UPDATING THE ENGLISH INDICES OF DEPRIVATION - CONSULTATION

Response by the Rural Services Network

- 1. The Rural Services Network (RSN) welcomes this opportunity to submit comments to the Department for Levelling Up Housing and Communities about possible future work to update the English Indices of Deprivation (IoD).
- 2. The RSN is a membership organisation which represents over 500 organisations including 106 principal local authorities, 226 town and larger parish councils, 75 health care providers and 216 other bodies (such as housing associations, fire and rescue authorities, land-based colleges, bus operators and youth organisations). It is the national champion for rural services, which helps its members to share best practice and expertise, and which advocates on their behalf to ensure the rural voice is heard by parliamentarians and decision makers.
- 3. Below are responses to those consultation questions which most closely relate to RSN comments.

Overview Q1: How do you make use of the Indices of Deprivation in your work?

- 4. The RSN generally avoids using the Indices of Deprivation because it is poorly suited to measuring deprivation in rural areas. As such, the Indices should never be used to compare levels of deprivation across both rural and urban areas.
- 5. Our conclusion, which we know to be shared by a wide range of rural interest groups, is based around three reasons:
 - <u>Choice of indicators</u>: we recognise among the Indices is a useful domain about (access) barriers to services and housing. However, various other important facets of rural deprivation are not covered. We say more about this below;
 - Methodology: the underlying methodology gives greater weight to indicators and domains which best describe features typical of urban deprivation features, than to those which best describe features typical of rural deprivation. We say more about this below;
 - <u>Geography</u>: the Indices of Deprivation are typically used to identify local areas¹ where deprived people or households are geographically concentrated. This is a feature of larger (urban) settlements, where the housing market tends to create relatively affluent and deprived neighbourhoods. Rural deprivation, by contrast,

-

¹ Such as Super Output Areas used to present Census statistics.

- is usually scattered and finds relatively affluent and deprived households living alongside each other. Hence, rural localities frequently have an average deprivation score, as affluent and deprived households cancel out each other.
- 6. This urban bias matters, of course, when the Indices are applied to policy decisions and are used to target resources. Rural communities have often missed out on economic or regeneration opportunities. The RSN therefore concludes that, in its current form, the Indices of Deprivation should only be used to target urban-specific policies or programmes. When targeting decisions are intended to benefit disadvantaged populations or areas wherever they live (urban or otherwise), it is vital that other more appropriate measures are used.

Method Q1: Do you have any general comments regarding the methodology used to construct the Indices or the overall IMD measure?

- 7. Factor analysis is used to weight individual indicators which make up each domain. This assigns weights based on their relative importance within that domain i.e. how far each indicator statistically explains the overall domain. From a rural perspective this is problematic. Since the great majority (83%) of England's population live in urban settlements (with a population of 10,000 or more) the use of factor analysis inevitably places most weight on those indicators which best describe urban deprivation. By contrast, indicators typical of rural (though not urban) deprivation are downplayed or excluded from the Indices.
- 8. The domains, themselves, are then weighted based on: a) the apparent robustness of the data used in each; and b) how frequently those issues appear in deprivation literature. Again, the latter point will reflect the fact that more of literature is unsurprisingly about urban than about rural deprivation. Rural issues, affecting a smaller share of the national population, have been written about less often.
- 9. These two aspects of the methodology skew it towards urban considerations and mean that the Indices give less weight to rural considerations.

Method Q3: Would greater harmonisation across the UK nations individual Indices releases be useful or of interest to you? If so, how?

10. The RSN has no such interest. Its remit is England-wide and the Indices are, in any case, poorly suited to measuring rural deprivation.

Employment Q4: Are there other indicators or data sources you think could be explored to measure this domain of deprivation?

11. By focusing only on those who are excluded from the labour market (that is, not in work) the employment domain overlooks the limited job opportunities experienced

by many who are active in the rural labour force. Jobs may be largely limited to a few employment sectors and there are often few promotion or career opportunities. Moreover, the geography of rural areas means that the pool of jobs which could reasonably be accessed or commuted to is almost inevitably smaller than it would be for those living in or close to urban centres. It is noted that the Department of Transport accessibility statistics have a (travel time) measure of access to centres of employment, so this weakness could be partially addressed.

Education Q2: Are there any changes that could be made to this domain?

