



THE LONDON SCHOOL  
OF ECONOMICS AND  
POLITICAL SCIENCE ■

## Social Policies and Distributional Outcomes

in a Changing Britain

# Geographical inequalities in England on the eve of the pandemic

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**SPDO research brief 2**

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This briefing forms part of the Nuffield Foundation funded research programme, [\*Social Policies and Distributional Outcomes in a Changing Britain\*](#) (SPDO), which examines social policies and social inequalities between the General Election in May 2015 and early 2020, the eve of the COVID-19 pandemic. The analysis presented in this briefing note builds on a previous [\*CASE paper\*](#), which highlighted how geographical inequalities extend beyond economic outcomes and are apparent across multiple social policy areas, and argued that focussed attention on examining geographical inequalities is needed. This brief reports on the findings from the programme on geographical inequalities in social policy outcomes, concentrating on *small neighbourhood deprivation* and *English regions*, across domains of living standards, education, health, and adult social care. The findings are reported by region and by neighbourhood deprivation separately, since more nuanced analysis of the intersection of region and neighbourhood was beyond the scope of the programme.

The findings show that between roughly 2015 and 2019:

- Regional inequalities in child poverty (after housing costs) widened between the Southern and the Northern regions (excluding London).
- In compulsory education, inequalities in achieving level 2 and level 3 by deprivation increased. Inequalities between London (the highest attaining region) and all other regions also increased.
- Progression rates to higher education remain highest for pupils living in London; with gaps between London and all other regions, except North East, widening. Inequalities in progression rates by neighbourhood deprivation narrowed.
- Inequalities in early childhood in terms of achieving a 'good level of development' grew between London and a number of other regions. Inequalities by deprivation, however, narrowed.
- Improvements in life expectancy stalled overall but life expectancy improved for men and women living in London which meant that the gap between London and other regions widened. Inequalities in life expectancy by neighbourhood deprivation also widened.
- The gap in the proportion of children who are overweight or obese between those from most and least deprived neighbourhoods had stagnated and children from London and South East were least likely to be overweight or obese.
- In adult social care, the gap in social care unmet need among over 65s increased between the most deprived and least deprived neighbourhoods.

The figures reported in this briefing are compiled from secondary sources and the deprivation measures used were therefore restricted to those available. There are a number of indices which can be used to measure deprivation, the most common being the Index of Multiple Deprivation (IMD) which ranks small areas/neighbourhoods in England from most deprived to least deprived across 7 domains: income, employment, education, skills and training, health deprivation and disability, crime, barriers to housing and services, and living environment. Ministry of Housing Communities and Local Government report shows that deprivation is most likely to be found in large cities and towns, which historically had industry manufacturing/mining sectors, such as Birmingham, Nottingham, Hartlepool; as well as some coastal towns such as Blackpool and Hastings, and also parts of East London. The vast majority of the most deprived neighbourhoods in 2019 were also among the most deprived in 2015, with some of the London Boroughs being less deprived in 2019 compared to 2015.

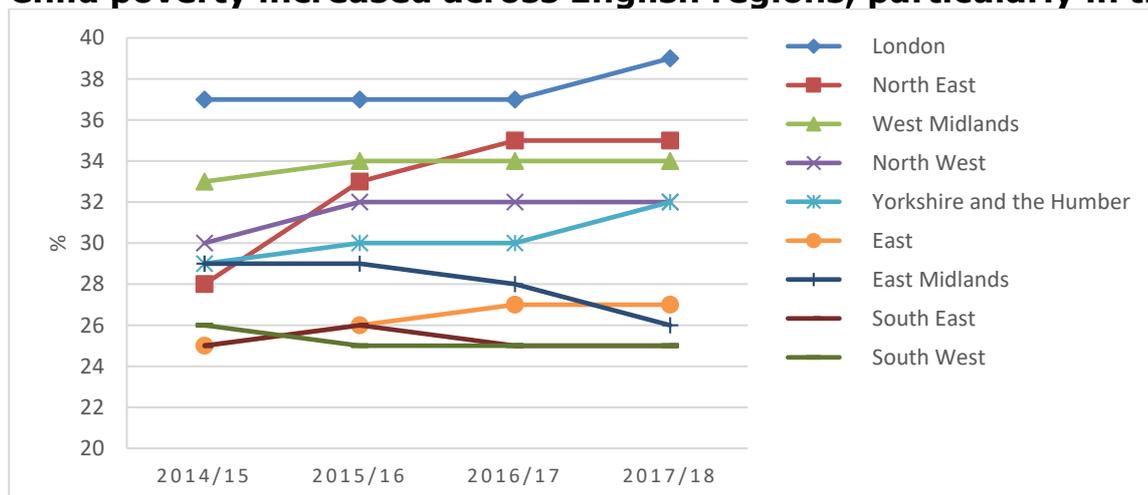
In this briefing, the IMD measure is used for breakdowns of health-related outcomes. The analysis of educational outcomes is based on the Income Deprivation Affecting Children Index (IDACI). This index is supplementary to the Income Deprivation Domain of the IMD, and represents the proportion of all children aged 0 to 15 living in families who are income deprived. Additionally, the POLAR5 (Participation of Local Areas) measure, is used for analysis of progression to Higher Education (HE), which represents regional variations in participation in HE.

