

Indices of Deprivation 2010

Summary of findings

The Indices of Deprivation 2010 (ID2010) provide a relative measure of deprivation for small areas across England. The indices were published by CLG in March 2011 and replace the ID2007 as the official measure of deprivation in England. This briefing summarises the data for Tower Hamlets.

Deprivation is widespread in Tower Hamlets and the borough remains one of the most deprived areas in the country. The borough fares worst on measures that relate to housing and income deprivation, especially income deprivation affecting children and older people. Comparisons with the 2007 indices show some improvement in the borough's position relative to other areas in England. However, as the indices are relative not absolute measures, this does not necessarily mean deprivation levels have reduced in Tower Hamlets.

Index of Multiple Deprivation 2010: Local authority rankings

The Index of Multiple Deprivation (IMD) is a composite index built from 38 different indicators. At local authority level, the IMD is summarised using six measures – these are designed to capture different dimensions of the scale, severity and nature of multiple deprivation within an area:

- The *average IMD score* measure – which reflects the average level of multiple deprivation across LSOAs¹ in an area – shows that Tower Hamlets is the 7th most deprived local authority district in England out of 326 local authority districts. This is an improvement since the IMD 2007 which ranked Tower Hamlets 3rd most deprived on this measure.
- The *average IMD rank* is a similar measure but is based on average rankings (as opposed to scores) across LSOAs. On this measure, Tower Hamlets is ranked as the 3rd most deprived local authority district in England, the same ranking as in 2007.
- On the *extent* measure - which depicts how widespread levels of deprivation are in an area – Tower Hamlets is ranked 3rd most deprived, also unchanged from 2007.
- On these three measures (average score, rank and extent), Tower Hamlets is ranked 3rd highest in London, after Hackney and Newham.
- On the *local concentration* measure – which profiles the severity of deprivation in hotspot areas - Tower Hamlets is ranked 38th most deprived in England. On this measure, Tower Hamlets has seen significant improvement since the IMD 2007, when it was ranked 21st. Despite this improvement relative to other areas in England, Tower Hamlets still ranks as the most deprived area in London on this measure.

¹ Lower Super Output Areas (LSOAs) are small geographical areas used for statistical purposes. Tower Hamlets has 130 LSOAs and they typically cover a population of between 1,000-3,000 people.

- The final two measures are the *income and employment scale* measures – these reflect the actual number of people experiencing income and employment deprivation in an area. On the *income scale* measure, Tower Hamlets ranks 10th most deprived. On the *employment scale* measure, the borough ranks 38th. Scale rankings have only marginally changed since 2007 – up 1 for the income scale and down 1 on employment.

Index of Multiple Deprivation (IMD) 2010 – LSOA and ward level deprivation

- Deprivation is widespread in Tower Hamlets and the majority (72 per cent) of LSOAs in Tower Hamlets are in the most deprived 20 per cent of LSOAs nationally on the IMD 2010.
- 40 per cent of Tower Hamlets LSOAs are in the 10 per cent most deprived in England – this is a significant improvement on the 2007 IMD when 55 per cent of LSOAs were in 10 per cent most deprived.
- While deprivation in Tower Hamlets is widespread, none of the borough's LSOAs appear in the most severely deprived areas in England (ie the most deprived 1 per cent of LSOAs); just over half of all these areas are based in the North West and none are in London. However, relative to other areas in London, concentrations of deprivation remain high in Tower Hamlets - indeed, the most deprived LSOA in all of London is in Tower Hamlets within Spitalfields & Banglatown ward.
- Wards containing LSOAs with relatively high levels of deprivation are: East India & Lansbury, Mile End East and Bromley by Bow. In these wards, most or all of the LSOAs are ranked in the bottom 20 per cent nationally. At the other end of the scale, the three wards with lower levels of deprivation are St Katherine's & Wapping, Millwall and Blackwall & Cubitt Town. These three wards also have the largest polarity of ranks. For example, Millwall includes LSOAs in both the top and bottom 20 per cent of LSOAs nationally.

Nature of deprivation

- The IMD is made up of seven 'domains' which capture different dimensions of deprivation. Tower Hamlets fares worst on the *Income Deprivation* and the *Barriers to housing and services* domains.
- On the income domain, almost two thirds (63 per cent) of all LSOAs in Tower Hamlets fall into the 10 most income deprived nationally; the highest percentage of all local authorities in England. One third of Tower Hamlets residents live in 'income deprived' families – again the highest nationally. Tower Hamlets also has the highest percentage of both children (59 per cent) and older people (53 per cent) living in income deprived families in England.
- On the barriers to housing and services domain - 78 per cent of the borough's LSOAs fall into the most deprived 10% of areas nationally. This mainly reflects the high levels of housing deprivation faced by residents which is measured by indicators relating to overcrowding, homelessness and affordability.

Further information: This Briefing was produced by the **Corporate Research Unit**. Research briefings are designed to improve the use and sharing of data across the Partnership. Previous Briefings can be downloaded on the LBTH intranet: http://towernet/Intranet/staff_services/business_planning/corporate_policy/corporate_research_briefings.aspx.

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Introduction to the Indices of Deprivation

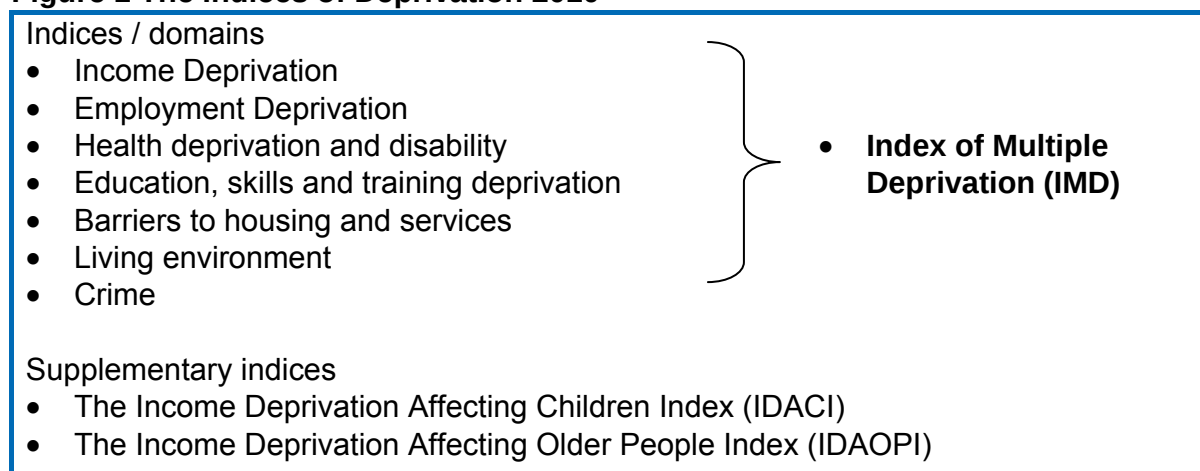
The Indices of Deprivation 2010 (ID2010) provide a relative measure of deprivation at small area level across England. The new indices were published by CLG in March 2011 and replace the ID2007 as the official measure of deprivation in England. The data are used to identify areas where disadvantage are concentrated and to inform decisions around funding allocation and targeting of programmes.

The ID2010 comprise a range of different indices which measure different aspects of deprivation. A wide range of statistical techniques² are used to standardise and combine the various data to produce a final set of deprivation scores and rankings. The statistics allow the most and least deprived areas of the country to be identified.

The most widely used of the indices is the **Index of Multiple of Deprivation (IMD)** which is designed to measure deprivation in its broadest sense and to reflect the multiple issues many deprived households face. The IMD is a combination of 38 different indicators across seven broad 'domains' (Figure 1).

As part of the income deprivation domain, two supplementary indices are also produced to identify areas with high rates of child and pensioner poverty: the Income Deprivation Affecting Children Index (IDACI) and the Income Deprivation Affecting Older People Index (IDAOPI).

Figure 1 The Indices of Deprivation 2010



While the IMD is the most widely used part of the indices, the data for each domain and the two supplementary indices can also be used in isolation to explore particular dimensions of deprivation in more detail.

