

Chapter three

From concepts to indicators

Single indicator sets

From the outset it was recognised that effective government policy to combat poverty and social exclusion requires appropriate data, raising the issue of relevant indicators of social exclusion. Debate in 1998-99 in academic, policy and think-tank circles in the UK resulted in the production of two sets of indicators from existing statistics. Subsequently, in 2001 the EU adopted its own set of measures to provide comparative data across member states – an indicator set somewhat narrower than either of the UK versions, and notably narrower than those proposed in a major report to the Social Protection Committee (Atkinson et al, 2002).

The most important sets of single indicators currently produced or proposed are therefore:

- the Laeken indicators, the agreed battery of indicators for measuring progress in tackling poverty and social exclusion across the EU;
- the wider set proposed to the Social Protection Committee, the Atkinson indicators;
- the indicators included in NAPincl. These go beyond the Laeken indicators, and essentially coincide with those forming the basis of the UK annual audit of poverty and social exclusion, initiated in 1999 as *Opportunity for All*;
- the separate but overlapping series developed by the NPI and JRF, *Monitoring Poverty and Social Exclusion*.

Levitas (2006) argues that batteries of single indicators have both merits and problems. On the positive side, they are relatively cheap to compile. Moreover, being usually based on existing data sets, time series data can be produced. The drawbacks include the danger of defining social exclusion in terms of available indicators, so that we measure what we can rather than what we want; the difficulties of setting priorities between different indicators; and a possible lack of attention to the quality of the individual indicators and the data on which they are based. Notwithstanding these drawbacks, it is useful to examine these sets of indicators, since although the derivation of single indicator sets from multiple sources means direct multivariate analysis is not possible, they do point to the areas regarded by government and by independent experts as crucial aspects of poverty and social exclusion. This helps identify the topics for which we need to search for relevant data and/or identify gaps and lacunae in the body of existing data. For the individual stages of the life course, we have also

drawn on the relevant specialist literatures to look at gaps in the conceptualisation and coverage of social exclusion.

The Laeken indicators (Table 3.1) are relatively narrow in scope. They mainly address questions of distributive poverty, inequality and labour market access, including some measures of low educational attainment and qualification. Otherwise, there are just two indicators of well-being: life expectancy and self-defined health status.

The Laeken primary and secondary indicators are constrained by the data that can be produced in comparable form across the EU. The Open Method of Coordination is also predicated on the practices of monitoring and sharing best practice. It is accepted that other 'tertiary' indicators are needed that are sensitive to the particular conditions in individual member states. However, it is notable that the priority here is given to economic, rather than social, political or cultural dislocations – either because this is deemed more important, or because the economic sphere is assumed to be causal.

Table 3.1: Harmonised indicators of social exclusion adopted by the EU in 2001

	Indicator
	Primary indicators
1	Low income rate after transfers with low-income threshold set at 60% median income, with breakdowns by gender, age, activity status, household type and housing tenure
2	Distribution of income, using income quintile ratio
3	Persistence of low income
4	Median low income gap
5	Regional cohesion (measured by variation of employment rates)
6	Long-term unemployment rate
7	People living in jobless households
8	Early school leavers not in education or training
9	Life expectancy at birth
10	Self-defined health status by income level
	Secondary indicators
11	Dispersion around the low-income threshold using 40%, 50% and 70% median national income
12	Low income rate anchored at a fixed point in time
13	Low income rate before transfers
14	Gini coefficient
15	Persistent low income (below 50% median income)
16	Long-term (over 12 months) unemployment share
17	Very long-term (over 24 months) unemployment share
18	People with low educational attainment

Source: Social Protection Committee (2001)

The Laeken indicators are a subset of those proposed to the Social Protection Committee, the Atkinson indicators (Table 3.2). One striking feature of these is the priority given to housing

adequacy, different aspects of which are included as a level one, or primary, indicator; as a level two indicator; and as three of the eight proposed new areas of measurement. However, most of the level one and level two indicators are again concerned with the risk of income poverty and labour market vulnerability. Most other features of social exclusion are areas where appropriate indicators need to be developed, but they identify the relevant additional areas of social exclusion as:

- health
- deprivation
- access to education
- housing
- basic skills (literacy and numeracy)
- access to public and private services
- social participation, including internet access.

Table 3.2: Proposed European indicators of social exclusion (Atkinson indicators)