Where possible, breakdowns of outcomes by nine English regions are also presented. The absolute changes in the gaps between regions/neighbourhoods are discussed here.

## **1. Living standards by region: child poverty grew in London and in the North of England with gaps between the North and the South (excluding London) widening**

The proportion of children living in relative after housing cost poverty (AHC) increased across most English regions between 2014/15 and 2017/18, particularly in the Northern regions, and especially in the North East. The poverty rates remained lower or even declined in the South (South East and South West, respectively), which meant the inequalities in child poverty between the regions in the North of England and the South (excluding London) grew. Child poverty in East Midlands fell while it increased in the West Midlands. Poverty rates remain the highest for children living in London.

## Child poverty increased across English regions, particularly in the North



Source: Households Below Average Income (HBAI) data. With thanks to the HBAI statistics team for sharing unpublished data. Each year represents an average of three financial years, centred on the year stated.

Using a different measure of poverty - before housing cost relative poverty (BHC) - poverty rates in London were no longer the highest and were lower than in the Northern regions in 2014/15: 17% of children in London were in before housing cost poverty, compared to 22%, 21% and 20% in Yorkshire and the Humber, North West and North East, respectively. Child poverty (BHC) grew in London and the North of England between 2014/15 and 2017/18; larger growth in the North meant that gaps between London and regions in the North of England grew. The gaps between regions in the North and those in the South also grew over the period.

## 2. Geographical inequalities in education grew between London and many of the other English regions

In terms of **compulsory education, attainment at level 2** (achieving 5 GCSEs at grade 9-4/A\*-C by 19) and **level 3** (achieving 2 A levels or equivalent by 19) fell overall between 2015 and 2019.

The gaps in achieving Level 2 by age 19 widened between London (the highest attaining region) and all other regions as attainment in those regions fell more over the period than in London. The proportion of young people achieving level 2 by age 19 fell from 86.1% in 2015 to 81.8% in 2019 in London (the highest achieving region) as opposed to, for example, in one of the lowest achieving regions, Yorkshire and the Humber, where attainment at that level declined from 85.0% to 79.1%. The gaps in achieving Level 3 by age 19 also increased between London and all other regions where the proportion of young people achieving level 3 increased from 64.9% to 65.6% between 2015 and 2019 for the former, but it fell across all other regions.

Similarly, inequalities by neighbourhood deprivation, measured by Income Deprivation Affecting Children Index (IDACI), gaps in level 2 and level 3 achievement increased between young people from most deprived 25% of neighbourhoods compared to least deprived 25% of neighbourhoods,

particularly at level 2. Between 2015 and 2019, the proportion of young people from most deprived neighbourhoods achieving level 2 fell from 79.3% to 72.2%, with corresponding figures of 92.7% and 90.6% for the young people from least deprived neighbourhoods. For level 3, the proportion of young people achieving level 3 in the most deprived neighbourhoods decreased from 46.2% to 44.7% and in the least deprived neighbourhoods it fell from 71.1% to 70.2%.

In **higher education participation**, progression rates to Higher Education (HE) by age 19<sup>1</sup> increased overall between 2014/15 and 2018/19, with London pulling away from most of the other regions.

