The UK Government's approach to monitor its strategy to tackle poverty and social exclusion – *Opportunity for all*

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SUMMARY

- 1. The UK Government first published its poverty and social exclusion report, *Opportunity for all*, in September 1999 and has reported progress annually since. The report describes policies to tackle poverty and social exclusion and monitors progress against a wide range of indicators. The UK approach focuses on intervention at key stages in the life-cycle (children and young people, working-age people and older people), complemented by policies specifically designed to help disadvantaged communities.
- 2. A cross-departmental analysts group steers the development of the Opportunity for all indicators. Each indicator must meet an agreed 'set of criteria' and there is an ongoing review process of the indicators. Many of the indicators are linked to Public Service Agreement targets that set a level of progress to be achieved within a specified time period. The indicators and targets, together with research and evaluation evidence, play a central role in the process of policy making within the UK.
- 3. The *Opportunity for all* indicators draw on a range of well-established administrative and survey data at a national level. A focus on deprived communities is one aspect of the Government's agenda and this paper focuses in particular on small area statistics due to the recent exciting developments in this area.
- 4. In January 2001, the UK Government launched its National Strategy for Neighbourhood Renewal. This sets out a vision in the UK that no-one should be seriously disadvantaged by where they live. Monitoring the success of strategies tailored to provide help in small geographical areas provides new challenges to data suppliers and statisticians across Government. A programme of work is already underway within the UK to address the increasing demand for 'neighbourhood data'. For example:
 - The launch of a Neighbourhood Statistics web-site to provide access to data that is readily disaggregated.
 - An ongoing programme of work, steered by a group of policy officials and statisticians to make further improvements and address gaps in current datasets.
- 5. This year's *Opportunity for all* report includes, for the first time, data for the communities' indicators. Future reports should see developments to this set of indicators in particular, as more data becomes available at a neighbourhood level.

1. BACKGROUND

The UK Government's strategy

Opportunity for all

- 6. The UK Government first published its strategy to tackle poverty and social exclusion, *Opportunity for all tackling poverty and social exclusion*, in September 1999. Two further annual reports have been published, the latest on 19 September 2001¹.
- 7. Poverty and social exclusion is viewed by the UK Government as a multifaceted phenomenon – made up of dimensions that are often linked. It is about lack of opportunities to work or to learn, and lack of opportunities to live healthy and fulfilling lives. Low income is important, but is just one aspect of poverty and social exclusion.
- 8. Policies to tackle poverty and social exclusion in the UK focus on intervention at key stages in people's lives to prevent transmission through generations. For example, improving educational standards during childhood is key to success in the labour market during working age, and contributions to pensions during working-age should lead to a more comfortable retirement. This lifecycle approach is complemented by policies designed to help poor neighbourhoods, which suffer from problems such as high rates of unemployment, high levels of crime and poor housing.
- 9. Key policy priorities for each of these groups are shown below.

Children and young people

- Improving family incomes by tackling worklessness and increasing financial support for families.
- Investing in the crucial early years and education to break the cycle of disadvantage.
- Improving the quality of the lives of children and young people.
- Supporting young people in the transition to adult life.

People of working age

 Building an active welfare state that makes work pay and work possible.

¹ Opportunity for all – one year on: making a difference, September 2000; Opportunity for all – making progress, September 2001, available at www.dss.gov.uk/publications/dss/2001/oppall third/index.htm.

- Encouraging lifelong learning to ensure that people have the skills and education to play an active part in the modern labour market.
- Providing support for those most at risk from discrimination and disadvantage.

Older people

- Tackling the problems of low income among today's pensioners.
- Ensuring that more future pensioners can retire on a decent income.
- Improving opportunities for older people to live secure, fulfilling and active lives.

Communities

- In all the poorest neighbourhoods, to have common goals of lower worklessness and crime, and better health, skills, housing and physical environments.
- To narrow the gap on these measures between the most deprived areas and the rest.

Indicators

10. Given the complex nature of poverty and social exclusion and the number of policy priorities, the UK Government takes the view that no single indicator can adequately capture the different aspects. Therefore, a range of indicators has been adopted to provide a comprehensive picture of progress. The indicators, which monitor the range of policy priorities outlined above, will be discussed in more detail in section 2 and are listed in Annex 1.