	Indicator
	Level one
1	The risk of financial poverty as measured by 50% and 60% of national median income
2	Income inequality as measured by the quintile share ratio, that is, the ratio of the share of national income received by the top 20% of households relative to the bottom 20% of households
3	The proportion of those aged 18-24 with only lower secondary education (and not in education or training)
4	Overall and long-term unemployment rates measured on an International Labour Organization basis
5	Proportion of population living in jobless households
6	Proportion of population dying before the age of 65, or the ratio of those in bottom and top quintile groups who classify their health as bad or very bad on the World Health Organization definition
7	Proportion of people living in households lacking specified amenities or with specified housing faults
	Level two
8	Proportion of people in households below 40% and below 70% of median income, and proportion below 60% of the median fixed in real terms
9	Value of 60% of median threshold in purchasing power for two- and four-person households
10	Proportion of the population living in households permanently at risk of financial poverty
11	Mean and median equivalised poverty gap for a poverty line set at 60% median income. (This measures depth of the poverty by calculating the extent to which those in poverty fall below the poverty line)
12	Income inequality as measured by the decile ration and the Gini coefficient
13	Proportion of the population aged 18-59 (64) with only lower secondary education or less
14	Proportion of discouraged workers, proportion non-employed and proportion in involuntary part-time work, as a percentage of total 18-64 population excluding those in full-time education
15	Proportion of people living in jobless households with current income below 60% median
16	Proportion of employees living in households at risk of poverty (60% median)
17	Proportion of people who are low paid
18	Proportion of people unable to obtain medical treatment for financial reasons or because of waiting lists
19	Proportion of the population living in overcrowded housing
20	Proportion of people who have been in arrears on rent or mortgage payments
21	Proportion of people living in households unable in an emergency to raise a specified sum
	Indicators to be developed
22	Non-monetary indicators of deprivation
23	Differential access to education
24	Housing of poor environmental quality
25	Housing cost
26	Homelessness and precarious housing
27	Literacy and numeracy
28	Access to public and essential private services
29	Social participation and access to internet

Opportunity for All and Monitoring Poverty and Social Exclusion

The indicators developed for the UK's own poverty and social exclusion audit, *Opportunity for All*, are shown in Appendix 1. These are organised in different sections corresponding to different stage of the life course:

- children and young people
- working-age people
- people aged 50+ and retired people
- communities (all ages).

This reflects a general acceptance that the precise meaning of social exclusion and its appropriate indicators vary between age groups.

In all, there are 60 *Opportunity for All* indicators in the 2005 report (see Appendix 1), 25 of which apply to children and young people, 18 to people of working age, 10 to those aged over 50, and 7 to communities. The balance of these reflects two things: the emphasis, in policy terms, on early intervention (consistent with the second Nice criterion, ‘preventing the risks of exclusion’); and the relative underdevelopment of indicators for older people, for whom labour market activity is not required and is a less central concern in terms of social inclusion. This in turn underlines the fact that labour market activity is, at the UK level as well as in Europe, perceived as a central element of social inclusion.

There are overlaps between the groups. A ‘child’ is defined for the purposes of the low income indicators as “an individual aged under 16, or an unmarried 16 to 18-year-old on a course up to and including A level standard (or up to and including Highers in Scotland)” (DWP 2006, p 155). There is no equivalent definition for a ‘young person’. Those of working age include all those who are not children and are below state pension age (less than 65 for men, less than 60 for women). The inclusion of those over 50 in the headline description of this group is somewhat misleading (see below).

The NPI’s *Monitoring Poverty and Social Exclusion* series has been in existence since 1998, and has developed as new indicators have been added. The current set is in part informed by *Responsibility for All: A national strategy for social inclusion*, produced by the NPI in conjunction with The Fabian Society around the time of the production of the first UK NAPincl (Howarth et al, 2001). Its purpose, consistent with the fourth Nice criterion, was to consider a national strategy involving non-governmental agencies alongside government. It suggested specifying the minimum living standards citizens might expect, including minimum income standards and minimum service standards from both public and private providers.

The organisation of the NPI indicators shown in Appendix 2 is slightly different from the *Opportunity for All* set, in that the low-income figures are treated en bloc. These include an indicator of material deprivation drawn from the BHPS, although it is of limited usefulness, giving figures for the number of households lacking two out of three consumer durables, video, freezer and washing machine (the NPI note that this is ‘driven by data availability and somewhat arbitrary’). Thereafter the life course sequence is followed as in the *Opportunity for All* except that the sections for children and young people are separated, and the working adults section applies mainly to those over the age of 25. However, since both take a life course approach, it makes sense to discuss the indicators together under the age-related headings used by *Opportunity for All*.

In addition to the life course indicators, both *Opportunity for All* and the NPI have indicators at community level. Those in the *Opportunity for All* series cover employment rates in deprived areas, crime rates in high-crime areas, housing that falls below the set standard of decency, households in fuel poverty, life expectancy at birth, the attainment gap at Key Stage 2 and casualties in deprived areas.

In the NPI set, the ‘community’ or ‘social cohesion’ indicators include non-participation in a range of organisations: trades unions, professional associations, environmental groups, parents’/school associations, pensioner groups, community groups, tenant/resident groups, women’s groups, religious groups, sports clubs, social groups and political parties, with the data drawn from the BHPS. Notwithstanding the criticisms of an over-focus on paid work in government approaches, and the consequent incorporation of indicators on the quality of work, the justifications for the inclusion of this indicator portray voluntary activity as a means to, or a substitute for, paid work rather than a valued activity in its own right:

Social networks are a means of finding paid employment and other forms of occupation. A lack of contacts has been shown to prolong unemployment. The long term unemployed often have low levels of social engagement beyond their immediate families. Policies aimed at reducing poverty and social exclusion through paid work depend partly on fostering networks between the employed and unemployed. (NPI, 2006)

For people for whom paid work is difficult to find, or inappropriate as in the case of pensioners, other means of participation can help to fulfil the basic human needs for a sense of competence, worth and socialisation. These range from political parties, trade

unions and tenants groups to social groups and sports clubs. People's local communities can provide numerous opportunities both for help and for the chance to help. (NPI, 2006)

Access to services constitutes a separate sub-section in the 'community' section of the NPI report, which is comprised of transport, not having a bank account, and not having home insurance (indicators 45, 46, 47). This section also contains a series of indicators on the quality, cost and precariousness of housing. Although there are more indicators on these topics included in the NPI report, they are in many cases assessed by the report's authors as of only medium or limited robustness.

