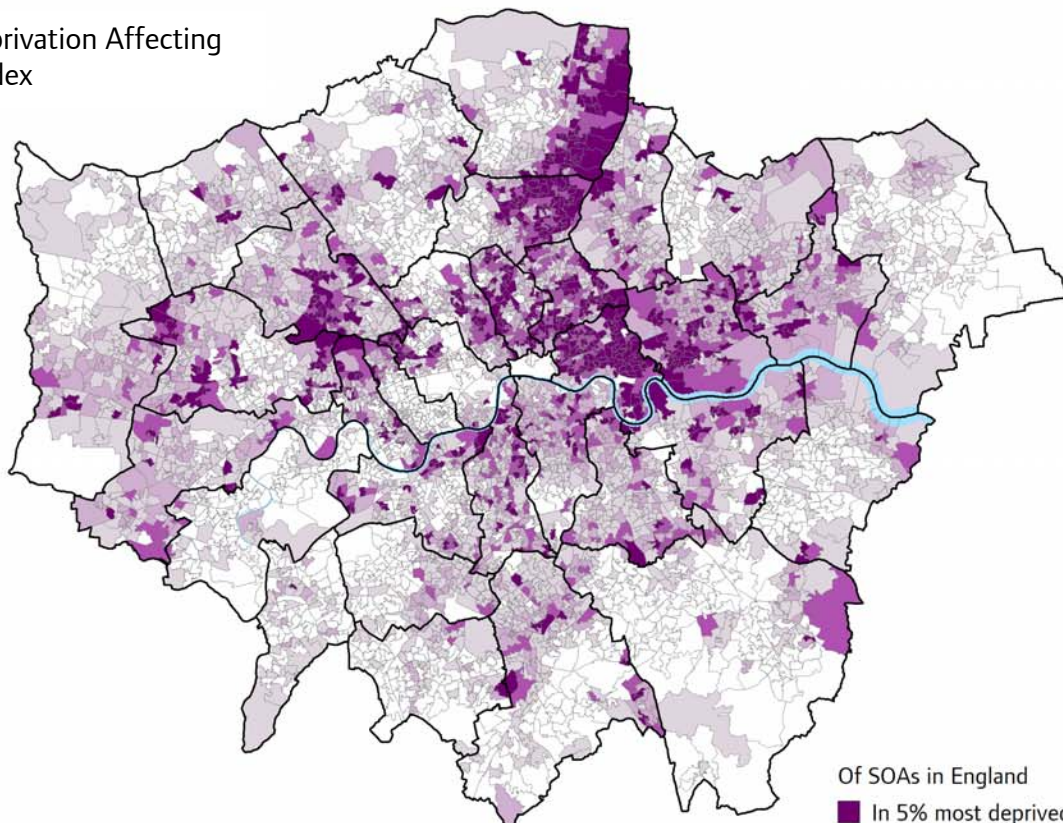
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Notes: IMD – Index of Multiple Deprivation
 IDACI – Income Deprivation Affecting Children Index
 IDAOPI – Income Deprivation Affecting Older People Index

Figure 4 shows the distribution of LSOAs in London on the two supplementary indices – IDACI and IDAOPI, highlighting the similar distributions of the most deprived areas on both indices, while there are isolated pockets of deprivation throughout London.

Figure 5 IDACI and IDAOPI for Super Output Areas in London in relation to England 2010

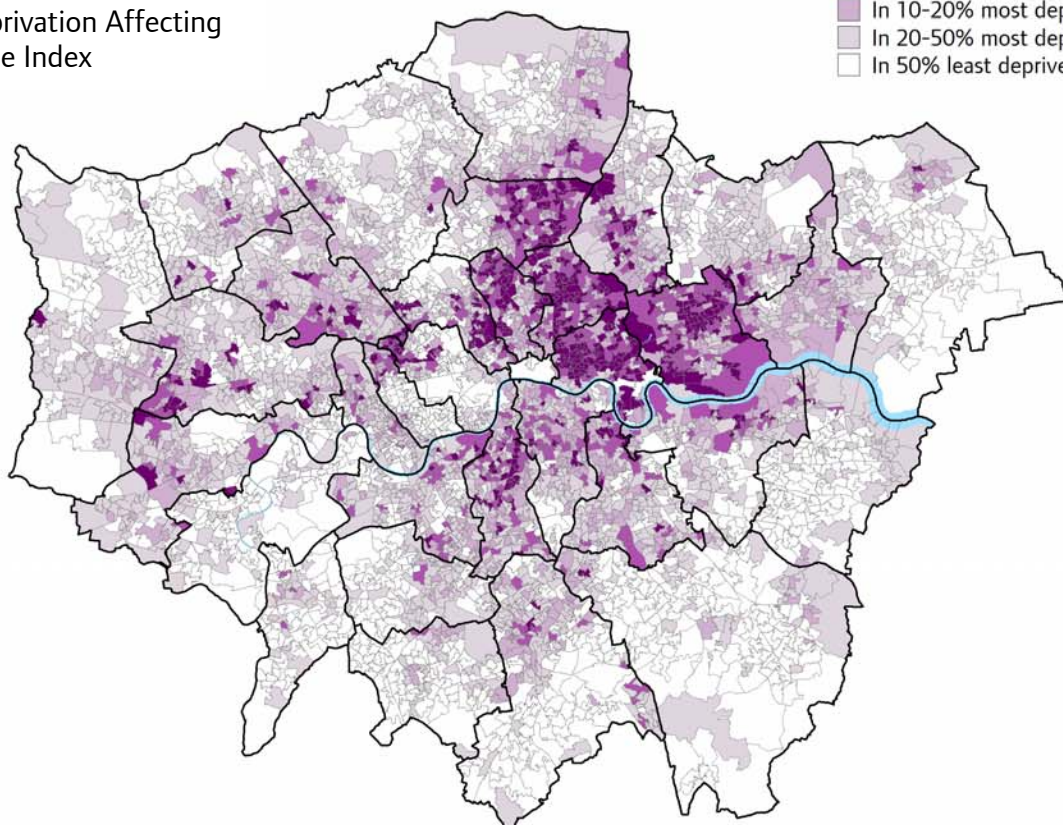
Income Deprivation Affecting Children Index



Of SOAs in England

- In 5% most deprived
- In 5-10% most deprived
- In 10-20% most deprived
- In 20-50% most deprived
- In 50% least deprived

Income Deprivation Affecting Older People Index



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