- 12. The education, skills and training domain does not adequately capture the disadvantage that young people in rural areas frequently experience when seeking to access Further Education (FE). Research shows that young people in rural areas must: travel further than their urban counterparts to reach FE institutions; are constrained in the number or choice of FE institutions and FE courses they could take; and face higher travel costs when accessing FE. Indeed, for some journeys to FE institutions can be long and complex. Although it would only capture part of this key issue, the Department of Transport accessibility statistics have a (travel time) measure of access to further education institutions.
- 13. Similarly, limited access to skills training opportunities for older age groups who are already in work can be a feature of rural deprivation. This is not captured by the domain.

Barriers Q2: Are there any changes that could be made to this domain?

- 14. A weakness of the access to services sub-domain is that all four of the services it measures are locally based services i.e. post office, primary school, general store/ supermarket and GP surgery. These are the services more likely to be found in rural settlements (or, at least, those above a certain size). What is more telling is access to higher tier services that are more centralised. For example, access to hospitals, secondary schools and retail centres. As it stands, therefore, the sub-domain is understating the extent of the accessibility issue in rural areas.
- 15. It should also be noted that the access to services sub-domain relies heavily on accessibility statistics produced by the Department of Transport. What these actually measure is typical travel time, either by car or by public transport and walking. What they overlook is the frequency of public transport. Whilst bus routes connecting rural towns may have reasonable frequency, routes serving villages likely operate only a few times per day or even just on certain days of the week. This can make it impossible, for example, to travel to a medical or other appointment.
- 16. Digital connectivity poses another geographic barrier of huge importance for many rural communities and does not feature in the current IMD. This must surely be

considered a major oversight, given its relevance to almost every aspect of modern life. Despite improvements, rural areas lag well behind urban areas in terms of their digital connectivity². Regulator, Ofcom, holds data and produces annually updated figures for access to fixed broadband (at different download speeds) and access to mobile networks. At the very least it would be appropriate to include in future Indices a measure of access to superfast (fixed) broadband and access to the four mobile networks. Whilst this could form part of the access to services domain, the RSN considers digital connectivity should be a domain in its own right. Its implications go beyond access to services and are particularly relevant to employment and income opportunities.

Living Q2: Are there any changes that could be made to this domain?

17. Fuel poverty is missing from the living environment domain and yet is an absolutely key deprivation issue, especially in rural areas. Many households in smaller rural settlements live off the mains gas grid and the proportion of older or hard-to-heat properties is higher in rural areas. Data is regularly generated about fuel poverty by the Department for Business, Energy and Industrial Strategy. The RSN considers it important that two aspects of fuel poverty are included in any future Indices. They are: the number of households living in fuel poverty; and the fuel poverty gap faced by those households. The latter records the extent of fuel poverty (by measuring the extra income a household would need to move out of fuel poverty).

Outputs Q2: Which geographic scale of data best meets your needs?

- 18. As noted above, rural deprivation tends to be scattered and cheek by jowl with more affluent households. Deprived neighbourhoods large enough to cover whole wards or Census local output areas, such as those found at inner city locations or on edge of city housing estates, simply do not exist in a rural setting. Smaller pockets of deprivation can be found in (rural) market towns, though even they tend to be smaller in scale than a Census local output area. In villages deprived households are more scattered still and will simply not show up on any neighbourhood analysis. Indeed, it could be argued that rural and urban deprivation are more fairly compared when measured across a large area, such as a local authority district.
- 19. This difference in deprivation geography is not easily resolved. What we can say is that users of the Indices or any other deprivation measures need to be aware of rural-urban differences, to think carefully about how they are assessing deprivation and to consider using a variety of measures that helps avoid bias.
- 20. In conclusion, the RSN like other rural interest groups considers the current Indices of Deprivation to be poor measure of rural deprivation and so an unfair way

-

² See the Connected Nations reports produced by regulator Ofcom.

to target programmes or resources. Its weaknesses could be partially addressed by introducing new indicators which measure important rural aspects of deprivation currently overlooked. They could also be partially addressed by finding a better way to weight the indicators and domains that avoids favouring (majority) urban aspects of deprivation. However, it should be acknowledged that the spatial pattern of deprivation in rural and urban areas tends to be materially different, making it very hard to design a single Index that suits both. Great care must be taken when applying the Indices, in particular avoiding any assumption that deprived rural individuals or households live within deprived neighbourhoods³.

Rural Services Network September 2022

³ This point was demonstrated by analysis of an early version of the deprivation index which found that in urban areas 85% of income poor households lived in relatively deprived areas. By contrast, in rural towns this figure fell to 58% and in villages or hamlets it was just 26% (Commission for Rural Communities, 2005).