Children

In 2004, of 59.8 million residents in the UK, 11.6 million, or nearly 20%, were under the age of 16. The *Opportunity for All* section on children, as for all groups, includes several indicators of income poverty. Although the measurement of child poverty is changing to include a combination of low income and material deprivation, as yet no indicators of the latter are incorporated into the *Opportunity for All* series. Attempts have been made to construct a time series using proxy measures from FACS and the new section of the *Family Resources Survey* (FRS) (Willitts, 2006). The health indicators mainly apply to younger age groups: infant mortality, child protection registrations, obesity in the under 10 age group, smoking in the under-15s. The serious unintentional injury indicator similarly only applies to those under the age of 16. There is a range of indicators of development (for Sure Start areas only), access to education and educational attainment. Households in temporary accommodation and those in non-decent housing are counted. However, there are no service-related or participation indicators included. Specific attention is given to the outcomes for looked-after children and for teenage parents.

Monitoring Poverty and Social Exclusion has a smaller number of indicators for children than the *Opportunity for All* set, grouped under the headings of economic circumstances, health and well-being, and education. It addresses some of the most serious exclusions, including not only permanent inclusion from school but incarceration in young offenders' institutions.

A further relevant set of indicators is the *Every Child Matters* framework, which similarly identifies a range of domains, topics and ultimately, indicators. Originally designed to provide indicators and targets related to the development and well-being of children, the domains and topics are data and target driven rather than theoretically derived. Cross-cutting inequalities of

ethnicity, neighbourhood deprivation, gender, disability and family background (including occupation, family type and income) are treated as risk factors. Groups at acute risk of exclusion are also identified. Five domains are used. The framework is formulated to be 'positive' rather than a deficit model, as indicated by the language used in the original documents (shown here in brackets). Although the merits of this are clear, there are also risks: it can be read as exhortatory, placing too much responsibility upon children for effecting their own inclusion.

- Being healthy (Be healthy)
- Safety and security (Stay safe)
- Enjoying and achieving (Enjoy and achieve)
- Social and civic participation (Make a positive contribution)
- Economic well-being (Achieve economic well-being).

However, if we consider the domains in the ECM framework across the life-course and compare them with the *Opportunity for All* and NPI indicators, we can see that the latter offer almost no indicators on social and civic participation. There are no indicators of 'enjoying and achieving' for older people, and only the lack of NVQ Level 2 qualifications for those of working age. Indeed, there are very few indicators for older people at all.

The *Every Child Matters* framework does draw attention to a range of issues and indicators that are important in discussing the inclusion and well-being of children (and potentially of other age groups). Compared to other and earlier strategies, the *Every Child Matters* framework aims to be much more comprehensive in its perspective on what are children and young people's needs and how to meet them. Consequently its avowed aim is 'whole systems change' (DfES, 2006a), both in respect of strategy and governance and of delivering children's services. The outcomes framework for its five domains (DfES, 2006b) contains 26 Public Service Agreements (PSAs) and 13 other key indicators, including some from the National Service Framework for Children, Young People and Maternity Services. Described as focusing primarily on early intervention and effective prevention, these range across health, social care, education, family and youth justice systems and environmental factors such as housing, road traffic and children's involvement in community regeneration. While necessarily brief and broad, arguably these targets and indicators reflect a contested interpretation of the key pathways towards achieving priority national targets and other indicators, in particular for children in poverty.

For instance, the aims and targets associated with *Enjoy and achieve* are biased towards achieving, such as in achieving ‘stretching national educational standards’ at primary and secondary level, rather than enjoying. More interesting from a poverty and social exclusion perspective, is the aim included under *Make a positive contribution* that ‘Children and young people develop enterprising behaviour’. This is related to the Department of Trade and Industry (DTI) national target of the percentage of 18- to 24-year-olds who are self-employed, manage own business or have thought seriously about starting their own business. Yet any judgements relating directly to children and young people’s enterprising behaviours are lacking from the related inspection section of the outcomes framework, as they are from those provided for the domain *Achieve economic well-being*.

The framework thereby ignores the “overwhelming evidence” (Hobbs et al, 1996, p 16) for children and young people’s extensive participation in paid employment. This issue is not only strongly linked to poverty (Middleton and Loumidis, 2001) and risks to children’s health and educational attainment, but the area is also covered by more than 200 laws and by-laws currently in force (Better Regulation Task Force, 2004). This illustrates the *Every Child Matters* framework’s lack of scope regarding important aspects of child well-being and social inclusion.

The scope of child indicators in poverty and social exclusion surveys is rather broader than this. For example, The 1999 PSE Survey children’s indicators (see Chapter Four) are more extensive than either the 2005 *Monitoring Poverty and Social Exclusion* indicators (Appendix 1), or the 2005 *Opportunity for All* indicators (Appendix 2). These additional indicators, such as age-related participation in social activities, experience of bullying, temporary exclusion and additional indicators of material deprivation should be included among child indicators in future. A recent report by the Loughborough team for Save the Children (Adelman et al, 2003) contains the most extensive description of the nature of children’s poverty and social exclusion in Britain employing PSE Survey indicators and data. Another report for Save the Children on child poverty (Magadi and Middleton, 2005) is based on the most recent BHPS data 1994-2002 and thus covers England, Scotland and Wales.

