

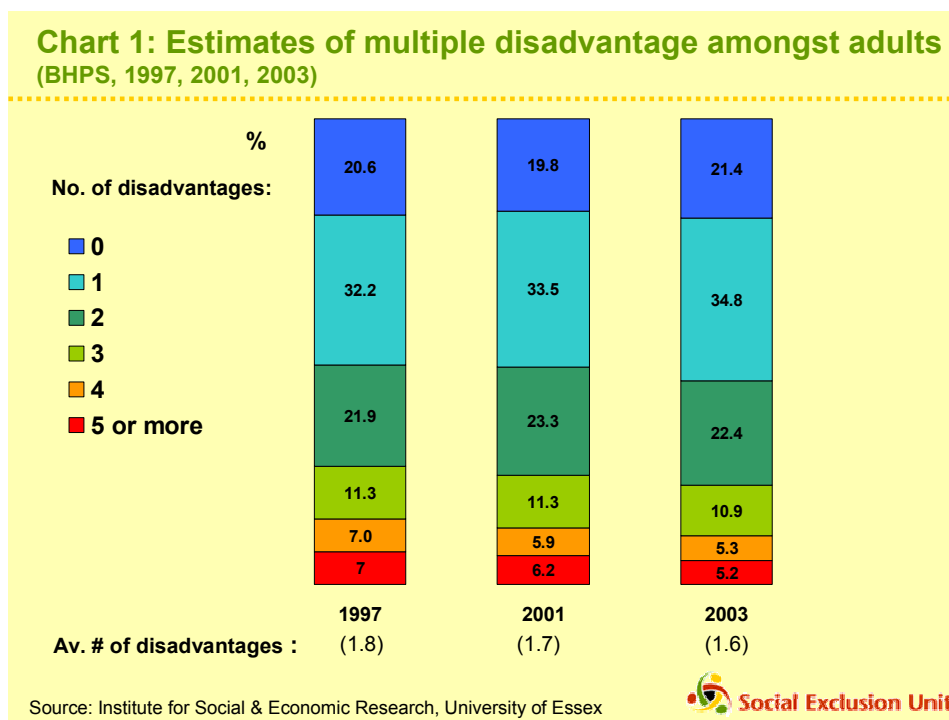
Multiple disadvantage in Britain: analysis of the British Household Panel Survey (1997-2003)

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1. As part of the Social Exclusion Unit's *'Breaking the Cycle'* research programme¹, the Institute for Social & Economic Research at the University of Essex was commissioned to undertake a study into low income and multiple disadvantage in Britain during the 1990s based on analysis of data from the British Household Panel Survey². The report included repeat cross sectional analyses to describe trends over time, including examining the number of disadvantages experienced by working and pension-age individuals at different points in time over the course of the Nineties.
2. Since then, new data from the BHPS have become available and this has made it possible to update the analysis. This paper sets out details of new analysis into the proportions of working age adults and pensioners experiencing different numbers of disadvantages in 1997, 2001 and 2003.
3. It is important to note that these figures provide a measurement of multiple disadvantage among British households - *and do not capture the full extent of social exclusion in Britain* - for example many of the most severely excluded groups such as the homeless or people living in institutions are not captured by household surveys of this nature. Furthermore, the BHPS was not specifically designed to measure social exclusion, therefore in selecting indicators of disadvantage we are restricted by the questions which have been asked. Nevertheless, the figures do highlight interesting changes in the incidence of multiple disadvantage based on the available indicators.

Multiple disadvantage amongst working age adults

4. The proportion of working age adults experiencing multiple disadvantages has decreased over time (in 1997, 7.0% of adults reported experiencing 5 or more of the disadvantages measured³ compared to 5.2% in 2003).



¹ Social Exclusion Unit (2004) *Breaking the Cycle*. Taking stock of progress and priorities for the future. London: ODP.

² Taylor, M. Berthoud, R & Jenkins, S (2004) *Low income and multiple disadvantage in Britain, 1991-2001: Analysis of the British Household Panel Survey*. London: ODP.

³ Indicators of disadvantage among working age adults are: unemployment, living in a workless household, having no educational qualifications, living in social housing, living in overcrowded conditions, has poor mental health, has poor health, lives alone, consumer durable disadvantage, financial stress.

5. This equates to approximately 570,000 fewer working age adults in Great Britain experiencing 5 or more of the disadvantages in 2003 than in 1997.

	1997	2001	2003
GB Population	34.7 million	35.4 million	35.8 million
Estimated number with 5+ disadvantages	2.43 million	2.19 million	1.86 million
95% confidence intervals	(2.22-2.67)	(1.95-2.41)	(1.68-2.08)
Estimated number with 3+ disadvantages	7.24 million	6.86 million	6.01 million
95% confidence intervals	(6.89-7.59)	(6.50-7.22)	(5.67-6.34)

Notes: Estimates obtained by grossing weighted BHPS figures. Indicators of disadvantage are unemployment, living in workless household, having no educational qualifications, living in social housing, living in overcrowded conditions, having poor health, having poor mental health, living alone, consumer durable disadvantage, financial stress. Population estimates derived from *Population Trends, Summer 2005 (no 120), Table 1.4*.