The Devolved Administrations

- 11. The UK Government works in partnership with the Scottish Executive, the National Assembly for Wales and the Northern Ireland Executive in tackling poverty and social exclusion. The provision of many services, for example education and health, are generally matters for the Devolved Administrations. However, tax and benefit systems and employment services are reserved matters for the UK Government, with the exception of Northern Ireland.²
- 12. The indicators discussed throughout this paper have different geographical coverage to reflect devolved matters. For, example

² Tax and benefit matters and employment policies are devolved to Northern Ireland, although in practise policies are generally kept in line with the rest of the UK.

- education and health indicators monitored in *Opportunity for all* cover England only, whereas employment and income indicators cover Great Britain.
- 13. The Scottish Executive has already adopted its own set of indicators, which are set out in *Social Justice: A Scotland where everyone matters*³. The respective strategies of the Northern Ireland Executive and the National Assembly for Wales are set out in *Making it Work: the New Targeting Social Needs Action Plans Report* and *Annual Report on Social Inclusion in Wales*, though these do not currently include indicators.

European Co-operation

- 14. Although tackling poverty and social exclusion in the UK is primarily the responsibility of the UK Government and the Devolved Administrations, there is an important role for European co-operation. Following the agreement of the Nice European Council in December 2000, member states have prepared National Action Plans on inclusion. This process facilitates the exchange of good practice across the European Union.
- 15. An indicators sub-group of the EU Social Protection Committee was established in January 2001 to take forward a programme of work to establish commonly agreed indicators. These indicators should facilitate better international comparisons across the European Union. The recommendations of the group are due to be presented to the Social Protection Committee at the end of the year.

³ Social Justice: A Scotland where everyone matters (November 2000) available at www.scotland.gov.uk/socialjustice

2. THE OPPORTUNITY FOR ALL INDICATORS

The overall approach

16. The ongoing development of the *Opportunity for all* indicators is steered by a cross-departmental group of analysts. This group was first established in 1999 to determine the approach to monitoring poverty and social exclusion and to select suitable indicators.

Many indicators and data sources

- 17. The decision to use multiple indicators reflects the many different aspects of people's lives that are affected by poverty and social exclusion. The approach taken in *Opportunity for all* initially resulted in a set of over 30 indicators, increasing to almost 40 in the latest annual report⁴. The full set of indicators is listed in annex 1. There is obviously a trade-off between capturing the breadth of the problem of poverty and social exclusion and summarising overall progress.
- 18. Government officials have and will continue to learn from academics and members of non-governmental organisations in discussions about the pros and cons of different measurement approaches. For example, the (then) Department of Social Security held, jointly with the Centre for Analysis of Social Exclusion at the London School of Economics, a workshop to discuss indicators in July 2000⁵.
- 19. One of the issues addressed at the workshop (and in subsequent discussions) is the problem of using multiple indicators to determine overall progress, for example towards the goal of eradicating child poverty. One way to overcome this is to combine the indicators into a summary index to produce a single trend over time. Most academics shared the view that it is not meaningful to combine around 14 indicators for children and young people that measure different dimensions of poverty and social exclusion⁶. Added to this are the problems of determining how to choose weights in a meaningful way and using data sources with different frequencies and measurement units. Therefore, as an alternative, in last year's report we highlighted headline indicators in five key areas to monitor progress towards the eradication of child poverty (low income, educational attainment, health, housing and worklessness). This year we have added a summary table of indicator trends to clearly show progress in each set of indicators at a glance.

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⁴ Because some indicators are multi-part there are 50 separate trends.

⁵ Indicators of Progress: A discussion of approaches to monitor the Government's strategy to tackle poverty and social exclusion (Report of the workshop held on 19 July 2000 organised by the Department of Social Security and the Centre for Analysis of Social Exclusion, London School of Economics), February 2001, available at www.dss.gov.uk/publications/dss/2001/jop/jop.pdf

⁶ See Annex 1 for the list of indicators.

- 20. There is no single existing dataset that could be used to regularly monitor the many aspects of poverty and social exclusion. The indicators, therefore, draw on a range of administrative and survey sources. For example:
 - the Family Resources Survey, conducted annually and sampling around 25,000 households across Great Britain, asks detailed questions about household incomes. This survey is used to monitor low income⁷:
 - educational attainment indicators draw on administrative data from the Department for Education and Skills;
 - employment, skills and workless households indicators use data from the Labour Force Survey; and
 - health indicators draw on a range of sources including birth and death registrations, hospital statistics and *General Household Survey* data.

What makes a good indicator?