While respondents aged over 16 were included from BHPS wave 1 onwards, from wave 4 (1994/95) onwards a youth survey of children and young people aged 11-16 has been undertaken in tandem with the adult survey. Currently this is the only representative youth

survey that covers issues related to poverty and social inclusion. This invaluable source of data on children's direct experience of social exclusion has been analysed by Magadi and Middleton (2005, p 6) in terms of (a) relationships with friends and family; (b) pocket money and part-time work; (c) school experience and career aspirations; and (d) emotional well-being. All make excellent indicators of social exclusion.

Some other general surveys include indicators that appear to be relevant to the multi-dimensional measurement of children's social exclusion. The 2004 FACS (Lyon et al. 2006), employs additional indicators such as the 'number of food and meal items family were unable to afford' from section 10 on material deprivation, children's access to 'technology' and 'happiness' from section 14 on children's activities and leisure time and items from section 15 on child maintenance.

There are some significant gaps and omissions in pertinent indicators of the well-being of children. In its recent report, the Fabian Commission on Life Chances and Child Poverty draws attention (The Fabian Society, 2006, p 97) to the ONS (1999a) survey of child mental health, which established clear links between family income, housing quality and child mental health. Findings indicated that children in families on an income of less than £100 a week were three times more likely to suffer from a mental disorder than children in families living on £500 a week or more. Similarly, children in social housing were three times more likely to suffer from a mental disorder than those in privately owned housing. Such disorders and emotional and behavioural problems are linked to aspects of social exclusion such as stigma and discrimination, disrupted schooling and social isolation. Data from a three-year follow-up survey have recently been published, confirming these trends.

PSE Survey data demonstrate that social exclusion is more prevalent among families with younger children, yet the ONS data are confined to children aged 5-15. This suggests that the extent of such problems among children may be underrepresented. The British Medical Association's (BMA) report on *Child and adolescent mental health: A guide for healthcare professionals* (BMA, 2006) reported that 1 in 10 children between the ages of 1 and 15 has a mental health disorder, rising to 45% of those in local authority care. The report further argued that poverty and deprivation constitute major risk factors. In contrast the FACS child health data do not include mental health indicators and their creation would seem a valuable addition to those collected by the BHPS youth survey.

Virtually all information about children in social surveys is collected from adults, and thus from proxy informants. There are considerable difficulties associated with the reliability of proxy informants (GSS, 1999a). This makes the BHPS youth cohort data even more valuable, but with the limitation of the lower age limit of the cohort being 11 years. Few qualitative studies have measured the impact of social exclusion on British children in childhood itself from a child's perspective: Middleton et al (1994), Davis and Ridge (1997), Roker (1998), Shropshire and Middleton (1999), who used data from 1995, and Ridge (2002). Some of these studies included children younger than 11 among the respondents. Shropshire and Middleton (1999) explored understanding of the economic world, immediate expectations and future aspirations among a sample of 435 poor children aged between 5 and 16. They found that among the children in lone-parent and Income Support families, significant numbers worried about their families lacking money to live on, were reconciled to not getting the birthday presents they wanted, and, crucially, anticipated that they would take unskilled and low-paid jobs.

Such findings suggest not only that these children were 'learning to be poor', but also that they experience a considerable amount of worry and disappointment. Children articulated the impact of poverty and social exclusion with great clarity in Ridge's (2002) study. Young teenagers talked to her about feelings associated with experiences such as not being able to afford the 'right' clothes like their peers and being unable to participate in school trips. These themes were previously explored by Ashworth et al (1994a, 1994b) with focus groups of 130 children aged 8-16.

A study of life as a disabled child conducted among 300 children and young people aged 12-19 by Davis and his colleagues (Davis et al, 2003) as part of the ESRC Children 5-16 research programme in the late 1990s highlighted the social exclusion and isolating attitudes children may experience, notably in education, whether mainstream or special. According to 'Irene', a girl in secondary school with a visual impairment interviewed for this study:

It's like they don't make you feel independent. Like they want to do stuff for you. It's like you want help, but you don't want like charity.... (Davis et al, 2003, p 206)

It is now more generally recognised that the voices of children themselves should inform policy making if it is to be relevant and effective, as the pertinent sections of the 1989 UN

Convention of the Rights of the Child and of the 1989 Children Act have become more embedded in policy and practice.

Young people

For young adults, there are in fact very few specific *Opportunity for All* indicators, despite that fact that the 15-24 age group includes 7.5 million people and makes up 13% of the UK population. Indicator 10 addresses 16- to 18-year-olds (not) in education or training. In terms of health, there is only the potentially health-related indicator of teenage conception in the children's section. However, the indicators for illicit drug use, listed under working-age adults, in fact apply to the 16-24 age group.

The NPI indicators for young adults are grouped into 'transitions to adulthood' and 'economic circumstances'. The 'transition to adulthood' indicators are, like those in the *Opportunity for All* report, chiefly concerned with education, employment and training, although *Monitoring Poverty and Social Exclusion* also provides figures on the numbers of young people with criminal records. Low pay (indicator 21) is also included in the section on young adults, perhaps a particular problem for those excluded from the minimum wage legislation. The NPI website also gives figures for the treatment of problem drug use and suicides. The inclusion of suicide is justified not, as one might expect, as a health outcome, or as the most extreme form of self-exclusion, but because "what makes suicide a particularly important issue in terms of poverty and social exclusion is the connection between suicide and socio-economic conditions" (www.poverty.org.uk/22/why/htm).

