

Economy and Enterprise Overview and Scrutiny Committee

13 February 2012

The Statistical Bias Against Unitary Counties

Centre for Regional Economic and Social Research, Sheffield Hallam University



Report of Ian Thompson, Director of Regeneration and Economic Development

Purpose of the report

- 1 The report presents information on the research undertaken by the Centre for Regional Economic and Social Research, Sheffield Hallam University (attached); it proposes next steps for the issues identified.

Background

- 2 Members of the Economy and Enterprise overview and scrutiny committee were informed of this piece work in response to questions raised on the quarterly performance monitoring reports presented to the committee and comments made on the loss of area based grant, other regeneration funding and its impact on growing inequality/deprivation. Members were keen to continue to see data that would identify levels of deprivation at a local level that can be used to inform policy design. Officers from RED explained that this work had been commissioned and would report back on this issue.
- 3 In April 2009 there was a significant round of local government re-organisation in England. 36 district councils were abolished and eight new 'unitary counties' were created in their place. This reorganisation in parts of England has created a statistical anomaly - whereas data for 36 former district councils is now being discontinued, figures continue to be produced for 201 districts within the surviving two-tier counties. This threatens to hide deprivation in the new unitary counties and, in turn, to erode the likelihood that some of these unitary counties will benefit from policy design, interventions or funding streams that target areas of disadvantage. The sheer physical size of several of the new unitary counties sets them apart from just about all the other unitary authorities in England with comparable populations.
- 4 The new unitary counties are often amalgams of several different places, with different socio-economic conditions. Averages for the unitary counties hide these differences. In contrast, the severity of deprivation in a number of very small unitary authorities, such as the London boroughs, is often highlighted by local residential segregation.

The Statistical Bias against Unitary Counties Report

- 5 The aim of the report prepared by Sheffield Hallam University is to assess the scale of distortion to statistics arising from the creation of the new unitary counties. The intention is that the evidence presented should provide the basis for a constructive dialogue with the Department for Communities and Local Government (CLG), in particular, and with other departments and agencies with an interest in the production and use of local statistics (including for example the Department for Work and Pensions and the Office for National Statistics).
- 6 The statistical anomalies falling out of the 2009 Local Government Reorganisation and the related impact on Local Authorities are of particular interest to the Councils Deputy Leader, Cllr Alan Napier who championed this issue with the Industrial Communities Alliance securing support and funding for this report. Although the report was initiated and part funded by Durham County Council, it takes a wider perspective on the issue, covering all the new unitary counties and removing the bias of Durham County Council alone producing such a report. This is a lobbying document which doesn't concentrate on specific sub county geographies but instead highlights the issue of Government departments using statistics that mask deprivation and inequalities.
- 7 The report looks in detail at the current availability of statistics for the former districts that disappeared when the unitary counties were created in 2009, illustrates exactly how the problems of some districts have become hidden by the creation of the new unitary counties. Additionally it shows how the new unitary counties differ in important respects from other large authorities in England and why a special solution to their statistical issues can therefore be justified.

Statistics

- 8 The process of discontinuing the publication of statistics for the districts abolished in 2009 is now well underway. The process is still far from complete, but there seems unlikely to be much left in a year or eighteen months as new figures come on-stream. Crucially, the key DWP benefits data and the Indices of Deprivation have already been discontinued for the former districts.
- 9 The continuing production of some statistics at a highly local level – typically for Lower Super Output Areas - does not compensate for the disappearance of district-level figures as no level between LSOA and County level has been introduced. In theory, LSOA data can be aggregated up to the level of the old districts. In practice, most users, including the policy analysts in Whitehall, are extremely unlikely to do this.

Impact and Moving Forward

- 10 The effect of no longer collating this data has been to hide acute deprivation and disadvantage in some unitary counties, most especially Durham and Northumberland. In County Durham's case, statistics for the unitary county push the authority considerably further down the rankings than some of its former districts, but the new unitary county does not always disappear entirely.
- 11 The case for the continuing publication of data for the former districts or at any sub county level is essentially one of parity of treatment. Because figures continue to be compiled and published for districts in two-tier counties, there is an acute risk that some of these shire districts will attract funding and support even though their problems are less severe than some of the districts abolished in 2009.
- 12 The report concludes by making recommendations on lobbying central government and politicians to bring the issues to the forefront and discuss a common solution across England. The proposal to resume the publication of statistics for *districts*, rather than for other possible sub-county units, is purely pragmatic as off-the-peg definitions are readily available. In the longer term, the new unitary counties may themselves wish to define new sub-county units that would fulfil the same statistical role as the former districts. However, until new sub-county units have been defined in a reasonably consistent way across all the new unitaries and are made official, the short term and immediate answer would be to reinstate the publication of data for former district.
- 13 There are several actions that Durham County Council can take to move forward with this issue but more can be achieved in partnership with Northumberland, Cheshire West and the Industrial Communities Alliance. Steve Forthergill in his academic and ICA role can support discussions with the Office of National Statistics and Central Government Departments and can raise awareness amongst politicians.
- 14 Following approval by Durham County Council members and discussions with Northumberland and Cheshire West it is recommended that structured lobbying activity commences.

Conclusion

- 15 This is a lobbying document, that highlights the issue of Government Departments using statistics that mask deprivation and inequalities not a case for specific sub county Geographies.

- 16 The view of the RED service grouping is that the Sheffield Hallam work highlights an issue whereby Durham could be treated less favourably than other Counties. RED supports a view that whilst District level data is not the most useful measure of deprivation, and would prefer a methodology based on statistical units (most likely Upper Super Output areas) rather than previous council boundaries. However, if the government are measuring deprivation in other Counties using district level data then they should do the same for all Counties until a more satisfactory measure can be established.

Recommendations

- 17 That the Economy and Enterprise Overview and Scrutiny committee note the report prepared by the Centre for Regional Economic and Social Research, Sheffield Hallam University; and note the suggested action plan to progress the issues within the report.

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Appendix 1: Implications

Finance – There are no additional financial implications identified at this stage. However, further lobbying and communication of this issue will draw upon the existing resources of the RED Service Group

Staffing – There are no additional staffing issues at the moment although further work will utilise existing staffing in the RED service group

Risk – N/A

Equality and Diversity / Public Sector Equality Duty - None

Accommodation – N/A

Crime and Disorder – N/A

Human Rights – N/A

Consultation – It may be necessary to engage with other councils in Cheshire West Chester and Northumberland and consult with members across all three councils if joint approaches are to be considered.

Procurement – N/A

Disability Issues – N/A

Legal Implications – N/A