Between 2014/15 and 2018/19, gaps in progression rates to HE between London and all other regions (except North East) widened. For example, in 2018/19 progression rates for young people in London were 17.5 percentage points greater than in the South West (the region with the lowest progression rates), which is an increase in the gap from 16.1 percentage points in 2014/15. And while the gap in progression to HE between London and the North East narrowed slightly over the same period, looking back at the trend since 2009/10, the gap between them grew.

**Pupils from London remain most likely to progress to Higher Education by 19, and the gaps between London and most other regions widened since 2014/15**

	2009/10	2014/15	2018/19
London	42.9%	50.8%	55.2%
North West	33.2%	39.7%	41.9%
West Midlands	33.1%	38.2%	41.9%
South East	34.3%	38.4%	41.5%
East of England	34.1%	37.7%	40.6%
North East	30.4%	35.7%	40.4%
Yorkshire and the Humber	29.9%	35.8%	39.6%
East Midlands	32.1%	36.3%	38.7%
South West	31.0%	34.7%	37.7%
England	33.9%	39.2%	42.5%

Source: DfE (2020) 'Widening Participation in Higher Education, Academic Year 2018/19'

Progression to higher education by age 19 improved for those living in neighbourhoods with historically low participation rates (measured by POLAR quintiles) relatively more than for those from historically high participation rates, narrowing the gap between them. However, despite the narrowing, gaps remained large. In 2014/15, 23.1% of young people living in neighbourhoods with historically low participation rates progressed to higher education, increasing to 27.3% in 2018/19. The improvement for young people from

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<sup>1</sup> The progression rates refer to the proportion of young people who were in state-funded education in England at 15, who then go on to study for Higher Education.

neighbourhoods with historically high participation rates over this period was from 55.7% to 57.8%.

**In early childhood**, between 2014/15 and 2018/19, there was an improvement in the proportion of children achieving a 'good level of development', as measured by the Early Years Foundation Stage Profile (EYFSP), which aims to capture social, behavioural and cognitive development at the end of reception year when children are 5 years old.

Improvement in the proportion of children with a 'good level of development' took place across all English regions. Moreover, regional inequalities in this measure narrowed between most regions and the South East (with the highest rate of good development). In 2018/19, 75% of children in South East had a 'good level of development', up from 70% in 2014/15. Greater improvement across some of the other regions (North East, Yorkshire and the Humber, East and West Midlands, East of England, and London) meant that the absolute gaps in the proportion achieving a 'good level of development' between South East and these regions narrowed. For example, in 2014/15 the gap between South East and North East was 9 percentage points, reducing to 3 percentage points by 2018/19. Comparing the gaps in the proportion of children achieving a 'good level of development' between London (the region with the second highest rate, 74%, in 2018/19) and other regions, the pattern is that of widening of the gaps with East of England, South West, Yorkshire and the Humber, and North West. The gaps between London and East / West Midlands remained unchanged and the gaps narrowed between London and North West and London and South East.

By neighbourhood deprivation, the improvement in the proportion of children being assessed as achieving a 'good level of development' was greater for children from most deprived areas compared to least deprived between 2014/15 and 2018/19, as measured IDACI, narrowing the gap by deprivation. The proportion of children with a 'good level of development' from the most deprived decile increased from 52% to 64%, and from the least deprived decile: from 72% to 81%.