The NPI works on a wide range of projects. Their report on young adults' access to services, *Sidelined*, argues that "the needs of young adults are much wider than simply employment, education and training" (Howarth and Street, 2000, p 5). They cite housing, counselling, health services, personal support services, advice and information services. Moreover, while the new Connexions service is directed at 13- to 19-year-olds, *Sidelined* argues that specific service provision is appropriate and necessary up to the age of 25. This concern with services for young people is reflected in the SEU report *Transitions: Young adults with complex needs*, which says that "the transition to adulthood is more difficult if you also have to deal with one or more of the following issues: poor housing; homelessness; substance misuse; mental health issues; poor health; poor education or long-term unemployment" (SEU, 2005, p 8). The importance of appropriate services, considered not just in relation to age, but to language and cultural differences, is stressed in the BMA's report on *Child and adolescent mental health: A*

guide for healthcare professionals (BMA, 2006). The BMA report also noted that mental health services are not tailored to the needs of young people, and this is a key barrier to their use. Young people are more likely to use local services that are open after school hours.

Recent years have witnessed an increasing recognition among policy makers and practitioners of the problems of youth social exclusion, deprivation and poverty as linked problems that require concerted and coordinated interventions if they are to be tackled effectively. This policy agenda was first laid out in the SEU's *Bridging the gap* report (SEU, 1999a) and in the subsequent Policy Action Team report on young people (SEU, 2000), and is reflected in the development of the New Deal programme for young people, the introduction of the Connexions service, and especially in more recent and far-reaching changes in youth policy and service provision as envisaged within the Treasury review of financial support for young people (HM Treasury, 2004), and in the youth Green Paper, *Youth Matters* (DfES, 2005a, 2005b).

As a result, and in addition to reforms of mainstream youth provision, the past decade has also witnessed the introduction of many targeted initiatives designed to address social exclusion among specific groups of vulnerable young people, including young people not in education, employment or training, teenage parents, children in care and runaways (SEU, 1999a, 1999b, 2002a, 2003a, 2005).

The main focus of policy interventions in recent years has therefore been on tackling the most extreme forms of youth marginalisation rather than addressing more widespread problems of low income and deprivation among young people (Fahmy, 2006a, 2006b). While the trends identified above reflect a shift towards a more holistic, 'joined-up' approach, the relationship between these targeted interventions and mainstream provision therefore needs to be re-examined to ensure that youth policy and provision is effective in *preventing* youth poverty and exclusion as well as in tackling its consequences (Bynner et al, 2004).

Recent policy, as embodied in the *Every Child Matters* agenda (for example, HM Treasury, 2003) and the subsequent *Youth Matters* Green Paper (DfES, 2005) has emphasised the importance not only of reactive measures to tackle youth exclusion and marginalisation, but also of preventative work to combat youth poverty and disadvantage. However, developing a more preventative approach also requires a better understanding of risk and protective factors

– and effective approaches to prevention – based on a theoretically consistent taxonomy of social disadvantage and extensive interrogation of appropriate available data sources.

In their 1999 review of the evidence base on youth disadvantage Morris et al (1999, p 1) argued that:

There is a dearth of reliable evidence on the scope of disadvantage. Definitions of ‘disadvantage’ are diverse, the variables used to characterise young people are not uniform and individuals do not have unique identifiers that would enable them to be tracked as they move between different state systems. The extent, nature and development of multiple disadvantage across the primary and teenage years is thus hard to gauge, and tailoring programmes to tackle different facets of the problem is difficult.

There has undoubtedly been much progress in the measurement and analysis of youth poverty and social exclusion since Morris et al’s study. This is especially so with respect to our understanding of the extent and dynamics of youth poverty and deprivation. Several recent studies have drawn on cohort and panel data to investigate the persistence of poverty across generations (Blanden and Gibbons, 2006), and the factors that predict poverty entry and exit among young people in the UK (Bynner, 2003; Blanden, 2006), and in comparison with other EU member states (Barnes et al, 2002; Apospori and Millar, 2003; Aassve et al, 2005). Nevertheless, many of Morris et al’s observations remain pertinent in assessing the appropriateness of existing social exclusion indicators for young people. For this study, it is important to note several conceptual and methodological problems in the definition, measurement and analysis of youth disadvantage:

- *varying definitions of ‘disadvantage’*, each based on different theoretical constructs;
- *confusion over causality and inference*, specifically with respect to what constitutes a symptom, cause and consequence of disadvantage;
- *different methods of scaling* and quantifying those experiencing different aspects of disadvantage;
- the *absence of individual identifiers* making it impossible to establish the extent of multiple disadvantage across multiple data sources;
- the consequences of *limitations in survey sampling methods* in capturing the extent and nature of youth disadvantage;

- the *limitations of cross-sectional data* in capturing the dynamic process of youth transitions.