- 21. The *Opportunity for all* analysts steering group discussed and agreed a set of criteria that each indicator must satisfy. These criteria are obviously still important to the ongoing development of the indicators.
 - The indicators should be relevant to the Government's overall strategy for tackling poverty and social exclusion. Therefore they should either capture key current aspects of poverty and social exclusion or factors that increase the risk of experiencing poverty and social exclusion in later life.
 - The indicators should be related to 'outcomes' the government wants to achieve rather than 'processes'. Therefore the number of children in workless households was selected as an indicator rather than the number of parents who are helped to find work through the New Deal⁸.
 - The indicators need to be based on data that are publicly available and statistically robust. Where possible this involves using series that are published under National Statistic guidelines, for example, all of the Households Below Average Income based statistics; and
 - The indicators must be unambiguous in interpretation. It should not be possible for the indicator to improve without this either reflecting a

⁷ Households Below Average Income 1994/5 – 1999/00, Department for Work and Pensions, available at www.dss.gov.uk/publications/dss/2001/hbai/index.htm

⁸ New Deal programmes provide a major part of the UK Government's strategy to help people find jobs. This includes personal advisors and tailored support to help particular groups, such as those with caring responsibilities, to find and keep jobs. Further information about New Deal programmes is available at www.newdeal.gov.uk/

- reduction in poverty and social exclusion or a reduction in an important causal factor.
- 22. The analysts steering group now meets regularly to review and develop the indicators. As a result some indicator definitions have been improved and new indicators have been added to reflect new priorities and data developments. Detailed information for some of the communities indicators has been included for the first time in the third *Opportunity for all* annual report and this set of indicators is likely to be the focus of further review over the coming year.

Different types of indicators

23. The indicators (listed in Annex 1) are defined in different ways. Some pinpoint particular sub-groups – such as children of a certain age, socio-economic groups, classifications according to disability or lone parenthood. Some indicators are disaggregated by gender, others, such as low-income indicators, have multiple parts to provide a comprehensive picture of progress. Many indicators take the format of an increase or reduction in the proportion of people experiencing a particular outcome. Other indicators measure the gap between certain groups or areas and the rest. New communities indicators will increasingly set floor levels below which no group or geographical area should fall.

Policy priorities

24. The indicators are grouped according to the Government's policy priorities. The intention is that collectively the indicators will provide a high-level comprehensive picture of progress for each policy priority.

25. For example:

- the education policy priority includes indicators to monitor attainment at Key Stages in the education system for 7, 11, 16 and 19-year-olds, a truancy and exclusion indicator, and an indicator for children who are looked after by local authorities;
- the future pensioners policy priority includes indicators that monitor the proportion of working-age people contributing to non-state pensions, the total amount being contributed and the proportion of people who make continuous contributions; and
- the working-age policy priority to provide support to those most at risk, which is more multi-dimensional (as are some other policy priorities), includes indicators to monitor rough sleeping, use of Class A drugs, smoking rates and death rates from suicides.

Public Service Agreement targets

26. The UK Government has said that the progress of its strategy to tackle poverty and social exclusion should be judged against the *Opportunity for all* indicators. For the indicators to play a successful role they must form

- an integral part of the overall strategy it is important that they are not viewed as an add-on.
- 27. The indicators are designed to monitor progress in the long-term in key areas (although some definitions will obviously be reviewed along the way to best capture target groups). They are often underpinned by broader sets of indicators or more detailed indicators across Government.
- 28. Many of the indicators are linked to Public Service Agreements (PSAs) ⁹. These were first set out in 1998 and detail the service improvements, key reforms, and modernisation that the Government plans to deliver. PSAs set out commitments for what the Government will put into public services in terms of money, people, and policies, and also for the specific results on which they can be judged. The PSA targets set a time-scale (2004 in many cases) in which to attain a specific result.
- 29. Examples of targets set in the 2000 Spending Review are targets building on the improvements to attainment in schools, raising employment rates, reducing crime levels and improving health. Progress towards these targets, together with research evidence and evaluations of new policy initiatives all play key roles in policy making within Government.

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⁹ Information on PSAs is available at http://www.hmt.gov.uk/sr2000/psa/index.html

Example indicators

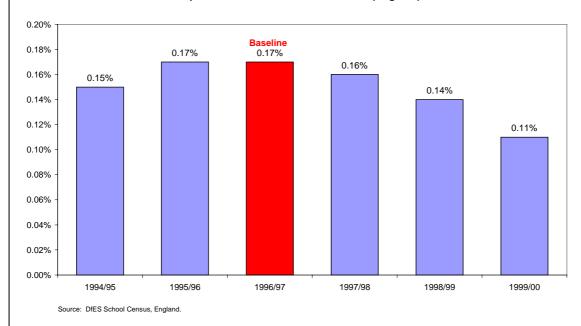
30. This section provides an illustration of some key Opportunity for all indicators – school truancy and exclusion, employment rates, continuous pension contributions, employment rate gaps and health inequalities. The last two are examples of new communities indicators measuring the narrowing of the gap between the poorest areas and the rest of the country.