ID geography

The indices are used to rank all small areas in England against each other - in terms of their relative deprivation. These areas are called **Lower Super Output Areas (LSOAs)**. There are 32,482 LSOAs across England and they typically cover a population of

² The English Indices of Deprivation 2010 – Technical Report
<http://www.communities.gov.uk/publications/corporate/statistics/indices2010technicalreport>

between 1,000 and 3,000 people. In Tower Hamlets there are 130 LSOAs and they nest within the borough's 17 wards.

In addition to the LSOA level Indices, CLG has also produced summary indicators at the local authority district level (for 326 districts/boroughs in England); these comprise district councils, metropolitan districts, unitary authorities and the London boroughs.

Interpreting scores and rankings

Each LSOA is given a deprivation score across each of the domains and indices. However, it is important to bear in mind that the overall scores for areas are a summary of the level and type of deprivation in that area - not all deprived people live in deprived areas, and not everyone living in a deprived area is deprived. CLG also emphasises that the indices should not be used to identify affluence as they are designed primarily to identify deprivation (ie the areas that are least deprived are not necessarily the most affluent).

The scores used in the indices are relative to each other and (in most cases) do not indicate an absolute value as such. For example, an IMD score of 40 does not mean that an LSOA is twice as deprived as an LSOA with a score of 20, but it does mean that the area with the score of 40 is more deprived than the area with a score of 20.

All LSOA data are ranked consistently; so that a rank of 1 is the most deprived and 32,482 is the least deprived LSOA in England. Local authority district level rankings are 1 for the most deprived and 326 for the least. In this report, additional rankings have also been produced for within London (from 1 to 33).

Timing and interpreting data on change

This report focuses on the latest data (the ID2010), but also presents some analysis of how the data have changed since the last release of deprivation data (the ID2007). Both indices were produced using the same methodology and, for the most part, the same data sources. However, caution is required when interpreting data over time. Three key points should be borne in mind:

- **The Indices are about relative deprivation not absolute changes.**
Change data show how the borough's position has changed relative to other areas in England. This means an improvement in our ranking (eg from 3rd to 7th most deprived local authority area) does not necessarily mean deprivation levels have lessened in Tower Hamlets – instead it could mean that the levels of deprivation in Tower Hamlets are the same as before, but levels have got worse elsewhere. Also, if the rank of a particular LSOA does not change this does not necessarily mean deprivation levels are unchanged.
- **Small area population data – which underpin the indices – have been revised**
An important development since the ID2007 is the recent revisions to ONS mid-year population estimates and the resultant re-basing of the modelled LSOA level population estimates. These are used as denominators for the majority of the ID indicators. This means changes in deprivation data may be a function of the re-basing of the population data as opposed to real changes in levels of deprivation.

- **The ID 2010 is not quite as up to date as it sounds** - most of the data used relate to 2008. Most of the data used in the ID 2007 refer to 2005 (also, on both indices, 2001 data are still used for a minority of indicators). For this reason, changes between the IMD 2007 and IMD 2010 are mainly reflecting changing relativities between 2005 and 2008.

Earlier data: the ID2004

This report focuses on changes between the ID2007 and ID2010. For those interested in earlier data, a separate analytical report is available on request which considers the changes between the ID2007 and ID2004 in Tower Hamlets in some detail³.

Index of Multiple Deprivation (IMD) 2010: Local authority rankings

Deprivation across small areas is summarised at district level using six different measures; these allow local authority districts to be ranked according to how deprived they are relative to other districts. The different measures reflect different dimensions of the scale, severity and nature of multiple deprivation in an area - no one measure is favoured over another.

Figure 2: Guide to the six district level summary IMD measures

Average score (across LSOAs)	Depicts the average level of deprivation across the entire district by taking a population weighted average of the combined IMD scores for the LSOAs in the district.
Average rank (across LSOAs)	Also shows the average level of deprivation across the district but uses average IMD ranks (ie population weighted average of the combined LSOA ranks) instead of scores, so is less affected by the impact of extreme scores.
Extent	Depicts how widespread deprivation is in an area. It measures the proportion of a district's population that live in the most deprived ⁴ LSOAs in England.
Local Concentration	Captures the severity of deprivation in each authority by profiling hot spots. The measure is a population weighted average of the ranks of a local authority district's most deprived LSOAs that contain exactly 10% of the district's population.
Income Scale	The number of people who are income deprived.
Employment Scale	The number of people who are employment deprived.

Technical note: Following local government reorganisation in 2009, the number of district level local authorities in England reduced from 354 (as used in the ID2007) to 326 (as used for the ID2010). To assess the impact of these changes, CLG has published reworked IMD2007 data on the basis of the new boundaries. The analysis that follows considers change in rankings on the basis of both the reworked and the original published data. However, in practice the differences are marginal (in relation to the impact on Tower Hamlets rankings).

³ *Deprivation in Tower Hamlets*, Briefing by LBTH Chief Executive's Strategy and Performance team, April 2008.

⁴ On the extent measure, 100% of the people living in the 10% most deprived LSOAs in England are captured in the numerator, plus a proportion of the population of those LSOAs in the next two deciles on a sliding scale – that is 95% of the population of the LSOA at the 11th percentile, and 5% of the population of the LSOA at the 29th percentile. This measure only includes local authority districts containing LSOAs which fall within the most deprived 30% of LSOAs in England.

IMD 2010 district rankings: results

The *average IMD score* measure – which reflects the average level of deprivation across LSOAs in the borough – shows that Tower Hamlets is the 7th most deprived local authority district in England out of 326 local authority districts. The top 6 were: Liverpool, Hackney, Newham, Manchester, Knowsley and Blackpool. This represents an improvement in Tower Hamlets' relative position since the IMD2007 when Tower Hamlets was ranked 3rd most deprived after Liverpool and Hackney on this measure.

The *average IMD rank* measure is a similar measure but is based on average IMD rankings across LSOAs (as opposed to average scores). The *average rank* measure is less affected by the impact of extreme scores than the *average score* measure. On this measure, Tower Hamlets is ranked as the 3rd most deprived local authority district in England, the same ranking as for the IMD 2007.

On the *extent* measure - which depicts how widespread levels of deprivation are in a district – Tower Hamlets is also ranked 3rd most deprived in England, the same ranking as for the IMD 2007.

On these three measures (average score, rank and extent), Tower Hamlets is ranked 3rd highest in London, after Hackney and Newham (tables 2 and 3).

Table 1 Tower Hamlets IMD national rankings on summary LA measures

	IMD 2010 Rank (326 LAs)	Change since 2007	
		IMD 2007 reworked (326 LAs)	IMD 2007 published (354 LAs)
<i>1=most deprived in England</i>			
Average IMD score (across LSOAs)	7	+4	+4
Average IMD rank (across LSOAs)	3	0	0
Extent (% living in most deprived LSOAs nationally)	3	0	0
Local concentration (profiles hotspots)	38	+17	+17
Income Scale (number income deprived)	10	+1	+2
Employment Scale (number employment deprived)	38	-1	+2

Source: CLG, *Indices of Deprivation 2010, 2007*

Notes: Following local government reorganisation in 2009, the number of district level LAs in England reduced from 354 (as used in the ID2007) to 326 (as used for the ID2010). To measure this effect, changes in rankings are also shown against reworked data for IMD2007 (using new boundaries).

Table 2 Tower Hamlets IMD London rankings on summary LA measures

	London ranking (1 to 33)	
	IMD 2010 Rank	Change in rank (from IMD 2007)
<i>1=most deprived in London</i>		
Average IMD score (across LSOAs)	3	+1
Average IMD rank (across LSOAs)	3	0
Extent (% living in most deprived LSOAs nationally)	3	0
Local concentration (profiles hotspots)	1	0
Income Scale (number income deprived)	2	0
Employment Scale (number employment deprived)	7	-2

Source: CLG, *Indices of Deprivation 2010, 2007*

On the *local concentration* measure, Tower Hamlets is ranked 38th most deprived in England. This measure captures the severity of deprivation in an area by profiling and comparing deprivation in 'hotspot' areas. On this measure, Tower Hamlets has seen significant improvement since the IMD 2007, where the borough was ranked 21st most deprived. Despite this improvement, Tower Hamlets still ranks as the most deprived area in London on this measure.