These cast doubt on the conceptual and methodological adequacy of existing approaches to the measurement of multiple disadvantage among young people based on the social indicators included in the four sets above: the Laeken indicators, the Atkinson indicators, the *Opportunity for All* framework and the NPI/JRF *Monitoring Poverty and Social Exclusion* series. Each of these approaches is based on a suite of measures that typically include both *causes* of multiple deprivation (for example, low educational attainment), *symptoms* of material and social deprivation (for example, material and social deprivation), and *outcomes* of deprivation (for example, poor health). It is vital to distinguish theoretically between symptoms of material and social deprivation and its correlates (low income, poor health outcomes, low educational achievement). The relationship between multiple deprivation and its correlates is rarely unidirectional, and causal inferences derived from empirical analysis are rarely unequivocal. Nonetheless, it is important to distinguish young people's material and social well-being on the one hand, and predictors or 'risk markers' of youth deprivation and exclusion on the other (for example, educational/employment status, health status, etc).

Additional conceptual issues that need to be addressed in assessing the appropriateness of existing indicators of deprivation and social exclusion among young people include:

- differing understandings of disadvantage
- absence of youth-centred approaches to conceptualising 'exclusion'
- focus on indirect, income measures of poverty
- an overemphasis on indicators of labour market insertion (at the expense of the quality of social support networks and domestic transitions)
- overemphasis on 'risk markers' (rather than direct measures of exclusion).

These observations are reflected in the focus of the *Every Child Matters* framework especially with regard to the emphasis on indicators of labour market insertion and 'risk markers' (for example, teenage pregnancy) at the expense of developing a more holistic understanding of youth transitions. Greater emphasis is needed on indicators of the quality of young people's social relationships and transitions (for example, personal and familial relationships, social isolation and support, social participation, subjective well-being). Equally, the normative

assumptions of existing indicators need to be explicitly acknowledged given the increasing diversification and de-traditionalisation of youth transitions.

A number of wider methodological issues are especially pertinent to the investigation of youth disadvantage. These include the inadequate sample sizes for detailed sub-group analysis, and the inappropriateness of household surveys as a sampling frame for investigating severe disadvantage. In addition, the limitations of existing categorising variables (especially of household type) in representing the diversity of youth transitions need to be acknowledged. As a result, it is extremely difficult to represent the fluidity and complexity of young people's transitions within conventional multi-purpose surveys.

Working-age adults

Most of the *Opportunity for All* indicators for working-age adults concern income and employment. The additional, health-related, indicators for this group as a whole are suicide rates and smoking, and rough sleeping (which is related to poor physical and mental health and premature death). The additional dimensions identified by the Atkinson indicators are largely absent. It is notable that although housing decency is an indicator of exclusion for children and young people, and for older people, it is absent from the list for those of working-age adults. Access to education or training is not covered, and nor is service provision or participation.

Responsibility for All: A national strategy for social inclusion (Howarth et al, 2001) was critical of the emphasis on work in the policy and assessment of social exclusion. Although the NPI, like the UK government, regards exclusion from or disadvantage in the labour market as a key aspect and cause of social exclusion, it nevertheless argued that supplementary indicators and policies are necessary:

The existing programme focuses heavily on getting people into paid work, but a more critical view of the jobs that are available is now needed. The quality of jobs and experience of work for many people is still very poor, undermining the effectiveness of what is being attempted. (Howarth et al, 2001, p 2)

People who face disadvantage entering the labour market often continue to do so when actually in work. (Howarth et al, 2001, p 7)

One aspect of this is low pay. However:

Besides pay itself ... it will be necessary to look at other aspects of work: working conditions; access to training and opportunities for career development; democratic representation at work; pension provision; sickness and other benefits; freedom from discrimination; and time off for family commitments. (Howarth et al, 2001, p 8)

The second key area stressed in the report is service provision:

Access to high quality and affordable essential private services is critical to the quality of life. Two groups of essential services are distinguished in this report: basic services, including the utilities but also food; and enabling or infrastructure services including telephone, basic financial services, transport, and – increasingly – the internet. (Howarth et al, 2001, p 5)

In summary, it identified three areas (besides community and non-governmental organisation participation) where sustained attention was needed:

- The quality and experience of work at the lower end of the labour market
- The suitability, affordability and accessibility of essential private services
- The level and standard of mainstream public services enjoyed by lower income households, irrespective of where they live. (Howarth, et al, 2001, p 9)

Although the report does not focus on measurement, the corollary is that appropriate indicators would be needed in these areas. Some indicators have subsequently been incorporated into *Monitoring Poverty and Social Exclusion*.

For working-age adults over 25, there is a block of NPI indicators on low pay by gender, ethnicity, disability and economic sector. There are also indicators (see indicator 30) assessing insecurity at work: the proportion of those on Jobseeker's Allowance last claiming less than six months ago; those on temporary/part-time contracts wanting permanent/full-time work; and unionisation. Support at work (indicator 31) is indicated by access to job-related training. Health is represented by limiting long-standing illness, premature death, obesity and mental illness – none of which figure in the specific indicators for young people. Indicator 31a, adults without qualifications, includes those lacking basic literacy and numeracy skills.