School truancy and exclusion

Indicator: A reduction in the proportion of truancies and exclusions from school (England).

Baseline and Trends: Baseline year – 1996/97. The chart below shows that the proportion of students permanently excluded from school has fallen significantly from 0.17% in the baseline year to 0.11% by 1999/00. The latest truancy data for 1999/00 show that truancies have been broadly constant since records began in the early 1990s at 0.7 per cent of half days missed per year through unauthorised pupil absence.

Proportion of exclusions from schools (England)



Definition: Truancies: proportion of half days missed per year through unauthorised absence. Exclusions: proportion of students excluded.

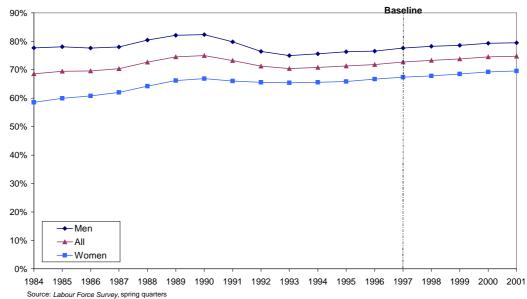
Data Source: National Pupil Absence Tables and Form 7 published in Permanent Exclusions from Schools, School Census, England.

Linked to Department for Education and Skills PSA target: To cut truancy and exclusion by a third by 2002. To reduce school truancies by a further 10 per cent by 2004 from the level achieved by 2002.

Indicator: An increase in the proportion of working age people in employment, over the economic cycle (Great Britain).

Baseline and Trends: Baseline year – 1997. The proportion of the working-age population in employment increased to a peak of 75.0 per cent in 1990, falling subsequently to 70.4 per cent in the early 1990s during the recession. The proportion in employment has since risen to 72.7 per cent in 1997 (the baseline year) and to 74.8 per cent in 2001. Employment rates for men have been around 10 percentage points higher than women during the last ten years.

Proportion of working-age people in employment (GB)



Year	1984	1985	1986	1987	1988	1989	1990	1991	1992
All	68.6%	69.5%	69.6%	70.4%	72.7%	74.5%	75.0%	73.2%	71.3%
Men	77.7%	78.1%	77.6%	78.0%	80.4%	82.1%	82.4%	79.8%	76.5%
Women	58.5%	59.9%	60.8%	62.0%	64.2%	66.2%	66.8%	66.0%	65.6%

	Baseline								
Year	1993	1994	1995	1996	1997	1998	1999	2000	2001
All	70.4%	70.8%	71.3%	71.9%	72.7%	73.3%	73.8%	74.5%	74.8%
Men	75.0%	75.6%	76.3%	76.6%	77.6%	78.2%	78.6%	79.3%	79.5%
Women	65.4%	65.6%	65.9%	66.7%	67.4%	67.8%	68.5%	69.2%	69.6%

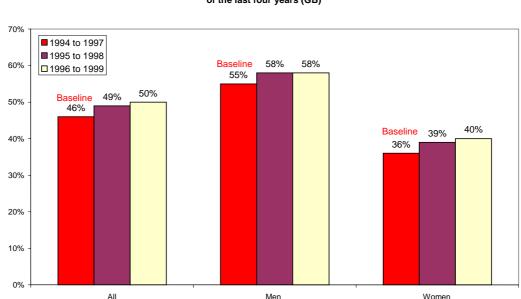
Definition: Proportion of working age people in employment – working age is 16 to 59 for women and 16 to 64 for men.

Data Source: Labour Force Survey – spring quarters.

Linked to Welfare to Work PSA: To increase employment over the economic cycle.

Indicator: An increase in the proportion of working-age individuals who have contributed to a non-state pension in at least three years out of the last four (United Kingdom).

Baseline and Trends: Estimates for the periods 1994 to 1997 (the baseline) and 1996 to 1999 show an increase from 46 per cent to 50 per cent in the proportion of people contributing to non-state pensions in at least three out of four years. Men are more likely to be consistently contributing that women – 58 per cent compared to 40 per cent for the period 1996 to 1999 – but the indicator shows improvements for both genders.



Proportion of working-age people who have contributed to a non-state pension in at least three out of the last four years (GB)

Definition: Proportion of those aged 20 to state pension age who have made contributions paid into a non-state pension in at least 3 years out of the past 4.