### **3. Social gradients by deprivation remained endemic across health indicators**

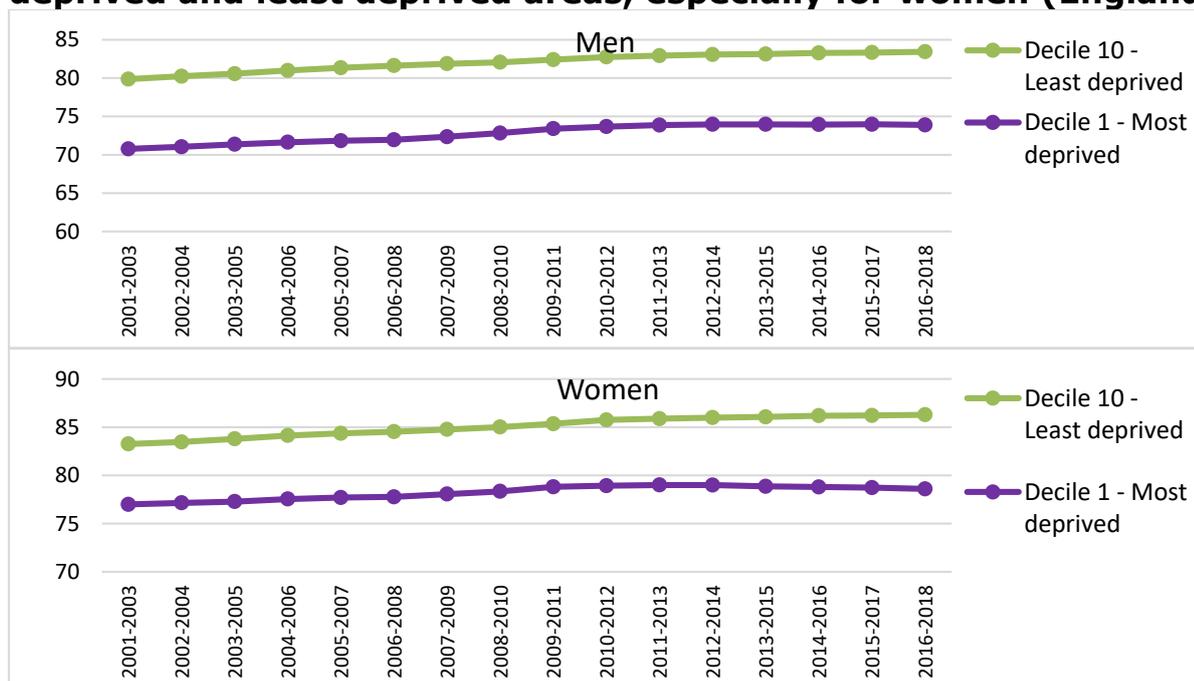
Variations in **life expectancy** and wider health outcomes have been consistently linked to area deprivation and stark regional differences have persisted and even increased. Overall, the progress in life expectancy at birth in England stalled between 2013-15 and 2016-18<sup>2</sup>, after a period of slow down from 2010-12 (Vizard et al., forthcoming). While there was virtually no increase in life expectancy across regions between 2013-15 and 2016-18, life expectancy in London increased for both men and women: from 80.2 to 82.7 years for men and from 84.1 to 84.5 years for women, widening the gap between London and the rest of English regions.

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<sup>2</sup> The data for life expectancy is reported as an average across three-year periods

The gap in life expectancy at birth between most and least deprived neighbourhoods (IMD) had widened for both men and women between 2013-15 and 2016-18. During this period, life expectancy for men increased from 83.1 to 83.4 years in the least deprived neighbourhoods, while it fell from 74.0 to 73.9 years in the most deprived neighbourhoods. Over the same period, life expectancy for women living in the least deprived neighbourhoods also increased - from 86.1 to 86.3 years, and fell for those in the most deprived neighbourhoods - from 78.9 to 78.6.

### The gap in life expectancy at birth widened between those in the most deprived and least deprived areas, especially for women (England)



**Source:** (Public Health England, 2018b) (for data points 2001-2003 to 2010-2012) and ONS (2020f) data (for datapoints 2011-2013 to 2016-2018).

[SPDO early childhood report](#) highlights the persistent issue of **childhood obesity** (measured by the proportion of 4-5 year old reception year pupils who are overweight or obese), which has been hovering around 22-23% since 2013-14. Child obesity varies greatly by [region](#) and in 2019-20 children living in London, East of England and South East were least likely to be overweight and obese (21.7%, 21.8% and 21.9%, respectively) in contrast to those living in the North of England (25.2% in the North West, 24.9% in the North East, 24.1% in Yorkshire and the Humber).