Bradshaw et al note that “both the policy and research literature on education and social exclusion focus almost exclusively on one dimension of exclusion – involvement in production via employment and/or training, which is seen as creating opportunities for consumption and the building of wealth” (Bradshaw et al, 2004, p 32). It has “virtually nothing to say about how education differentially affects participation in the political and social life of the community” (p 33). The only exception to this is Parsons and Bynner’s 2002 study on behalf of the Basic Skills Agency. Bradshaw et al observe that although there is relatively little research in this field, “Access to adult and continuing, lifelong education has the potential to reduce social exclusion, as do a wide range of community-based projects aimed at both school-leavers and adults” (Bradshaw et al, 2004, p 32). Indeed, one could argue that such participation constitutes a form of inclusion, as conceptualised in Barnes et al’s (2006) secondary analysis of the English Longitudinal Study of Ageing (ELSA) (see Chapter Four).

What is striking is the absence of non-work-related indicators for working-age adults, other than in the PSE Survey (discussed in Chapter Four). Questions of quality of life, addressed to a greater (although still limited) extent for other age groups need to be addressed across the population as a whole.

Later Life

The proportion of the UK population over state pension age in 2004 was nearly 19%, or over 11 million people. Over a third of the population (34% or 20 million people) were aged over 50. Despite the large and increasing size of this group, the *Opportunity for All* indicators for older people are sparse. Moreover, although these ostensibly apply to those over 50 rather than just those over state pension age, the three measures of low income apply to pensioners only. The indicators on non-state pension contributions apply to people of working age (and would more usefully be categorised in that earlier section, as a risk factor for later exclusion). For health, there is only ‘healthy life expectancy at 65’, and no assessment of the prevalence, for example, of limiting long-standing illness in this age group. There are two indicators of intensive home care and community-based services to those over 65, which might best be understood as access to specialised services. Whether enabling people to live at home necessarily reduces their social exclusion is a difficult question. There is one indicator of housing decency for those over 60, and one of fear of crime, also for those over 60.

In the NPI set, for pensioners there is an indicator based on those without private income rather than working-age contributions to non-state pensions (thus an outcome rather than a risk indicator). Deprivation and health are included in the form of excess winter deaths and limiting long-standing illness. Additionally, this section addresses rural access to a range of services – GP surgeries, local shops, bus and taxi services – and those lacking a telephone (indicators 41a and 41b). These are bracketed under a sub-heading of ‘isolation and support’. No indicators of these are used for younger age groups. Indeed, the problem of social isolation arising (in part) from living alone is generally seen as a problem for older people: Miliband (2006, p 9) argues that “Living alone in itself is not a marker of exclusion, but in conjunction with poverty, worklessness or health problems, living alone can reinforce an individual’s exclusion from society. We have a duty to ensure the ageing generation does not become a lonely generation”.

Barnes et al (2006) use ELSA to look at the social exclusion of older people (again defined as those aged over 50). This constructs seven dimensions of social exclusion from ELSA. A number of key characteristics associated with multiple exclusion are not treated as aspects of exclusion in themselves, but as risk factors (see Chapter Four). This highlights the difficulty in distinguishing between risk factors and outcomes – both physical and mental health, for example, are outcomes as well as risk factors, as are mobility and income. Social support and access to age-specific services are not in the headlined dimensions.

The SEU report *A Sure Start to later life* (SEU, 2006), which draws substantially on the analysis of ELSA, covers a variety of themes. Like the ELSA report, social relationships are given a high priority:

... independence alone is not enough if we want to improve the *quality of life* of older people and tackle exclusion. Everyone, including older people, has the right to *participate* and continue throughout their lives having *meaningful relationships and roles*. (SEU, 2006, p 8; emphasis in original)

It also raises the issue of age discrimination. Moreover, the executive summary stresses the centrality of social relations and of participation in leisure, learning and volunteering – factors that might be deemed relevant to social inclusion in all age groups. Consultation with older people stressed “the importance of good relationships with family and friends, of having a role, feeling useful, and being treated with respect” (SEU, 2006, p 18).

What is striking is the tendency to treat quality of life issues as constitutive of social exclusion once non-participation in the labour market is socially regarded as legitimate. The indicators used for older people thus point to issues that might be explored across a wider age range.

Additional indicator sets

Given the limitations of the main indicator sets on social exclusion, we also looked at some additional batteries of indicators. These included the Index of Multiple Deprivation (IMD), the Audit Commission's local quality of life indicators (2005) for use by local authorities, and the sustainable development indicators. It is notable that these indicator sets, like many others, are divided into different domains. However, the delineation of domains shows little consistency even between indices that touch on similar themes of deprivation and exclusion. The ascription of topics to domains is also inconsistent. We also looked at some new, exploratory research into the development of quality of life and well-being indicators that could be operationalised at an individual rather than an aggregate level.

Index of Multiple Deprivation

The IMD uses 33 indicators to measure deprivation in each of the 8,415 wards in England. These indicators are categorised into the seven domains of:

- income deprivation
- employment deprivation
- health deprivation and disability
- education, skills and training deprivation
- barriers to housing and services
- crime
- living environment deprivation.

Audit Commission local quality of life indicators

The Audit Commission have also developed quality of life indicators for use at the level of local government. Like the sustainable development indicators, these are often at area rather than individual level. Ten domains are identified:

- people and place
- community cohesion and involvement

- community safety
- culture and leisure
- economic well-being
- education and lifelong learning
- environment
- health and social well-being
- housing
- transport and access
- other indicators.