Table 3 Index of Multiple Deprivation 2010: National rankings on LA summary measures, London Boroughs

	Summary LA measures: borough rankings (out of 326 LAs)					
	Average IMD Score*	Average IMD Rank	Extent	Local Concentration	Income Scale	Employ- ment Scale
<i>Most deprived = 1</i>						
Hackney	2	1	1	49	15	30
Newham	3	2	2	51	8	32
Tower Hamlets	7	3	3	38	10	38
Haringey	13	11	8	53	19	41
Islington	14	6	11	68	41	46
Waltham Forest	15	7	13	62	32	54
Barking and Dagenham	22	8	20	89	46	74
Greenwich	28	19	29	71	39	51
Lambeth	29	14	41	120	21	23
Lewisham	31	16	40	128	31	35
Brent	35	24	53	60	20	42
Southwark	41	25	46	138	25	33
Hammersmith and Fulham	55	31	71	127	76	80
Enfield	64	63	68	93	13	44
Camden	74	55	81	143	49	58
Ealing	80	61	98	113	23	40
City of Westminster	87	75	95	88	60	65
Kensington and Chelsea	103	98	94	111	108	110
Croydon	107	99	114	134	26	37
Hounslow	118	92	156	165	55	76
Wandsworth	121	102	147	158	52	68
Redbridge	134	116	164	172	43	71
Hillingdon	138	130	163	171	61	82
Bexley	174	180	166	166	90	102
Barnet	176	165	180	184	38	56
Havering	177	177	172	167	87	94
Harrow	194	184	212	210	71	103
Sutton	196	193	179	182	114	130
Bromley	203	217	168	159	72	78
Merton	208	208	215	211	100	120
Kingston upon Thames	255	252	247	264	160	193
City of London	262	259	294	290	325	325
Richmond upon Thames	285	286	266	281	161	175

Source: CLG Indices of Deprivation 2010

* This measure is used to rank the boroughs in the table (from most to least deprived).

The final two measures are the *income and employment scale* measures – these reflect the actual number of people experiencing income and employment deprivation in an area. On the *income scale* measure, Tower Hamlets ranks 10th most deprived in England and on the *employment scale* measure, the borough ranks 38th most deprived. Rankings have only marginally changed since 2007 – up 1 for the income scale and down 1 on employment (on basis of reworked rankings).

As these measures are scale measures, they are heavily influenced by population size as well as the proportion of people experiencing deprivation; on both measures Birmingham (which is large in population size) is ranked the most deprived and the Isles of Scilly the least deprived.

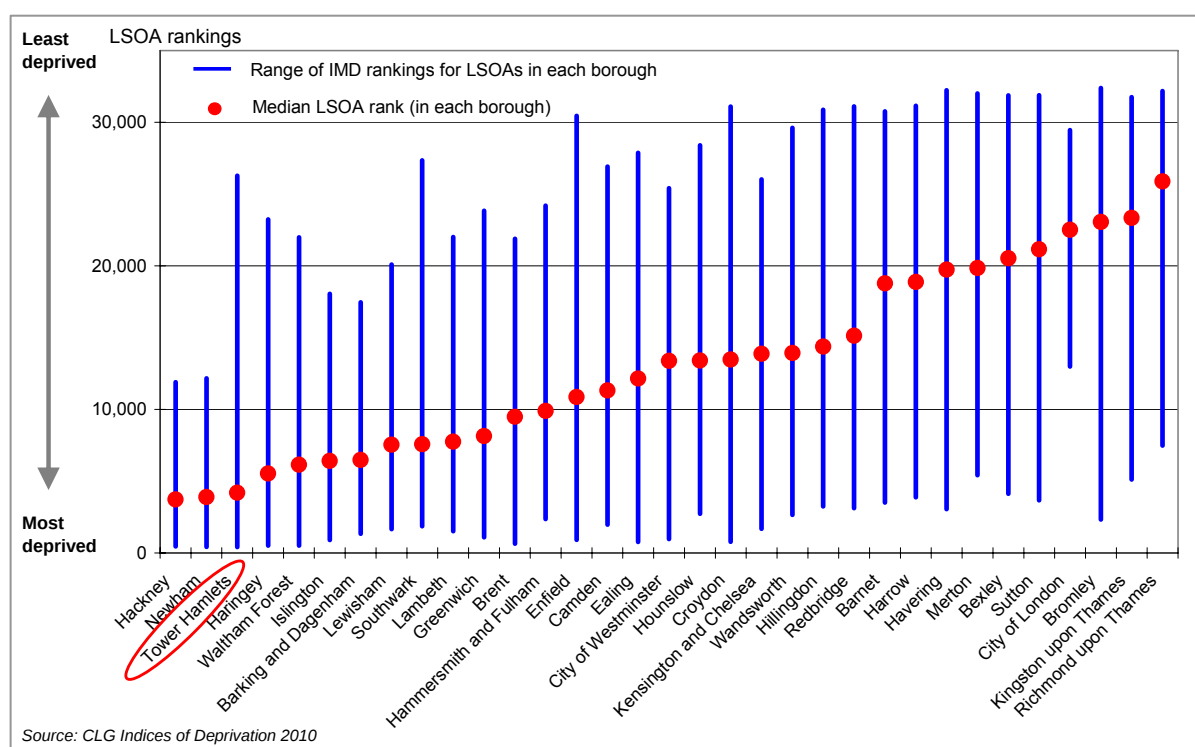
As in the IMD 2007, Hackney and Tower Hamlets are the only two boroughs in London that feature in the most deprived 50 local authorities on all six summary measures (Newham just misses being included as it is ranked 51st on the concentration measure).

The three areas that emerge as the least deprived in London on all six measures are the City of London, Richmond upon Thames and Kingston upon Thames.

Polarity and variation within Boroughs

The Indices of Deprivation are designed primarily to explore deprivation at small area level. Local authority summary measures – while widely used – disguise the wide variation in deprivation levels within boroughs. Figure 3 illustrates this by showing the range of IMD national rankings for LSOAs in each borough. The boroughs are ranked from lowest to highest on the basis of the median LSOA rank; the median is the ‘middle’ LSOA with half the LSOAs ranked above and below.

Figure 3 Range of LSOA ranks on IMD 2010 for London boroughs



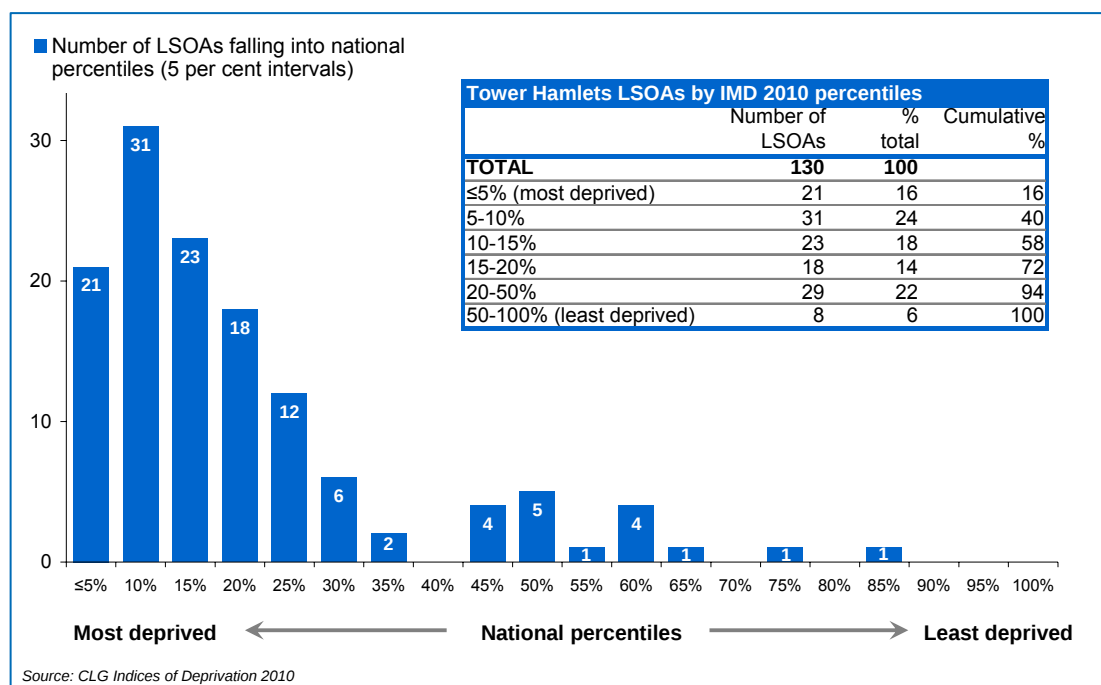
As the chart shows, many London boroughs have a wide spread of rankings and contain LSOAs in the most and least deprived areas nationally. However, Tower Hamlets is unusual in that, while its median LSOA rank is very low, reflecting the significant clustering of LSOAs at the deprived end of the range, the spread of ranks between the most and least deprived areas is fairly wide – especially when compared with Newham and Hackney. Put another way - IMD rankings are more polarised in Tower Hamlets than in its East London neighbours. Indeed, unlike Tower Hamlets, neither Newham nor Hackney has any LSOAs in the least deprived 50 per cent nationally. This helps explain why Hackney and Newham are more deprived than Tower Hamlets on some of the summary local authority level indicators shown in Table 3.