Data Source: British Household Panel Survey (data for Great Britain).

Linked to Department for Work and Pensions PSA target: To reform second tier pension provision, working with providers and employers so that: by 2004 stakeholder pensions have given more people access to good value funded second pensions; 14 million low and moderate earners have started to build up a better second pension than would be possible under SERPS.

Employment rate gaps

31. A separate indicator monitors the gap between employment rates for particular groups (lone parents, people with disabilities, minority ethnic people and older workers) and the overall rate.

Indicator: A reduction in the difference between employment rates in the most deprived local authority areas and the overall employment rate, over the economic cycle (Great Britain).

	Employment rate for the 30 most deprived areas		'Employment rate gap'
Spring 2000	62.1%	74.5%	12.4%
Spring 2001	63.1%	74.9%	11.8%

Baseline and trends: Baseline year – 2000 (new indicator). The table below shows a one percentage point rise between 2000 and 2001 in the employment rate for the 30 most deprived local authority areas, compared to a smaller rise in the overall employment rate. Consequently the 'gap' between the rates has narrowed.

Definition: Employment rates are for working-age people – i.e. 16 to 59 years for women and 16 to 64 years for men. The 30 most deprived areas are the Local Authority areas with the worst initial labour market position (i.e. the districts do not change). The employment rates for the 30 areas is the total number of working-age people in employment in all 30 areas as a proportion of the total working-age population in all 30 areas (i.e. it is calculated as a total not an average).

30 Local Authority areas with the worst initial labour market position are:

Tower Hamlets; Merthyr Tydfil; Knowsley; City of Glasgow; Easington; Hackney; Blaenau Gwent; Liverpool; Manchester; Newham; Middlesbrough; Neath Port Talbot; South Tyneside; Islington; Sunderland; Halton; East Ayrshire; Redcar and Cleveland; Southwark; Rhondda, Cynon, Taff; Kingston upon Hull, City; Hartlepool; Caerphilly; Newcastle upon Tyne; North Lanarkshire; Nottingham; West Dunbartonshire; Pembrokeshire; Salford; Dundee.

Data source: Labour Force Survey – spring quarters.

Linked to Welfare to Work and Government Intervention in Deprived Areas PSA target: Over the three years to 2004 increase the employment rates of the 30 local authority districts with the poorest initial labour market position and reduce the difference between this employment rate and the overall rate.

Indicator: To reduce the gap between the fifth of Health Authorities with the lowest life expectancy at birth and the population as a whole (England).

Baseline and Trends: Baseline data are for 1998 (based on the three years 1997-1999).

Life expectancy for males and females in England compared with the fifth of Health Authorities with the lowest life expectancy

		1992	1993	1994	1995	1996	1997	1998
Males	Worst fifth of Health Authorities	71.8	72.0	72.1	72.3	72.5	72.8	73.0
	Total population in England	73.7	74.0	74.1	74.4	74.6	74.9	75.1
	Difference	1.9	2.0	2.0	2.1	2.1	2.1	2.1
	Worst fifthof Health Authorities	77.4	77.6	77.8	78.1	78.2	78.2	78.3
Females	Total population in England	79.2	79.3	79.4	79.6	79.7	79.9	80.0
	Difference	1.8	1.7	1.6	1.5	1.5	1.7	1.7

Source: Government Actuary's Department and Office for National Statistics

Notes: Data presented are based on three-year averages for England.

Expectation of life data are based on population estimates and deaths data.

Each year the quintile of Health Authorities with the lowest life expectancy may be

(slightly) different.

Definition: Expectation of life data are based on population estimates and deaths data. The data presented for life expectancy are based on three year averages for England. The target has been set initially in terms of the fifth of Health Authorities (HAs) with the lowest life expectancy. In future the number of HAs will be reduced to about 30 strategic HAs, with different functions from those currently undertaken. As this happens, the appropriateness for monitoring purposes of HA areas or smaller areas will be reassessed, and the target amended accordingly.

Data Source: Government Actuary's Department - total population life expectancy figures. Office for National Statistics – figures for quintile of health authorities with worst life expectancy figures (data for England).

Linked with health inequalities PSA and GIDA target: Starting with Health Authorities, by 2010 to reduce by at least 10 per cent the gap between the fifth of areas with the lowest life expectancy at birth and the population as a whole.