The economic well-being indicators are again very focused on paid work. The percentage in low-income households appears as an indicator only for children and the over-60s, not for young people and adults of working age. The domain of education and lifelong learning focuses simply on education and training. There is, in fact, no indicator at all relating to lifelong learning. As with the sustainable development indicators, the environmental indicators are mainly area-focused, such as levels of key air pollutants. However, some – perceived pollution and litter – could be used as indicators of area satisfaction. Health and social well-being includes limiting long-term illness and teenage pregnancy under the age of 18, but actually no indicators of social well-being at all.

Sustainable development indicators

One of the least developed areas of indicators is that of quality of life and well-being, although these concepts recur in the social exclusion literature and in a plethora of government reports on social exclusion and related issues. The UK sustainable development strategy framework indicators address some relevant issues. There are 147 indicators overall, and 15 headline indicators (raising the problems noted above about priorities etc). They are mainly defined at aggregate rather than individual level. Besides environmental indicators such as greenhouse gas emissions and river quality, they include levels of employment, workless households, childhood poverty, pensioner poverty, education, health inequalities and mobility (walking/cycling). The topics also include social justice, environmental equality and well-being, although there are as yet no agreed indicators for these.

However, there is a growing body of work not yet incorporated into official indicators that looks at questions of quality of life and well-being, and indeed happiness (Nussbaum and Sen, 1993; Layard, 2005; Seligman , 2003; Donovan et al 2002; Kahneman et al, 2004). In the UK,

the New Economics Foundation (NEF) has pioneered work in this area since 2001, with a dedicated centre set up in 2006 for the promotion of wellbeing and the development of appropriate measurement.

There have been many attempts to incorporate questions of sustainability and quality of life into macro-economic indicators, and consequently to demonstrate that collective well-being and quality of life had risen far less than Gross Domestic Product (GDP) in recent decades. The MDP (Measure of Domestic Progress) and older ISEW (Index of Sustainable Economic Welfare) are conceived mainly as alternative or complementary to GDP. The main areas of adjustment are deductions for environmental costs and social costs, and additions for the value of domestic labour. “Key differences between MDP and the ISEW are the inclusion in MDP of the costs of crime and family breakdown, and some adjustments to the methodologies used to account for climate change and resource depletion” (NEF, 2004, p 6). Income inequality has a negative effect on both ISEW and the MDP. It is included as a social cost as it reduces life satisfaction for members of society. (It also, as Wilkinson [1996, 2006] shows, reduces average life expectancy). Most of this work is at an aggregate, national level, rather than providing individual or household-level indicators. The emphasis in this report is on UK measures, but there are many similar attempts at re-calculating composite indicators of living standards elsewhere, at both national and international level.

NEF have also pioneered attempts to measure well-being at an individual level, although they themselves argue that more work needs to be carried out on the development of appropriate indicators. They argue that above a certain level of affluence, aggregate levels of well-being are not affected by economic growth – comparing 2002 to 1973, GDP had increased by 60% and life satisfaction remained constant. Both rich people and those moderately well off are significantly happier than the ‘seriously impoverished’, but the differences between the first two groups are small. They cite ONS statistics suggesting that 10% of the population suffers from depression at any one time; and report claims that the percentage of the population thinking that “other people can generally be trusted” has dropped from 60% in the 1950s to 30% in 2000 (Shah and Marks, 2004, p 6).

The measure of well-being that they use is more sophisticated than a simple ‘life satisfaction’ question. It includes three aspects:

- life satisfaction, looking at satisfaction, pleasure, enjoyment;

- personal development, for which there is as yet no standard psychological indicator. Conceptually, this includes engagement in life, curiosity, ‘flow’, personal development and growth, autonomy, purpose, feeling life has meaning. Although the authors do not make this link, it could be related to Sen’s notion of capability;
- social well-being – belonging to communities, positive attitude to others, pro-social behaviour etc. In spite of the reference to trust, social well-being is not the same as social capital: it is entirely based on individual perceptions and attitudes. (NEF, 2004, p 6)

The factors argued to be central to well-being are marriage or long-term cohabitation and intimate friend and family networks; exercise; education, which has little effect on life satisfaction, but does affect the other two variables; and living next to open green space. Work is treated broadly, to include voluntary and unpaid caring work: it is argued that voluntary work has a greater positive effect on well-being; that unemployment has large negative effects for both employed and unemployed people; and that inequality has a negative effect on well-being.

Since the 2000 Local Government Act, local authorities are empowered to take action that improves economic, social or environmental well-being in their area. NEF were involved in the development of the Audit Commission’s quality of life indicators (Appendix 4) (Higginson et al, 2003). They have also piloted work on the tripartite measure of well-being in conjunction with Nottingham City Council, looking at the well-being of young people aged 7-19. ‘Curiosity’ was used as a proxy for personal development. The findings suggest that the three aspects are not reducible to each other, although self-esteem is key to all of them. They reveal substantial levels of unhappiness and depression, especially in secondary school pupils; a marked decline in curiosity during the secondary school years, especially for girls; and that the primary school with the best academic results was also the one with the highest levels of unhappiness. The data was not robust enough to examine the impact of poverty, but parental unemployment had a negative effect. The implications of the findings from this research are unclear, and it is in any case not nationally representative. It does, however, indicate new possibilities for developing measures of well-being, as well as suggest the kinds of indicators we might look for in existing research – perhaps especially proxies for self-esteem. NEF themselves recommend testing multivariate models on a larger scale, over a longer period of time, across all age groups and in specific settings (Marks et al, 2004).