Index of Multiple Deprivation 2010: LSOA analysis

This section explores patterns of deprivation within the borough by profiling the IMD rankings for the 130 LSOAs in Tower Hamlets. Figure 4 shows the number of LSOAs falling into national IMD percentiles⁵ (at 5 per cent intervals). This illustrates the heavy concentration of Tower Hamlets LSOAs in the most deprived percentiles nationally.

Deprivation is very widespread in Tower Hamlets. The majority (72 per cent) of the borough's LSOAs are in the most deprived 20 per cent of LSOAs nationally on the IMD 2010. Forty per cent of the borough's LSOAs are in the 10 per cent most deprived in England – the 7th highest percentage of all English local authority districts. Only 6 per cent of LSOAs in Tower Hamlets are in the 50-100% least deprived areas in England. **Map 1** shows the geographic distribution of relative deprivation at LSOA level across the borough.

Figure 4 Distribution of Tower Hamlets LSOAs by IMD 2010

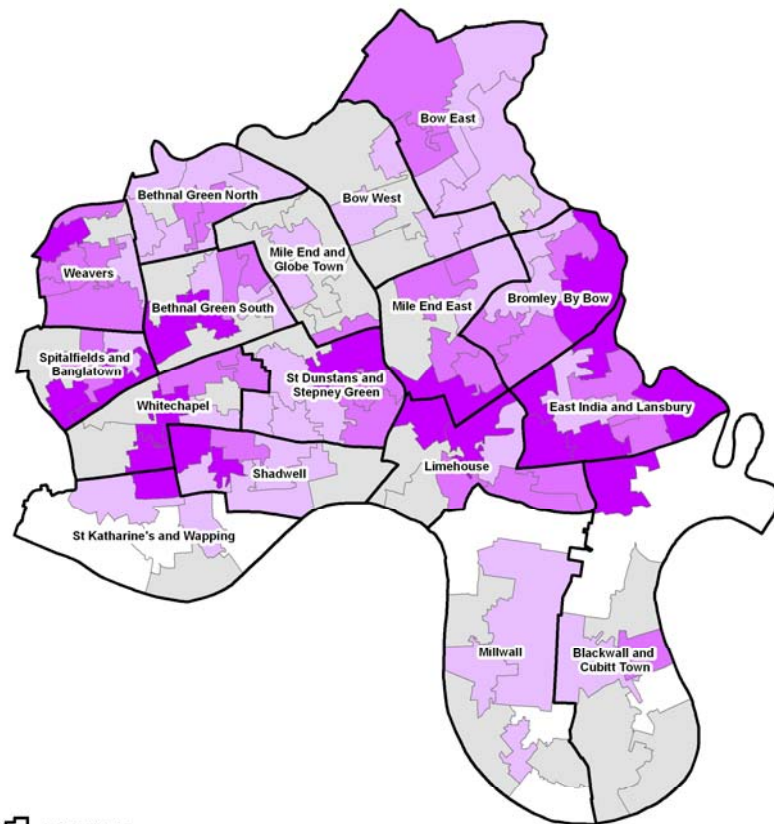


⁵ A **percentile** is the value of a variable below which a certain percent of observations fall eg here, the bottom 5th percentile nationally refers to the 5 per cent of English LSOAs that are most deprived. The chart shows the distribution at 5 percentage point intervals.

MAP 1

Index of Multiple Deprivation 2010

Source: Indices of Deprivation 2010, Department of Communities and Local Government, © Crown Copyright



-  LBTH Wards
 LSOAs in Tower Hamlets: IMD position in England (percentile)
-  In 5% most deprived
 -  In 5-10% most deprived
 -  In 10-20% most deprived
 -  In 20-50% most deprived
 -  In 50% least deprived



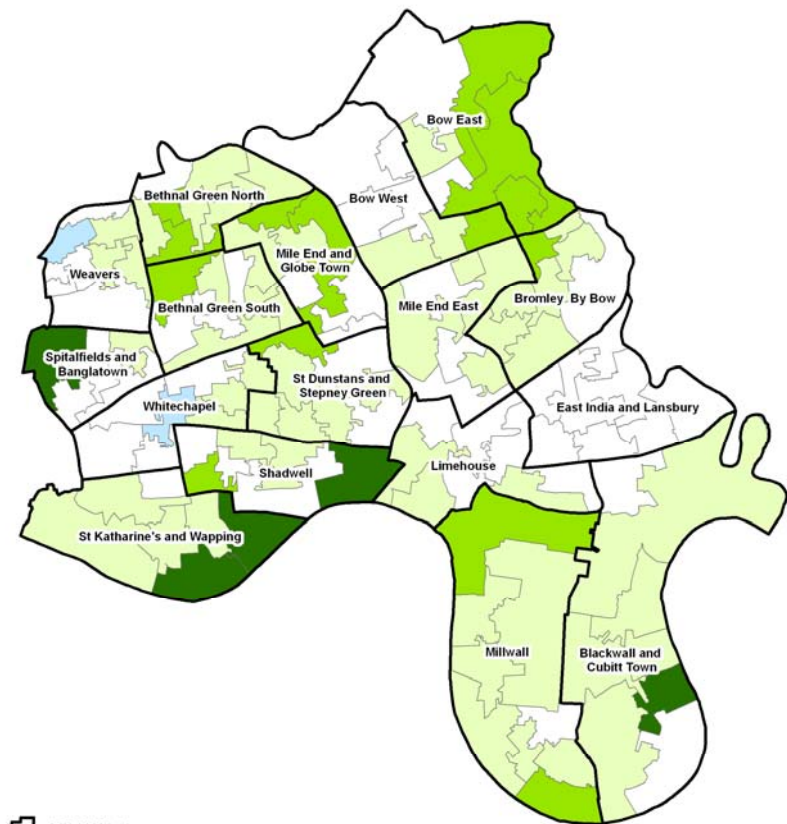
Date: 30/03/11
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MAP 2

Change in IMD between 2007 and 2010

Source: Indices of Deprivation 2010, Department of Communities and Local Government, © Crown Copyright



-  LBTH Wards
 Change in relative position of LSOAs between 2007 IMD and 2010 IMD: movement in percentiles at 5% intervals
-  Up 3 percentiles (less deprived)
 -  Up 2 percentiles (less deprived)
 -  Up 1 percentile (less deprived)
 -  No change in percentile
 -  Down 1 percentile (more deprived)



Date: 30/03/11
Map Ref: AF11596PD

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While deprivation in Tower Hamlets is widespread, none of Tower Hamlets 130 LSOAs appear in the most severely deprived areas in England - that is the most deprived 1 per cent of LSOAs (the top 324 LSOAs); just over half of these LSOAs are based in the North West of England and none are in London.