3. SMALL AREA DATA

- 32. In monitoring poverty and social exclusion strategies, small area statistics are becoming increasingly important at both a national and local level. By allowing comparisons between different parts of the country, small area data is important at a national level for evaluating initiatives and deciding where to target new initiatives. At a local level the statistics are important to assess the conditions in local areas and to target resources effectively. At both a national and local level small area statistics will provide the potential to set baselines against which future progress can be monitored, and to set outcome targets.
- 33. In terms of *Opportunity for all*, the communities' indicators which monitor the gap between the most deprived areas and the rest of the country, are relatively less developed than the other sets (for children and young people etc.). However, as described below new technologies and data analysis techniques are leading to rapid developments in small area statistics. In light of this it should, over the coming years, be possible to extend the coverage of neighbourhood indicators.

Neighbourhood Statistics

The service

- 34. The Office for National Statistics, in partnership with central and local Government and many others, is leading the ongoing development of a new Neighbourhood Statistics Service in the UK¹⁰. This service launched in February 2001, aims to meet the information needs of *the National Strategy for Neighbourhood Renewal* and other area based policies in both central and local government¹¹. The service has already transformed the availability of information for thousands of areas across the country.
- 35. The Neighbourhood Statistics Service is the outcome of the consultation report of *Policy Action Team 18: Better Information*, published in April 2000 as part of the National Strategy for Neighbourhood Renewal ¹². The availability of information at neighbourhood level will help policies to be correctly designed and targeted, and aide the identification of areas with specific and often multiple problems.
- 36. As part of their remit, Policy Action Team 18 (PAT 18) examined a number of Government initiatives for which small area information was used to construct and implement their programmes. The group identified 22 Government initiatives as using small area indicators. For example:

The UK Government's approach to monitoring progress, Jackie Oatway

¹⁰ See www.statistics.gov.uk/neighbourhood/home.asp

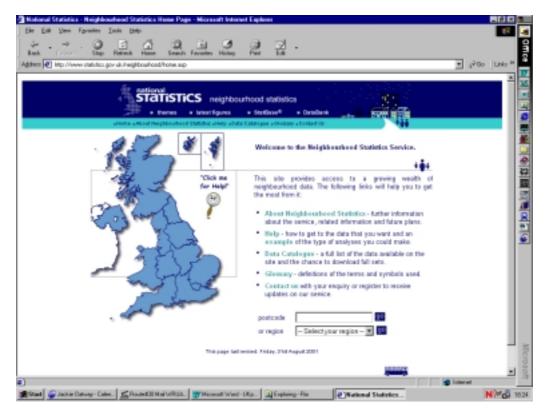
¹¹ See <u>www.cabinet-office.gov.uk/seu/index/national_strategy.htm</u> and www.neighbourhood.dtlr.gov.uk/

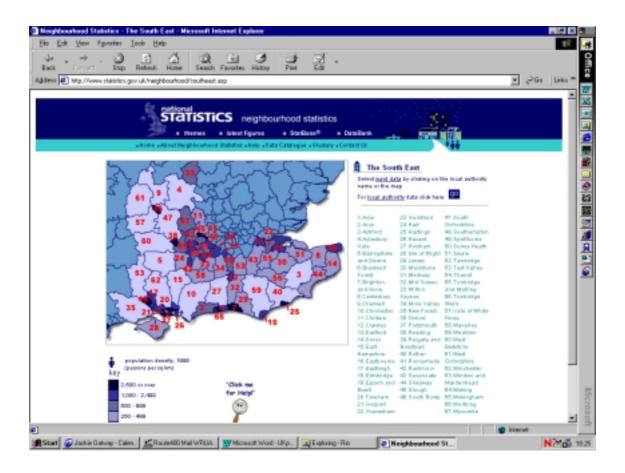
¹² See www.cabinet-office.gov.uk/seu/2000/better-information.pdf

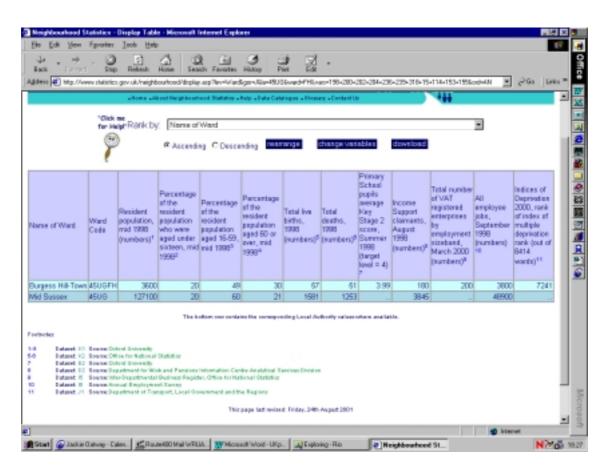
- Action Teams for Jobs which provide targeted help finding work;
- Better Government for Older People which aims to improve public services for older people;
- Crime Reduction Programmes which aim to help reverse the long-term rise in crime rates:
- Education Action Zones which tackle disadvantage and raise standards in schools that require additional support; and
- Local Transport Plans, which aim to deliver integrated transport locally and improve local transport provision.

