

Chapter one

Background and introduction

The incoming Labour government made social exclusion a key policy issue in 1997. The Social Exclusion Unit (SEU) was set up to provide a cross-departmental approach to the complex problems of specific groups, initially focusing on rough sleepers, truancy and school exclusion, teenage pregnancy and young people not in education, employment or training. The SEU defined social exclusion as:

... a shorthand term for what can happen when people or areas suffer from a combination of linked problems such as unemployment, poor skills, low incomes, poor housing, high crime environments, bad health and family breakdown.

This definition, albeit impressionistic, captures the multi-dimensional character of the problem the government sought to address. But the effectiveness of government policy in this crucial area cannot be assessed without appropriate data, raising the issue of relevant indicators of social exclusion. Debate in 1998-99 in academic, policy and think-tank circles resulted in the production of two sets of indicators from existing statistics, the New Policy Institute's (NPI) *Poverty and Social Exclusion in Britain* and the government's own *Opportunity for All* series. The government also made a commitment to abolish child poverty, with specific interim targets.

The European Union also put poverty and social exclusion at the heart of its social policy at the Lisbon Summit in 2000, with specific criteria set out at Nice in 2001, together with a requirement that each member state produce a biennial national action plan on social inclusion (NAPincl). The Nice criteria include a specific reference to addressing vulnerable groups at particular risk of exclusion. The EU has also produced a package of 'primary' and 'secondary' indicators of exclusion, while suggesting that appropriate 'tertiary' indicators be developed at national level. The UK had already done much of this work, and was able to draw extensively on the *Opportunity for All* reports in the 2001 NAPincl, and subsequently to build on these.

All these forms of measurement rely on batteries of single indicators. These have multiple problems and do not distinguish between risk factors and outcomes. They cannot prioritise one indicator, or potential field of intervention, over another. They say nothing about the interaction of different factors. They can gloss over the methodological problems in the

production of individual indicators – although both the NPI and *Opportunity for All* report the origins and robustness of each indicator. Two main quantitative studies in the UK have tried to overcome these problems, and to (a) move from the definition of social exclusion to measurement and (b) examine the interaction of different dimensions of social exclusion. They are the secondary analysis of the *British Household Panel Survey* (BHPS) undertaken by Burchardt and colleagues (Burchardt, 2000; Burchardt et al, 2002) at the Centre for the Analysis of Social Exclusion at the London School of Economics and Political Science (LSE-CASE), and the Rowntree-funded *Millennium Survey of Poverty and Social Exclusion* in Britain (PSE Survey), carried out in 1999 (Gordon et al, 2000; Pantazis et al, 2006).

Miliband (2006) recommends thinking about social exclusion in three ways: wide, deep and concentrated exclusion. *Wide exclusion* refers to the large number of people excluded on a single or small number of indicator(s). *Concentrated exclusion* refers to the geographic concentration of problems and to area exclusion. *Deep exclusion* refers to those excluded on multiple and overlapping dimensions. The purpose of this piece of research is to examine the scope for looking at the interaction of factors in social exclusion, and specifically in ‘deep exclusion’ or multiple disadvantage, using existing databases.

To make sure current information bases are fully exploited we need to explore the potential for additional secondary analysis of existing data sets. Assessment of the specialised data sets that have already been used to explore social exclusion is crucial. A range of general and specialised surveys, both cross-sectional and longitudinal, could potentially add to our knowledge in this field, as could some administrative data. The first task is to look at the range of quantitative data available, primarily in England and Wales, and to establish what could be used to measure the interaction of multiple factors in deep exclusion. The second task is to set out a range of options for future research, which might include adaptation or secondary analysis of existing data sets and/or the use of new specialised surveys or qualitative research to help define appropriate policy intervention in relation to ‘deep exclusion’. The stages of the research were therefore set out as follows:

1. **Identify the different conceptual frameworks and their implications for measurement in the theoretical and policy literature.** This would include concepts embedded in current government policy and sets of indicators such as the *Opportunity for All* reports, the NPI series on *Monitoring Poverty and Social Exclusion* and the work of the SEU; a brief treatment of those underpinning EU policy on social exclusion, the Nice criteria and

the development of European indicators; those informing quantitative research such as the PSE Survey and LSE-CASE; and those current in the wider academic literature.