However, relative to other areas in London, concentrations of deprivation remain very high in Tower Hamlets. Indeed, the most deprived LSOA in all of London is in Tower Hamlets within Spitalfields & Banglatown. Further, as was shown earlier, Tower Hamlets ranks as the most deprived London borough on the IMD *local concentration* measure, which compares the severity of deprivation in each district's most deprived LSOAs.

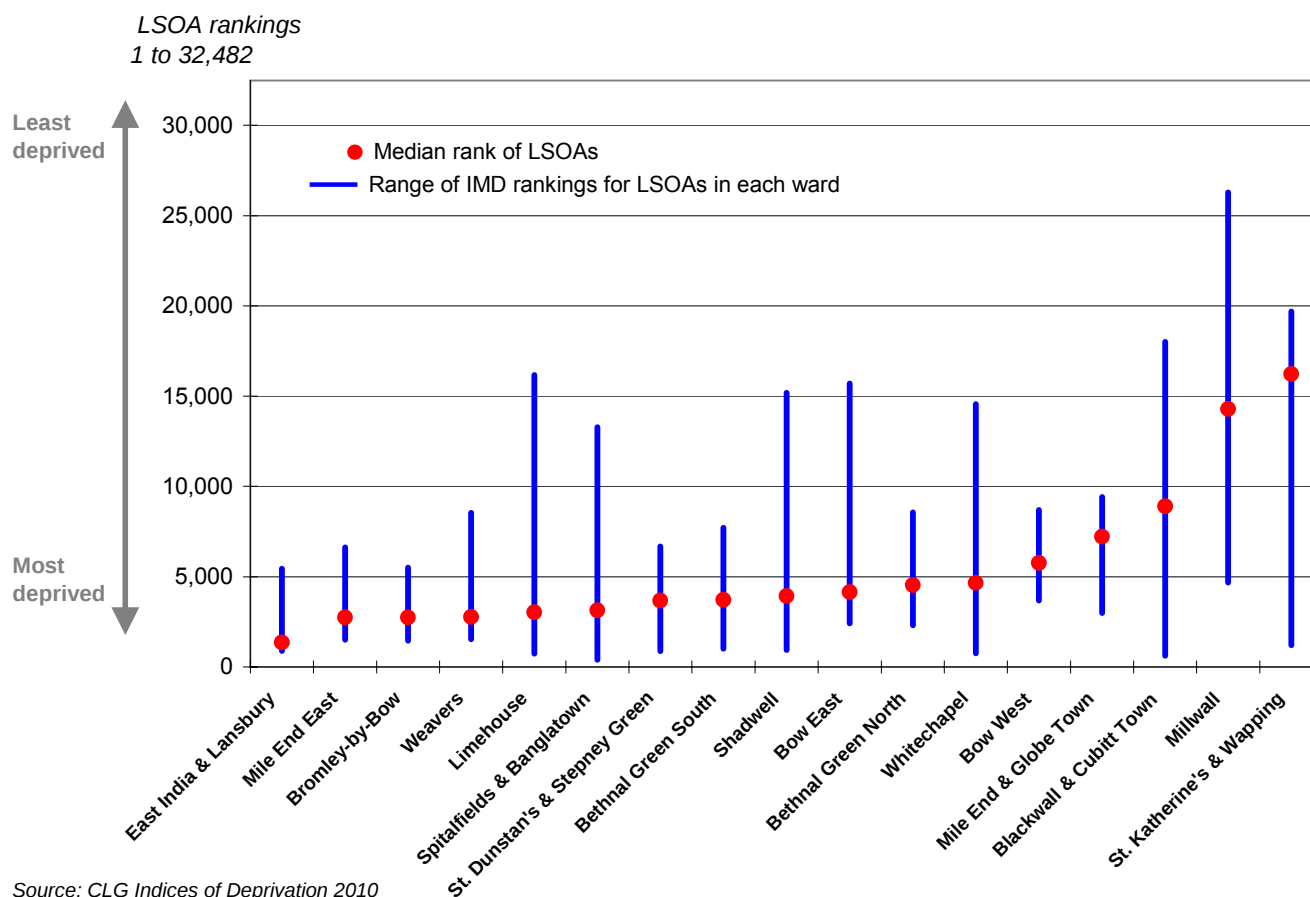
Index of Multiple Deprivation 2010: Ward analysis

While the IMD is produced at LSOA level, it is possible to produce some basic ward level analysis by comparing the deprivation rankings for LSOAs within each ward. Tower Hamlets has 17 wards, and there are between 5 and 9 LSOAs in each ward. *(Note: The analysis does not take account of the difference in population size between LSOAs in the borough, so only provides indicative data on ward level deprivation).*

Figure 5 shows the range of LSOA rankings within each ward. The wards are ranked from lowest to highest on the basis of the median LSOA rank – that is the 'middle' LSOA with half the LSOAs ranked above and below.

The wards with the lowest median rankings (more deprived) are East India & Lansbury, Mile End East and Bromley by Bow. In these wards, most or all of the LSOAs are ranked in the bottom 20 per cent nationally.

Figure 5 LSOA ranks by ward; minimum, maximum and median IMD 2010 ranks



Source: CLG Indices of Deprivation 2010

At the other end of the scale, the three wards with the highest median LSOA rankings (less deprived) are St Katherine's & Wapping, Millwall and Blackwall & Cubitt Town. These three wards also have the largest polarity of ranks. For example, In Millwall, where there are 9 LSOAs, the rankings range from 4,678 up to 26,281 – so this area includes LSOAs in both the top and bottom 20 per cent of LSOAs nationally.

Change between IMD 2007 and IMD 2010 - LSOA level deprivation

A comparison of IMD data for 2007 and 2010 at LSOA level indicates a significant improvement in the borough's position relative to other areas in England.

- The percentage of the borough's LSOAs that are in the 5 per cent most deprived in England has fallen from 28 per cent (IMD 2007) to 16 per cent (IMD 2010).
- The percentage of the borough's LSOAs that are in the 10 per cent most deprived in England has dropped from 55 per cent (IMD 2007) to 40 per cent (IMD 2010).
- In contrast, the percentage of the borough's LSOAs falling into the 15-25 per cent most deprived areas in England has almost doubled from 12 to 23 per cent.

Table 4 Change in distribution of Tower Hamlets LSOAs by IMD percentiles (5 percent intervals), 2007 and 2010

	Most deprived ← (5 per cent intervals) → Least deprived										Least deprived	
	≤5%	10%	15%	20%	25%	30%	35%	40%	45%	50%	50-100%	TOTAL
Number of LSOAs falling into national percentiles												
IMD 2007	37	35	23	9	6	4	2	2	5	2	5	130
IMD 2010	21	31	23	18	12	6	2	0	4	5	8	130
Change	-16	-4	0	9	6	2	0	-2	-1	3	3	
Percentage of LSOAs falling into national percentiles												
IMD 2007	28	27	18	7	5	3	2	2	4	2	4	100
IMD 2010	16	24	18	14	9	5	2	0	3	4	6	100
Change	-12	-3	0	7	5	2	0	-2	-1	2	2	

Source: CLG, Indices of Deprivation 2010 and 2007

Map 2 (page 10) shows the movement in percentiles (at 5 per cent intervals) for all Tower Hamlets LSOAs between the IMD 2007 and the IMD 2010. Of all 130 LSOAs in Tower Hamlets: 78 areas (60 per cent) have seen an improvement in their national percentile position (as measured at 5 per cent intervals); 50 areas (38 per cent) have seen no change and remain in the same percentile as before; and only 2 areas (2 per cent) have fallen to a lower percentile. *Note: as explained earlier, it should be borne in mind that these data relate to relative improvement and do not necessarily indicate that absolute levels of deprivation have changed in these areas.*

Areas of (relative) improvement are spread fairly widely across the borough and most wards have at least two LSOAs where IMD rankings have improved. The following wards have seen particularly widespread improvement: St. Katherine's & Wapping, Bromley-by-Bow, Bethnal Green North and Millwall. The LSOAs that have seen the largest jump in ranks include three riverside LSOAs and one LSOA in Spitalfields and Banglatown.

