



Community
Foundation

Northumberland's

Vital Issues 2017

Fairness and inequality

1 Fairness and inequality

1.1 Overview

This theme is about equality and inequality in the broadest terms. This includes financial measures such as income levels, but also covers factors such as life expectancy and access to services.

1.2 Understanding poverty

It is useful to provide some definitions of poverty to contextualise the issues in Northumberland.

Absolute poverty is defined as a lack of sufficient resources to meet basic needs, usually taken to include food, clean water, shelter and clothing. Only those at the very margins of society are usually considered to fall into this category, for example people who are homeless. However, given the rise in the number and take-up of foodbanks, this assumption is no longer so robust. The Trussell Trust has reported a massive increase in the number of food parcels being issued, with an increase across the country of 919% between 2011-12 and 2016-17 (table 1). In the NE region, the increase in the same period was more than eight times as much, at 8309%

Table 1 – Trussell Trust 3-day emergency food supplies issuedⁱ

		North East	England
2016-17	Adults	38,892	746,016
	Children	22,675	436,938
	Total	61,567	1,182,954
2011-12	Adults	519	82,679
	Children	222	46,018
	Total	741	128,697
Change	Adults	7494%	902%
	Children	10214%	949%
	Total	8309%	919%

There are around 14 foodbanks based across Northumberlandⁱⁱ. The example of West Northumberland Food Bank illustrates the challenges they face, even outside of those parts of the county where deprivation is most concentrated and visible. In 2013 - 2016 they have distributed to 685 households in hardship, including 77 homeless people, with half of recipients living in the deprived ward of Hexham East. The most telling data in these findings is the different reasons why people turn to the foodbank: low paid work; impact of benefit sanctions and delays and domestic violence and debt

Relative poverty means having low income or resources compared to the average, and reflects the local level of wealth – relative poverty in India is very different to relative poverty in New York. According to Full Factⁱⁱⁱ, relative poverty means that a person cannot afford an ordinary living pattern, i.e. they are excluded from the activities and opportunities that the average person enjoys. A household is in

relative poverty (also called relative low income) if its income is below 60% of the median household income.

By contrast, **social exclusion** refers to the way in which individuals or communities are systematically excluded from accessing rights, services, or opportunities that are normally available to people, and which are fundamental to social integration. The exclusion is usually caused by circumstances including unemployment, low income, race, religion, disability or ill health. The impact of the exclusion is often heightened by negative attitudes and social stigma, creating further barriers to access.

Severe and multiple disadvantage (SMD) occurs when someone faces multiple, often related and mutually reinforcing, issues which create a high degree of exclusion from society and lead to high levels of stigma. The four issues that are most often found together are offending, substance misuse, homelessness and mental health problems. A study by Lankelly Chase mapped the locations of people living with SMD in 2015. This shows a relatively low prevalence in Northumberland as a whole, although it is likely that the figure is higher in the county's most deprived neighbourhoods^{iv}.

1.3 Index of Multiple Deprivation 2015

The 2015 Index of Multiple Deprivation (IMD) ranks local authorities across the country on their average multiple deprivation score and by the proportion of their neighbourhoods (Lower Layer Super Output Areas or LSOAs) that fall within the 10% most deprived in the country, and it is this latter rank that is recommended for judging local authority deprivation.

Table 2 (below) gives the scores and proportions of LSOAs for Northumberland. This places the county as a whole in the top 50% of similar areas in England in terms of levels of deprivation, but signals the existence of a number of very deprived neighbourhoods in the top 10%. These are concentrated in South East Northumberland.

Table 2 – IMD 2015 average scores^v

Local Authority District name (2013)	IMD - Average score	IMD - Rank of average score (UK)	IMD - Proportion of LSOAs in most deprived 10% nationally	IMD - Rank of proportion of LSOAs in most deprived 10% nationally	NE rank	UK decile
Northumberland	20.52	136	0.07	116	11	4

The IMD average score is an aggregate of the seven domains of deprivation, made up of: 22.5% income, 22.5% employment, 13.5% education, 13.5% health, 9.3% crime, 9.3% barriers to housing and services, 9.3% living environment.

Each of the other domains are analysed in other sections of this report, but the focus here will first be on income.