User-friendly access

- 37. Currently the web-site provides user-friendly access to data on, for example, populations, health, social security benefit receipt, educational attainment and employment for local authority areas (there are 354 local authorities in England) and local authority wards (there are 8414 in England)
- 38. The web-site provides the option of using maps, area names or postal codes to guide users to their chosen areas. The example below shows how easily I found statistics for my home local authority ward in the South East of England. It has a population of 3600 20 per cent aged under 16, 30 per cent aged 60 or over. The average attainment for 11-year-olds is level 3.99 (the expected standard is level 4) and there were 3800 employee jobs in the ward.







Future Developments

- 39. The Neighbourhood Statistics web-site is still in its infancy. There is a planned programme of ongoing development including:
 - adding additional datasets from existing sources in 2001 and 2002;
 - enhancing the sight building on small area estimation techniques and improved analytical tools in 2002;
 - adding a geographic information system and the first point-referenced data (locations of services and social and physical infrastructure) in 2002;
 - adding a large amount of new Census data in 2003;
- 40. The Neighbourhood Statistics web-site was only one of a number of recommendations made in the PAT18 report. The Office for National Statistics and the Neighbourhood Renewal Unit have therefore established a steering group to take forward the better information in small areas agenda. Both central and local government have representatives on the steering group.

Data linking to produce small area statistics

Existing datasets

- 41. Recent technological and analytical developments have provided exciting new opportunities for analysis at a small area level. The Information Centre at the Department for Work and Pensions¹³ has, for some years, cleaned and analysed social security benefit administration data, producing analysis for individual benefits. However, in recent years, this analysis has been extended to provide a more comprehensive picture for particular client-groups (for example working-age people or families with children). This has been possible by linking administrative datasets using encrypted National Insurance Numbers (which identify each recipient but preserve their anonymity).
- 42. Linked benefit administrative datasets have been used to produce studies such as Noble et al (2001) which presents national, regional and ward level results for the unemployed, lone parents, people with disabilities and older people¹⁴. Information Centre data is also one of the datasets used to produce the Indices of Deprivation 2000, which provide ward level

¹³ Formerly the Information Centre at the Department of Social Security.

¹⁴ Changing Fortunes: geographic patterns of income deprivation in the late 1990s, Mike Noble, Martin Evans, Chris Dibben and George Smith, July 2001, available at www.regeneration.dtlr.gov.uk/rs/04100/index.htm

rankings and have played a role in determining the allocation of funding from central to local government¹⁵.

New research

- 43. The Department for Work and Pensions recently commissioned research to investigate gaps in existing research strategies and to improve our understanding of key policy questions¹⁶, such as:
 - what are the processes or 'pathways' that link low income, deprived neighbourhoods and poor outcomes for children?
 - what is the impact of geographical concentration of poor families and children?
- 44. The research paper discusses the potential for further data linking to add to the possibilities of analysis from existing datasets. The paper makes clear recommendations about the possible scope to better exploit existing datasets by linking data. For example, different administrative datasets can be linked at an individual level. This could provide increased scope for measurement at small areas and improve our understanding of how individuals or neighbourhoods can experience linked problems. Currently, the best sources of information on the multiple problems of poverty and social exclusion are provided by surveys, such as the Survey of Low Income Families. But these surveys are not designed to be representative for small areas. Linking administration and survey data could be one way to overcome this problem.
- 45. It is clear, though, that however this work is taken forward the creation of such databases in the future is likely to both broaden the potential to address key policy questions and improve the scope for small area measurement in the area of poverty and social exclusion.

¹⁵ See www.regeneration.dtlr.gov.uk/research/id2000/index.htm

¹⁶ Linking Child Poverty and Child Outcomes: Exploring data and research strategies, Ian Plewis, George Smith, Gemma Wright and Andrew Cullis, October 2001, available at www.dwp.gsi.gov.uk

ANNEX 1: OPPORTUNITY FOR ALL INDICATORS 2001

Children and young people

Improving family incomes by tackling worklessness and increasing financial support for families

• A reduction in the proportion of children living in workless households, for households of a given size, over the economic cycle.