2. **Clarify the possible meaning of deep exclusion in relation to these frameworks.**
3. **Construct an indicative social exclusion matrix identifying the principal domains and dimensions of social exclusion, and topic areas within these.** The UK government typically commissions about 20 social surveys each year. Many of these surveys contain key information pertinent to the study of social exclusion. It would be possible ultimately to develop a searchable meta-database on social exclusion that documents relevant survey data sources, question items and associated information (for example, sampling methods, coverage etc). The Office for National Statistics (ONS) has successfully applied this approach in the development of the ONS social capital survey matrix. The topics in a comparable social exclusion matrix should be sensitive to the possible different character of social exclusion at different stages of the life course, childhood, youth, working age and later life.
4. **Identify the data sets to be addressed,** including a range of repeat cross-sectional surveys, longitudinal surveys and one-off surveys, and both general surveys across the household population (such as the *General Household Survey* or GHS), and those targeted at particular groups (such as the *Families and Children Study* or FACS). Key sources are the BHPS and PSE, since these are the primary sources that have been used to analyse 'social exclusion' across the population as a whole. Administrative data sets might also be useful.
5. **Identify a specific set of questions to be addressed in relation to each data set.** What data is collected relating to the different domains and dimensions of social exclusion? What are the main strengths and weaknesses of each data set in terms of the character of the achieved sample, the definitions used and the mode of data collection? Here it was necessary to consider how far the target population of the survey itself excludes those experiencing 'deep exclusion', such as the non-household population. We also looked at differential response rates (in cross-sectional and longitudinal surveys) and attrition rates (in longitudinal surveys). The processes of weighting that are normally used to compensate for these may have different implications for looking at the most vulnerable groups than for assessing the population as a whole. In relation to each data set, we also considered how previous analyses of this data addressed the 'multi-dimensional' character of social exclusion, and whether the data lends itself to further multivariate analysis that would address the dynamics of deep exclusion.

6. **Consolidate the results of this detailed investigation** and consider which research strategies and which studies best estimate and/or track multi-dimensional exclusion, and what scope there is for further secondary analysis of existing data using multivariate techniques.

7. **Identify gaps in the knowledge base, and make recommendations for further research.**

The organisation of this report follows the same logic as the original research framework. Chapters Two to Four explore the main definitions of and approaches to social exclusion, and the indicators hitherto used in its measurement. This review is used to derive operational definitions of ‘social exclusion’ and ‘deep exclusion’ at the individual or household level. An operational definition is one that is theoretically and practically amenable to measurement either directly or by use of a proxy indicator. The relevant domains of disadvantage are derived from existing literature and indicator sets, as are a range of individual topics within each domain. Both domains and indicators are considered in relation to four life course stages: childhood, youth, working-age adulthood and later life.

From this background, a matrix of domains and topic areas, the Bristol Social Exclusion Matrix (B-SEM), is outlined in Chapter Five. This was then used to assess the coverage of a range of key cross-sectional and longitudinal social surveys and the potential of administrative data. For this part of the research, the team accessed the Economic and Social Research Council (ESRC) data archive and other relevant data banks, and systematically cross-matched each questionnaire to the derived matrix. The technical report on each survey was used to identify the size and composition of the sample, and especially the representation, under-representation and omission of sub-groups, particularly those likely to be vulnerable to social exclusion. Each data set was subsequently considered by the team’s statistical experts for its potential for analysing social exclusion, and notes incorporated into the supporting summary for each survey. Chapter Five summarises the overall findings from this exercise, Appendix 6 contains a detailed account of the characteristics of each survey considered. Appendix 7 provides a tabular version of the B-SEM for each survey, showing the extent of the data coverage in relation to social exclusion.

The Government Statistical Service (GSS) and the ESRC also undertake methodological work. There is a great deal of work going on in different government departments on the

methodological possibilities and difficulties associated with the use of survey and administrative data, addressing both general issues and their impact on specific surveys. In addition, a National Data Strategy (NDS) was launched in 2005. The component parts of this include a UK Data Forum, and the national Longitudinal Strategy Committee (see Buck 2002) that will report annually in February to the UK Data Forum and the ESRC Research Resources Board (NDS, 2005a, 2005b). As part of this, the ESRC commissioned a report on existing panel and cohort studies (Martin et al, 2006), as well as an audit of administrative data resources (Jones and Elias, 2006).

In relation to administrative data, the huge range of data held by different government departments and the small scale of this study necessitated a highly selective approach. The research team contacted key individuals in the Department for Education and Skills (DfES), Department for Work and Pensions (DWP) and the Citizens Advice Bureau (CAB), and also consulted relevant GSS methodology papers with particular attention to non-response errors (GSS 1998, 1999, 1999a, 1999c, 2000, 2001). The feedback from this exercise made a very useful contribution to a preliminary general assessment of possibilities here, as well as identifying other work on merging data sets due to report shortly. It is evident that there is a great deal of duplication of effort in this area, and steps should be taken to minimise this, at least by ensuring that relevant researchers in government departments are aware of the work of the independent NDS.

Chapter Six of this report assesses the potential of existing data and the extent of current knowledge gaps and makes some recommendations about future research strategies. It makes recommendations about the best data sets for further analysis of the dynamics of multi-dimensional disadvantage. It also draws on the B-SEM and the appraisal of data sets to identify knowledge gaps. These are of three kinds: first, substantive areas that are not covered by existing surveys, but where additional data could be collected in future by the use of supplementary questions; second, groups of the population who are inadequately covered by existing surveys, where specialised work might be appropriate. Cross cutting these two forms of knowledge gap is the issue of whether certain kinds of information might more appropriately be sought by qualitative research methods rather than through large-scale social surveys, even of a specialist kind.