Only one ward has seen no movement in its LSOA IMD rankings (at 5 per cent intervals): East India and Lansbury – which is also one of the most deprived wards in the borough. Changes in Whitechapel and Weavers are more mixed and in both cases, one LSOA dropped to a lower percentile (ie relative deprivation rose).

So, in summary, while the majority of the boroughs LSOAs remain deprived relative to other areas nationally, more than half have seen an improvement in their rankings and position relative to other areas in England.

At a regional level, London has seen the biggest improvement in relative deprivation levels; London has 80 fewer LSOAs in the most deprived 10 per cent nationally in the IMD 2010 compared with the IMD than in 2007 – the biggest fall regionally.

Nature of deprivation and analysis of domains: overview

The IMD is made up of seven 'domains' which capture various dimensions of deprivation: income; employment; health deprivation and disability; education and skills; barriers to housing and services; the living environment; and crime. Three domains are further sub-divided into two 'sub-domains'. Figure 6 profiles the indicators used to profile each domain and sub-domain.

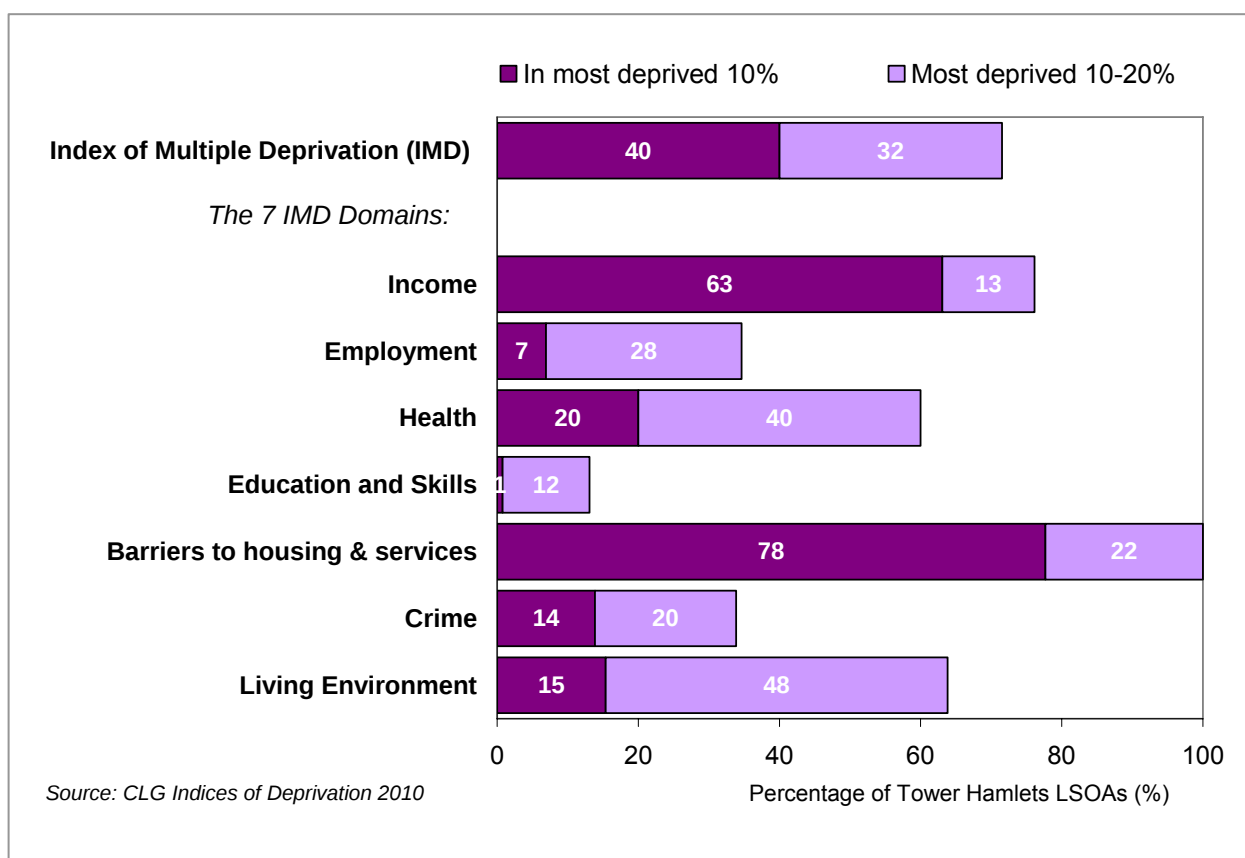
Figure 6 Data underpinning each IMD domain and sub-domains.

DOMAIN	KEY DATA	
Income	- Adults and children in families in receipt of: Income Support, income-based Jobseeker's Allowance, Pension Credit (Guarantee) - Adults and children in certain Child Tax Credit families - Asylum seekers receiving subsistence/ accommodation support	
Employment	- Claimants of Jobseeker's Allowance - Claimants of Incapacity Benefit - Claimants of Severe Disablement Allowance - Claimants of Employment and Support Allowance - Participants in New Deal for under 25s - Participants in New Deal for 25 + - Participants in New Deal for Lone Parents	
Health and Disability	- Years of Potential Life Lost - Comparative Illness and Disability Ratio - Acute morbidity - Mood or anxiety disorders	
Education and skills	Children sub-domain - Attainment - KS2, KS3, KS4 - Secondary school absence - Staying on in education - Entry to higher education	Skills sub-domain Adult skills
Barriers to housing and services	Geographical barriers sub-domain Road distances to: GP, supermarket or convenience store, primary school, Post Office.	Wider Barriers sub-domain - Overcrowding - Housing affordability - Homelessness
Crime	Recorded crime rates for the following composite indicators: Burglary, Violence, Theft, Criminal damage.	
Living Environment	Indoors living environment - Housing in poor condition - Houses without central heating	Outdoors Living Environment - Air quality - Road traffic accidents

Note: See the [CLG Technical Report](#) for a full explanation of the data sources used to measure each indicator.

Figure 7 provides a summary of how Tower Hamlets fares on each domain by showing the percentage of Tower Hamlets LSOAs among the most deprived in England on each measure.

Figure 7 Percentage of Tower Hamlets LSOAs among the most deprived in England for the IMD 2010 and the 7 domains



The chart shows that the borough has relatively high levels of deprivation across most domains – with the exception of the *Education and Skills* domain. On this indicator, only 13 per cent of LSOAs (1 in 8) fall into the 20 per cent most deprived areas nationally, whereas on all other domains between 35-100 per cent of LSOAs fall into in the 20 per cent most deprived areas nationally. The *Educations and Skills* domain captures data relating to educational attainment, school absence, staying on rates, participation in higher education and adult qualifications. At a regional level, London and the South East are the least 'education' deprived of all English regions on this domain.

The two types of deprivation where the borough fares worst are the *barriers to housing and services* domain and the *income deprivation* domain. These are analysed in more detail in the sections that follow.

Barriers to Housing and Services sub-domains

All of the borough's LSOAs fall within the 20 per cent most deprived in England on the *Barriers to Housing and Services* domain, with the majority falling into the most deprived 10 per cent (figure 7). Almost one third of all LSOAs in Tower Hamlets fall within the most deprived 5 per cent of LSOAs nationally on this domain.

Table 5 Barriers to housing and services sub-domains, Tower Hamlets

	% of Tower Hamlets LSOAs in national percentiles:				
	Most deprived ← → Least deprived				
	≤ 5%	5-10%	10-20%	20-50%	50-100%
Barriers to housing and services	31	47	22	0	0
Sub-domains:					
- Wider Barriers (housing indicators)	100	0	0	0	0
- Geographical (access to services)	0	0	2	4	95

Source: CLG, *Indices of Deprivation 2010*

Table 5 breaks this indicator down further and shows the data for the two sub-domains that underpin the indicator; these sub-domains capture very different aspects of deprivation:

- The **wider barriers sub-domain**: this relates to the housing deprivation part of the main domain and measures overcrowding, housing affordability and homelessness.
- The **geographic barriers sub-domain**: this relates to the 'access to services' part of the domain and measures road distances to services (ie GP, supermarket or convenience store, primary school and post office).