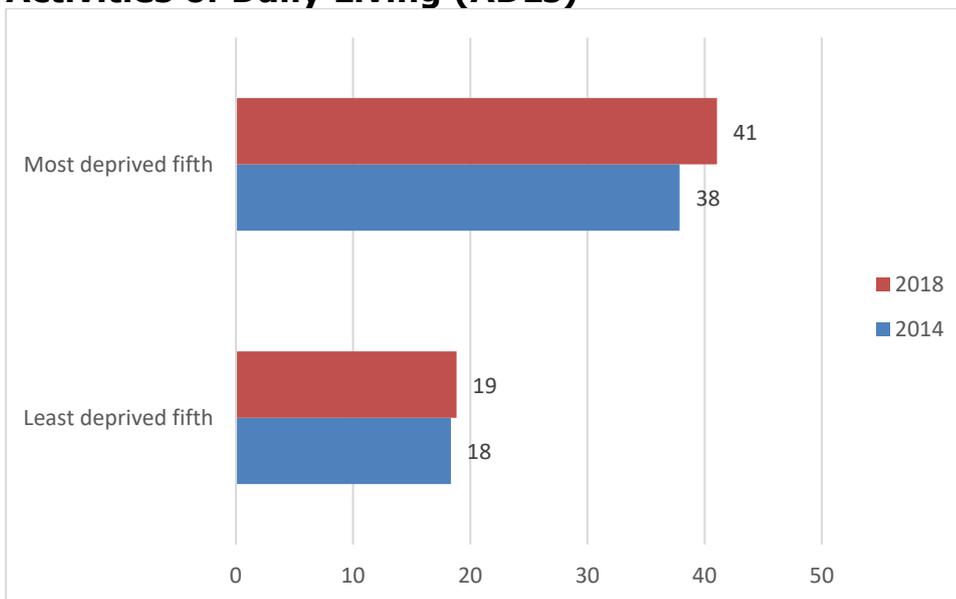
Moreover, there has been no progress in narrowing the gap in child obesity rates for those living in most and least deprived neighbourhoods (IMD)<sup>3</sup> which stagnated since 2015/16. In 2019/20, 27.4% of children in the most deprived neighbourhoods were overweight or obese compared to 17.4% of children from the least deprived neighbourhoods. Moreover, taking a longer view, over the decade from 2008/09, obesity inequalities by deprivation widened.

<sup>3</sup> Deprivation for this outcome is measured by Index of Multiple Deprivation (IMD) by postcode of child's residence for 2014-15 to 2018-19 and by school postcode for 2013-14.

#### 4. Inequalities by deprivation persist in unmet need for adult social care

In adult social care, the gap in **unmet need for social care among** over 65s, defined as needing help but not receiving any help in relation to at least one Activity of Daily Living in the last month, increased between the most deprived and least deprived IMD quintiles. This was due to a greater increase in the proportion of adults reporting unmet need among the most deprived (38% to 41%), compared to the least deprived (18% to 19%).

##### Proportion of adults aged 65+ reporting unmet need for help for Activities of Daily Living (ADLs)



Source: Health Survey for England 2018, social care in older adults data tables (NHS Digital, 2019)

## **Summary: Geographical inequalities are not limited to economic outcomes, but extend across major social policy areas**

**Regional variation** across social policy outcomes are complex and while for several indicators London is identified as the most advantaged region, it has the highest levels of child poverty (when housing costs are taken into account). Generally, however, London (and sometimes the South East) is in the most advantageous position, particularly compared to some of the Northern regions. The trends since 2015 show **increasing inequalities between London and other regions** in the following outcomes:

- Achieving level 2 and level 3 by age 19: gaps widened between London and all other regions
- Progression to higher education: gaps widened between London and all other regions (except the North East)
- Life expectancy at birth: gaps widened between London and all other regions for both men and women
- Early child development: gaps widened between London (region with second highest proportion of children with a 'good level of development') and East of England, South West, Yorkshire and the Humber, and North West.

In terms of **variation by neighbourhood deprivation**, there is a clear pattern of worse outcomes for those living in most deprived neighbourhoods in England compared to those in least deprived across all indicators. **The gaps by deprivation widened** across the following indicators:

- Achieving level 2 and 3 education by age 19
- Life expectancy at birth for both men and women
- Unmet need for social care for over 65s

The **gaps by deprivation have either stagnated or narrowed** across the following indicators:

- The gap in child obesity at age 4-5 stagnated (but it increased over a longer time period, since 2008/09)
- The gap in the proportion of children achieving a 'good level of development' by age 5 by deprivation narrowed
- The gap in progression to Higher Education by 19 narrowed between neighbourhoods with historically high and low participation

With thanks to the Nuffield Foundation for funding the research. More information on the Social Policies and Distributional Outcomes research can be found on the website at <https://sticerd.lse.ac.uk/case/new/research/spdo/default.asp> and @CASE\_LSE

For details of data sources and measures used in this briefing please see the SPDO Overview Paper and SPDO [online spreadsheets](#).