1.4 Income

The ranking for income deprivation is the best in the North East, but is again in the top 50% nationally. And here again there are clearly significant concentrations of high income deprivation at neighbourhood level, reflected in a higher rank for LSOAs in the most deprived 10% nationally.

Table 3 – Income domain scores, IMD 2015^{vi}

Local Authority District name (2013)	Income - Average score	Income - Rank of average score	Income - Proportion of LSOAs in most deprived 10% nationally	Income - Rank of Proportion of LSOAs in most deprived 10% nationally	NE Rank	UK decile
Northumberland	0.137	132	0.1	91	12	3

The IMD 2015 also provides two additional analyses of income – the income deprivation affecting children index, and the income deprivation affecting older people index. The scores for Northumberland on these indices are given below.

Table 4 – Income deprivation affecting children index (IDACI), 2015^{vii}

Local Authority District name (2013)	IDACI - Average score	IDACI - Rank of average score	IDACI - Proportion of LSOAs in most deprived 10% nationally	IDACI - Rank of proportion of LSOAs in most deprived 10% nationally	NE Rank	UK decile
Northumberland	0.1	135	0.11	84	10	3

From this it can again be seen that against there are a significant number of neighbourhoods where there is a concentration of income deprivation affecting children. This includes some of the most deprived in the country. According to Northumberland County Council's analysis of these figures "*there are 22 LSOAs (11%) in Northumberland in the most deprived 10% of all LSOAs in England. These all fall in the south east of Northumberland, apart from one in Amble ward*"^{viii}.

In terms of income deprivation affecting older people, the picture is much better in terms of both overall levels of income deprivation and the number of neighbourhoods where it is very high:

Table 5 – Income deprivation affecting older people index (IDAOPI), 2015^{ix}

Local Authority District name (2013)	IDAOPI - Average score	IDAOPI - Rank of average score	IDAOPI - Proportion of LSOAs in most deprived 10% nationally	IDAOPI - Rank of proportion of LSOAs in most deprived 10% nationally	NE Rank	UK decile
Northumberland	0.13	175	.02	163	12	6

1.5 Indebtedness

Being on a low income often results in increased indebtedness, which can arise because of:

- A change in circumstances - if income drops, e.g. because someone loses their job or has their hours cut, they may be unable to keep up repayments on the debts they accrued previously, or if costs rise, e.g. utility bills.
- Lack of choice - most people on benefits or low income are unable to access cheaper debt, so are reliant on providers such as Brighthouse, who charge higher initial prices for household items, and then offer payment plans at higher interest rates than regular retail schemes.
- A sudden crisis - having to find the money to pay for a funeral, a new boiler, or any other expected expense, which can affect anyone, but is harder when your options are limited.

A report by the Money Advice Service showed that 38,386 people in Northumberland are over-indebted, around 15% of the population^x. The key causes in this region include:

- Application of sanctions to benefits (cuts to benefits imposed due to the recipient not keeping up with eligibility requirements)
- Being in a 'low pay – no pay' cycle with inconsistent employment patterns, reliant on slow benefits payments, and having no savings to provide financial resilience
- Having aspirations to keep up with others, especially among people with children who feel they should have the 'right' brands and technology, so have a tendency to live beyond their means.

There are ways to help address these issues, and reduce financial exclusion, including better signposting to services such as foodbanks, furniture recycling schemes, Citizens Advice and debt management services, and improving the support people get when they first take on a tenancy. A good example of a service supported by the Community Foundation in this area is Bliss Services Ltd in Blyth, which works with local people to minimise the use of high-interest doorstep lenders in the run up to Christmas. There is clearly a role for philanthropy in supporting work to reduce indebtedness and to help those it affects to manage their finances better.

1.6 Other major equality issues

- **Inequality:** looked at as a whole, Northumberland does not do too badly in terms of levels of deprivation. However average levels of deprivation can simply reflect the co-existence of very rich and very poor communities, rather than the overall prosperity of an area. Parts of Wylam and Blyth, for example, are counted amongst the 2% least and most deprived neighbourhoods in England. The IMD inequality score is designed to reveal the size of the gap between the richest and poorest neighbourhoods. An overall score of 128 against a national baseline of 100 places the county in the highest third of comparable areas for inequality.
- **Access to services** is an issue in rural areas of the County. This is captured by the IMD Geographical Barriers to Services data which shows that 7 of the

10 most deprived LSOAs in the country against this measure are in Northumberland.