Not surprisingly, inner city areas are far more likely to be classified as deprived on the first measure, and rural areas more likely to be classified as deprived on the second measure. The data for Tower Hamlets illustrates the contrast: all 130 of the boroughs LSOAs fall into the most deprived 5 per cent nationally on the *wider barriers* sub-domain which captures housing deprivation. In stark contrast, on the *geographical barriers* sub-domain – none of the Tower Hamlets LSOAs are in the most deprived 5% nationally. In fact, most of Tower Hamlets' LSOAs are in the least deprived 50-100 per cent of LSOAs nationally on the *geographical barriers* measure.

On the *wider barriers* housing deprivation measure, Tower Hamlets is one of only six local authorities⁶ where all LSOAs are in the most deprived 5 per cent nationally – all six are London Boroughs.

When sub-domain data are combined, statistical techniques are used to limit the extent to which opposing effects might cancel each other out, and to ensure that the deprived LSOAs are identified and given sufficient weight. This is why the main *barriers to housing and services* domain still shows Tower Hamlets to be quite deprived overall. However, for analytical purposes, the *wider barriers* sub-domain is recommended for more in-depth analysis of housing issues in Tower Hamlets as it focuses solely on housing deprivation measures and is un-diluted by the *geographical* sub-domain data which measures something quite different.

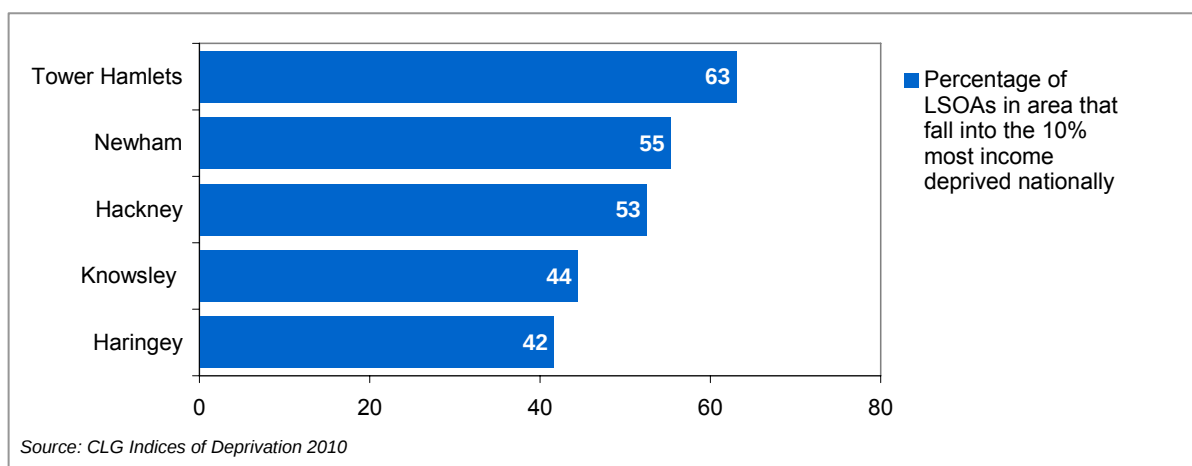
⁶ The other five are: Westminster, Haringey, Kensington & Chelsea, Newham and Hackney.

Income Deprivation

Tower Hamlets has very high rates of income deprivation. The income domain measures the proportion of the population in an area that live in income deprived families⁷ – this captures both those who are out of work as well as those in work but who have low earnings. Data on means-tested benefits (eg Income Support, Jobseeker's Allowance, Pension Credit and tax credits) are used to produce the measure.

Almost two thirds (63 per cent) of all LSOAs in Tower Hamlets fall into the 10 most income deprived LSOAs nationally; this is the highest percentage – by far - of all local authorities in England (figure 8).

Figure 8 The top 5 local authorities with the highest proportion of LSOAs in the most deprived 10% of LSOAs nationally on the income deprivation domain



As the income domain score is an 'absolute' measure of deprivation that directly measures the proportion of each LSOA population that are income deprived, the data can be used to estimate the percentage of the borough population that are income deprived⁸. On this measure, one third of the Tower Hamlets population live in income deprivation, again the highest nationally, though only just marginally ahead of Newham.

Table 6 The five local authorities with the highest level of income deprivation

	Percentage of people living in income deprived families
Tower Hamlets	32.8
Newham	32.7
Hackney	31.3
Knowsley	27.6
Liverpool	27.1

Source: CLG, *English Indices of Deprivation Technical Report* (pg 91)

⁷ Here, the term 'families' refers to 'benefit units' – this is a term used by the DWP for benefits administration. In practice, it covers various family types (eg one person household, couples, those with children etc).

⁸ These data are not routinely published by CLG at LA level. At the time of writing, data were only available for the top 5 local authorities as highlighted in CLG's technical report.

Income Deprivation affecting Children and Older People

Income deprivation levels become even more pronounced in Tower Hamlets when data for children and older people are considered. CLG has produced two supplementary indices which focus on these groups:

- **The Income Deprivation Affecting Children Index (IDACI)**: this measures the proportion of children aged 0-15 living in income deprived households.
- **The Income Deprivation Affecting Older People Index (IDAOPI)**; this measures the proportion of adults aged 60 and over in income deprived households.

These indices provide valuable data on child and pensioner poverty for small areas across the borough. Table 7 shows the 5 local authorities with the highest rates nationally on both measures. On the IDACI measure, 59 per cent of children in Tower Hamlets live in income deprived families, the highest rate – by far - in England, and consistent with official child poverty data which are based on a similar measure. The borough rate is far higher than the London rate (32 per cent) and almost three times higher than the national average (20 per cent).

On the IDAOPI measure, just over half (53 per cent) of older residents in Tower Hamlets live in income deprivation, also the highest rate in England. This reflects the high proportion of pensioners reliant on means-tested benefits in the borough – the borough rate is more than twice as high as the rate both regionally and nationally.

Table 7 The five local authorities with the highest levels of income deprivation affecting children and older people

	% children living in income deprived families		% older people living in income deprived families
Tower Hamlets	59.1	Tower Hamlets	52.5
Islington	48.6	Newham	45.8
Hackney	47.8	Hackney	44.7
Newham	47.8	Islington	41.4
Haringey	45.2	Liverpool	37.3
London	32.1	London	23.8
England*	20.4	England*	20.5

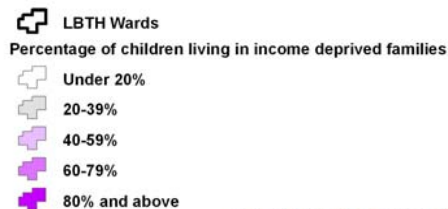
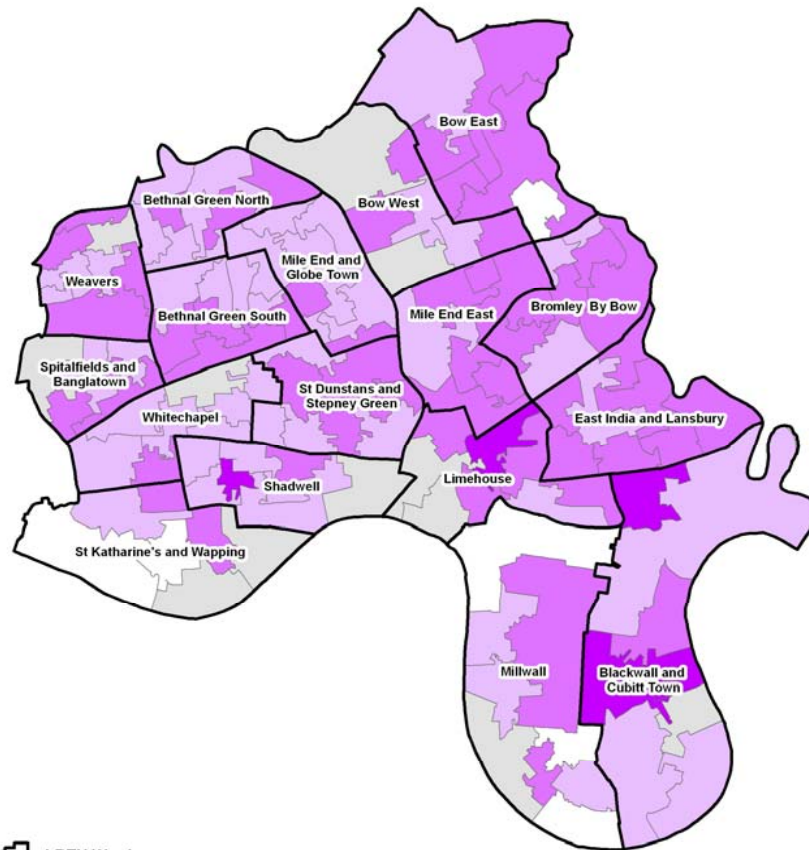
Source: CLG, *Indices of Deprivation 2010*