Low-income indicators:

- a reduction in the proportion of children living in households with relative low incomes;
- a reduction in the proportion of children living in households with low incomes in an absolute sense; and
- a reduction in the proportion of children living in households with persistent low incomes.

Investing in the crucial early years and education to break the cycle of disadvantage

- An increase in the proportion of 7-year-old children in Sure Start areas achieving level 1 or above in the Key Stage 1 English and Maths tests.
- An increase in the proportion 11-year-olds achieving level 4 or above in the key stage 2 tests for literacy and numeracy.
- An increase in the proportion of 16-year-olds with at least one GCSE at grade A* to G.
- An increase in the proportion of 19-year-olds with at least a level 2 qualification or equivalent.
- A reduction in the proportion of truancies and exclusions from school.
- An improvement in the educational attainment of children looked after by local authorities.

Improving the quality of the lives of children and young people

- A reduction in the proportion of children living in a home which falls below the set standard of decency.
- A reduction in the gap in mortality for children under one year between manual groups and the population as a whole.
- A reduction in smoking rates during pregnancy and among children.

- A reduction in the rate at which children are admitted to hospital as a result of an unintentional injury resulting in a hospital stay of longer than three days.
- A reduction in the proportion of children registered during the year on the Child Protection Register who had been previously registered.

Supporting young people in the transition to adult life

Teenage pregnancy:

- a reduction in the rate of conceptions for those aged under 18; and
- a reduction in the proportion of those who are teenage mothers who are not in education, employment or training.
- An increase in the proportion of 16 to 18-year-olds who are in learning.

People of working age

Building an active welfare state that makes work pay and work possible

- An increase in the proportion of working-age people in employment, over the economic cycle.
- A reduction in the proportion of working-age people living in workless households, for households of a given size, over the economic cycle.
- A reduction in the number of working age people living in families claiming Income Support or income-based Job Seekers Allowance who have been claiming these benefits for long periods of time.
- An increase in the employment rates of disadvantaged groups –
 people with disabilities, lone parents, ethnic minorities and the older
 workers and a reduction in the difference between their employment
 rates and the overall rate.

Low-income indicators:

- a reduction in the proportion of working-age people living in households with relative low incomes;
- a reduction in the proportion of working-age people living in households with low incomes in an absolute sense; and
- a reduction in the proportion of working-age people living in households with persistent low incomes.

Encouraging lifelong learning to ensure that people have the skills and education to play an active part in the modern labour market

 A reduction in the proportion of working-age people without a qualification.

Providing support for those most at risk from discrimination and disadvantage

- A reduction in the number of people sleeping rough.
- A reduction in the proportion of young people reporting the use of Class A drugs in the last month and the last year.
- A reduction in adult smoking rates and in particular a reduction in adult smoking rates in manual socio-economic groups.
- A reduction in the death rates from suicide and undetermined injury.

Older people

Tackling the problems of low income among today's pensioners

Low-income indicators:

- a reduction in the proportion of pensioners living in households with relative low incomes;
- a reduction in the proportion of pensioners living in households with low incomes in an absolute sense; and
- A reduction in the proportion of pensioners living in households with persistent low incomes.

Ensuring that more future pensioners can retire on a decent income

- An increase in the proportion of working-age people contributing to a non-state pension.
- An increase in the amount contributed to non-state pensions.
- An increase in the proportion of working-age individuals who have contributed to a non-state pension in at least three years out of the last four.

Improving opportunities for older people to live secure, fulfilling and active lives

- A reduction in the proportion of older people living in a home that falls below the set standard of decency.
- An increase in healthy life expectancy at age 65.

- An increase in the proportion of older people being helped to live independently.
- A reduction in the proportion of older people whose lives are affected by fear of crime.

Communities

Narrowing the gap between the most deprive neighbourhoods and the rest of the country

- A reduction in the difference between the employment rate for the most deprived local authority areas and the overall employment rate, over the economic cycle.
- A reduction in the overall rate of domestic burglary and a reduction in the difference between the rates in the local authority areas with the highest rates of domestic burglary and the overall rate.
- A reduction in the proportion of households living in a home that falls below the set standard of decency.
- To reduce the gap between the fifth of health authorities with the lowest life expectancy at birth and the population as a whole.
- We will announce, in due course, a target to reduce to zero the number of local education authorities where fewer than a set percentage of pupils achieve level 4 or above in the Key Stage 2 English and Maths tests, thus narrowing the attainment gap. An indicator will be agreed that is linked to this target.