- **Fuel poverty** which is higher in the NE region at 13.3% of households, compared to 11% average across England^{xi}. Rural areas of Northumberland that are “off mains” are likely to be more effected by this issue due to high fuel costs particularly as housing stock may be in worse condition.
- **Identity**
The estimated proportion (per 1,000) of people aged 16-64 in Northumberland who receive Disability Living Allowance is higher than in the rest of England. For those people of pensionable age, there were 86.5 (per 1,000 pensionable population) receiving DLA, which is again higher than the rate for England (80.9). Given that disabled people are more likely to live in poverty, to be unemployed, and to be unable to access services, leisure opportunities, and to engage in civic society, the higher rates imply a greater need for steps to address access issues.^{xii}

At the time of the 2011 Census 98.4% of the population of Northumberland were White. Given the lack of diversity in the county, the needs of minority communities may be harder to meet than in those parts of the North East where they are more prevalent.

Only 1.5% of people in the NE region identify as gay, bisexual or other, compared to 2.2% nationally^{xiii}. The low level of self-identification as anything other than heterosexual may mean there is more stigma attached to those who are openly gay or bisexual.

Potential roles for philanthropy

- There is a heavy concentration of deprivation in South East Northumberland, but across the county there are smaller communities where deprivation of one type or another may be an issue. There are also communities of interest and identity that experience disadvantage. The Community Foundation's links to local groups can help ensure any hidden need is identified and philanthropic help targeted where it is most needed.
- There has been rapid growth in the number of foodbanks established, and in the numbers of people receiving emergency food parcels. There may well be a role for philanthropy in helping to ensure that these are able to continue where they are needed.
- There is a need to support work to address the high levels of indebtedness, by providing alternative sources of finance and encouraging people to access other services that provide low-cost or free food, furniture, etc.

- The low levels of diversity in the general population, together with high levels of disability, can lead to those who are perceived as different attracting negative attention and leading to hate crime. Philanthropic resources could be usefully focused on encouraging community cohesion and integration, particularly through community events to bring together different groups and encourage understanding.

ⁱ **Trussell Trust (2017)**, <https://www.trusselltrust.org/news-and-blog/latest-stats/end-year-stats/#fy-2011-2012> accessed 10/7/17 12:41

ⁱⁱ <http://www.foodaidnetwork.org.uk/> 4/9/17

ⁱⁱⁱ <https://fullfact.org/> 4/9/17

^{iv} **Lankelly Chase (2015)** *Hard Edges – Mapping SMD 2015*, downloaded from:

<http://lankellychase.org.uk/multiple-disadvantage/publications/hard-edges/> 7/7/17, 10:00

^v **Dept of Communities and Local Government (2015)** *English Indices of multiple deprivation*, downloaded from: <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>, 31/5/17 07:20

^{vi} **Dept of Communities and Local Government (2015)** *English Indices of multiple deprivation*, downloaded from: <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>, 31/5/17 07:20

^{vii} **Dept of Communities and Local Government (2015)** *English Indices of multiple deprivation*, downloaded from: <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>, 31/5/17 07:20

^{viii} <https://www.northumberland.gov.uk>

^{ix} **Dept of Communities and Local Government (2015)** *English Indices of multiple deprivation*, downloaded from: <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>, 31/5/17 07:20

^x **Money Advice Service (2013)** *Personalising the debt sector – a segmentation of the over-indebted population*, downloaded from: https://mascdn.azureedge.net/cms/personalising-the-debt-sector-a-segmentation-of-the-over-indebted-population_november2013.pdf 16/7/17 10:03

^{xi} **Dept for Business, Energy and Industrial Strategy (2017)** *Fuel Poverty detailed tables 2015*, downloaded from: <https://www.gov.uk/government/statistics/fuel-poverty-detailed-tables-2017>, 10/7/17 13:44

^{xii} www.northumberland.gov.uk accessed 5/9/17

^{xiii} **ONS (2015)** *Sexual identity, UK*, downloaded from: <https://www.ons.gov.uk/peoplepopulationandcommunity/culturalidentity/sexuality/datasets/sexualidentityuk>, 10/7/17 14:13