* CLG has not yet released full data on these indicators - importantly there is no published national comparator. To fill this gap, a crude estimate of the England figure has been produced by taking a simple average of all LSOA rates. This method does not take into differences in population size by LSOA so may differ slightly from the official figure (awaited).

MAP 3

Percentage of children living in income deprived families

Source: Indices of Deprivation 2010, Department of Communities and Local Government, © Crown Copyright



Date: 09/06/11

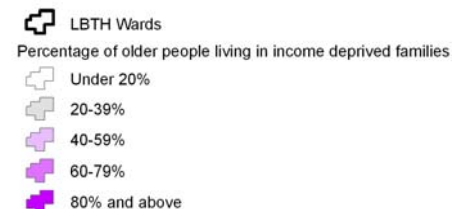
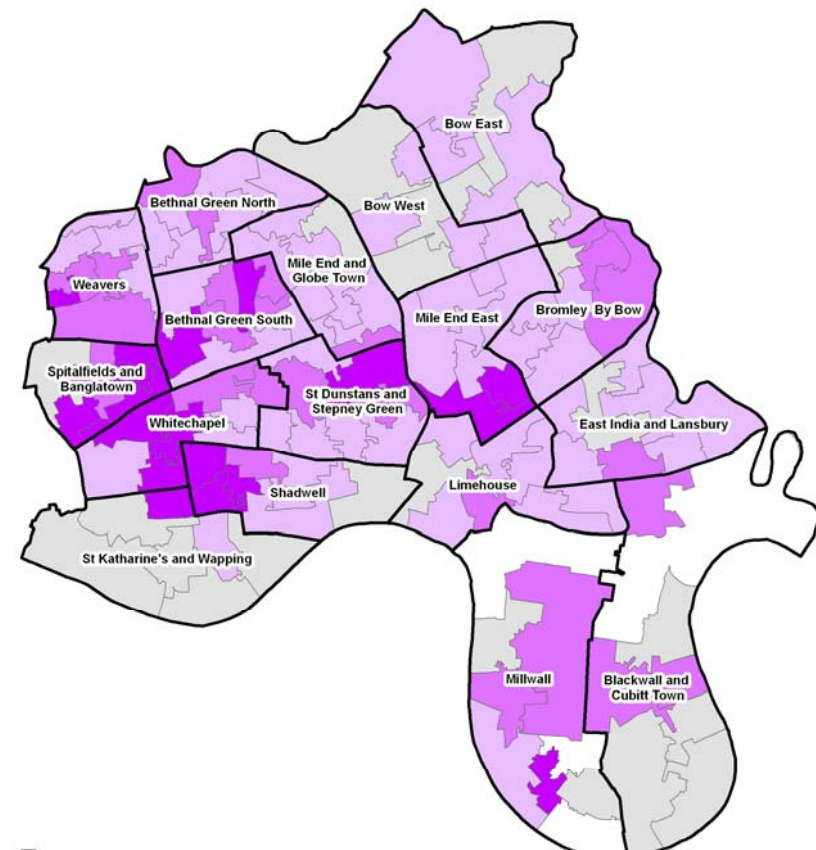
Map Ref: AF11596PD

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MAP 4

Percentage of older people living in income deprived families

Source: Indices of Deprivation 2010, Department of Communities and Local Government, © Crown Copyright



Date: 19/04/11

Map Ref: AF11596PD

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Pensioner and child poverty is very widespread across the borough and on both measures the vast majority of the borough's LSOAs fall into the most deprived LSOAs nationally. On the *Income Deprivation affecting Children Index* - 84 per cent of LSOAs in the borough fall into the most deprived 10 per cent of LSOAs nationally and on the *Income Deprivation affecting Older people Index* - 79 per cent of LSOAs in the borough fall into the most deprived 10 per cent of LSOAs nationally.

Patterns of income deprivation by LSOA

Maps 3 and 4 show the absolute rate of income deprivation among children and older people at LSOA level. Table 8 summarises the same data in table form.

The white areas on the maps show LSOAs where less than 20 per cent of families are income deprived – this is around the national average. As the maps show there are very few of these areas – only 6 LSOAs on the children index and 4 on the older people measure have levels below 20 per cent. The majority of LSOAs in the borough have high rates of income deprivation on both the children and older people measures.

Deprivation is particularly widespread on the children index. In almost half (46 per cent) of all LSOAs in the borough, the percentage of children living in income deprivation is 60 per cent or higher. On the older people index, one third of all LSOAs have income deprivation rates of 60 per cent or more.

Patterns of deprivation among older people show more polarisation. The five most deprived LSOAs nationally on the older people index are all in Tower Hamlets. There are 17 LSOAs in the borough where 80 per cent or more of older people live in income deprivation. On the children index, there are 5 LSOAs where 80 per cent or more of children are income deprived. The older people index also has more LSOAs represented at the less deprived end of the spectrum (those areas where less than 40 per cent are income deprived).

Table 8 LSOAs by rates of income deprivation, Tower Hamlets

Percentages	Income deprivation affecting children		Income deprivation affecting older people	
	Number LSOAs	% total	Number LSOAs	% total
All LSOAs	130	100	130	100
% population income deprived:				
<20%	6	5	4	3
20-39%	12	9	23	18
40-59%	52	40	60	46
60-79%	55	42	26	20
80% and over	5	4	17	13

Source: CLG, *Indices of Deprivation 2010*

Further information and analysis

This report has summarised some of the key data from the ID2010. The full datasets contain a wealth of data for small areas and there is considerable potential for more in-depth analysis. In particular, there is scope to explore the data behind each of the domains more fully.

The following links provide access to CLG data and reports relating to the ID2010

Full ID2010 datasets in excel format

<http://www.communities.gov.uk/publications/corporate/statistics/indices2010>

ID2010: CLG Summary report - highlighting key findings

<http://www.communities.gov.uk/documents/statistics/pdf/1871208.pdf>

ID2010: CLG Technical report - including with further analysis of data and explanation of data and statistical methods used to produce the indices.

<http://www.communities.gov.uk/publications/corporate/statistics/indices2010technicalreport>

ID2010: Guidance note – short note providing key tips on how to interpret the data

<http://www.communities.gov.uk/publications/corporate/statistics/indices2010guidance>

Also, the Greater London Authority has published a useful London-wide analysis of the ID2010 results:

English Indices of Deprivation 2010: A London Perspective

<http://www.london.gov.uk/who-runs-london/mayor/publications/society/facts-and-figures/poverty>

Further information: This Briefing was produced by the **Corporate Research Unit**. Research briefings are designed to improve the use and sharing of data across the Partnership.

Previous Briefings can be downloaded on the LBTH intranet:

http://towernet/intranet/staff_services/business_planning/corporate_policy/corporate_research_briefings.aspx.

For more information about this Briefing please contact: [Lorna Spence](#) (Research officer) on ☎ 020 7364 4014.

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