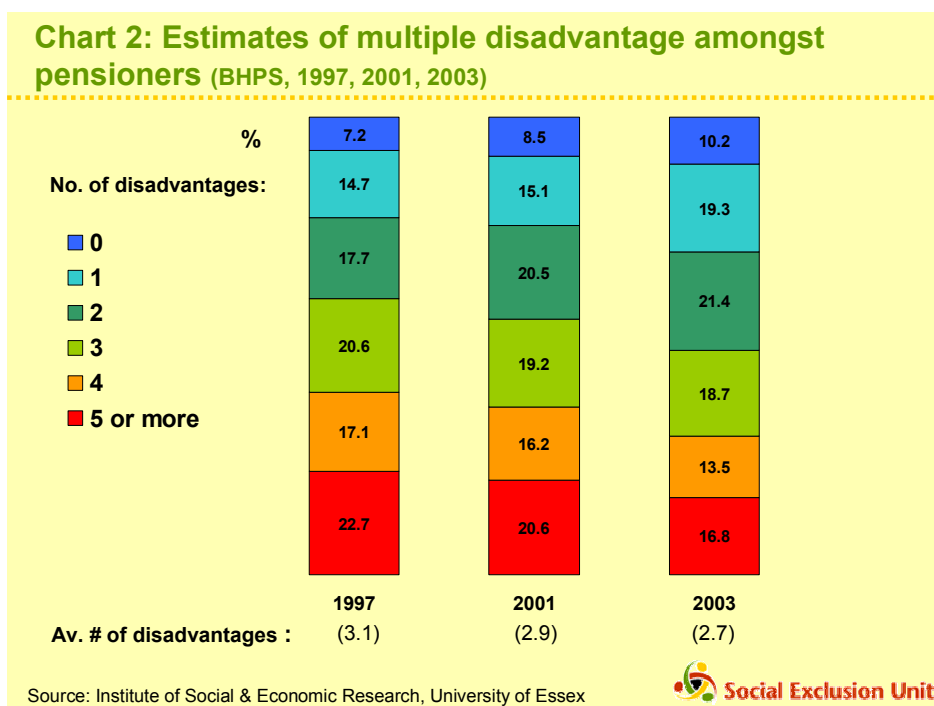
6. There have been a number of *changes in the profile* of those experiencing multiple disadvantages between 1997 and 2003 (Table 2). In 2003:
- People aged 25-34 and 16-24 made up a smaller proportion of the population of adults experiencing 5 or more disadvantages than they did in 1997.
 - Couples with children made up a smaller proportion of the population of people experiencing 5 or more disadvantages.

	1997	2003
	5 or more disadvantages	5 or more disadvantages
Age		
16-24	16.6	13.4
25-34	19.7	15.0
35-44	18.3	21.5
45-54	22.1	27.9
55-59/64	23.3	22.3
Gender		
Man	46.7	48.5
Woman	53.3	51.5
Family type*		
Couple and children	26.8	21.9
Single and children	11.0	9.2
Couple, no children	19.2	21.2
Single man, no children	21.0	26.6
Single woman, no children	22.1	21.1
Housing tenure		
Owned, no mortgage	5.3	9.6
Owned with mortgage	12.9	7.5
Social housing	71.2	73.9
Privately rented	10.6	9.0
Sample N	402	295

Notes: BHPS. Weighted using cross-sectional weights. Table reads, for example, that in 1997, 16.6% of working-age individuals that were disadvantaged on 5 or more disadvantages were aged 16-24.

Multiple disadvantage amongst pensioners

7. The proportion of pensioners experiencing multiple disadvantages has also been decreasing over time (down from 22.7% experiencing 5 or more of disadvantages measured⁴ in 1997 to 16.8% in 2003).



8. This equates to approximately 570,000 fewer pensioners in Great Britain experiencing 5 or more of the disadvantages in 2003 than in 1997.

	1997	2001	2003
GB Population	10.5 million	10.6 million	10.7 million
Estimated number with 5+ disadvantages	2.37 million	2.18 million	1.80 million
95% confidence intervals	(2.14-2.59)	(1.96-2.39)	(1.61-2.01)
Estimated number with 3+ disadvantages	6.31 million	5.93 million	5.27 million
95% confidence intervals	(6.05-6.57)	(5.66-6.19)	(5.01-5.54)

Notes: Estimates obtained by grossing weighted BHPS figures. Indicators of disadvantage are having no educational qualifications, living in social housing, having poor health, having poor mental health, living alone, consumer durable disadvantage, financial stress. Population estimates derived from *Population Trends, Summer 2005 (no 120), Table 1.4*.

9. There have been a number of *changes in the profile* of pensioners experiencing multiple disadvantages between 1997 and 2003 (Table 4). In 2003:
- Those aged 75+ accounted for a greater proportion of pensioners experiencing 5 or more disadvantages than was the case in 1997.
 - Women made up a greater proportion of the pensioners experiencing 5 or more disadvantages than was the case in 1997.

⁴ Indicators of disadvantage among pensioners are: Having no educational qualifications, Living in social housing, Has poor health, Has poor mental health, Lives alone, Consumer durable disadvantage, Financial stress.

Table 4: Profile of pensioners experiencing 5 or more disadvantages, 1997 and 2003, BHPS (Column percentages).		
	1997	2003
	5 or more disadvantages	5 or more disadvantages
Age		
60-74	42.7	29.9
75+	57.3	70.1
Gender		
Man	26.1	19.2
Woman	73.9	80.8
Family type*		
Pensioner couple	23.2	24.7
Single man, no children	15.0	16.1
Single woman, no children	61.8	59.2
Housing tenure		
Owned, no mortgage	24.3	25.7
Owned with mortgage	2.3	1.2
Social housing	69.1	67.4
Privately rented	4.3	5.8
Sample N	322	229

Notes: BHPS. Weighted using cross-sectional weights. Table reads, for example, that in 1997, 42.7% of pensioners that experienced 5 or more disadvantages were aged 60-74. More details can be found in Table 8-7 (p.141) in *Low income and multiple disadvantage 1991-2001. Analysis of the British Household Panel Survey*, ODPM: London (Sept 2004).