Changing deprivation in East London

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Summary

• What has happened to deprivation in East London
• The changing nature of poverty in the UK
• What has driven East London’s decline in deprivation rankings
• Why are rates of income poverty falling?
Index of Multiple Deprivation 2010

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The changing nature of poverty in the UK
Poverty is changing in the UK

Poverty is becoming more associated with:
- Working families
- Private rented housing
- Childhood rather than old age
- Deconcentration and suburbanisation
What has driven the decline in East London’s deprivation rankings?
What do the Indices of Deprivation measure?

- They measure ‘multiple deprivation’ in 7 domains: income, employment, health, education, crime, living environment and housing & services.
- Scores for each domain are combined into a single ‘Index of Multiple Deprivation’ with income and employment weighted most heavily.
- Measured for Lower Layer Super Output Areas in England – areas with ~1,500 residents.
- Areas are ranked relative to all others from 1 (most deprived) to 32,844 (least deprived).
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What has driven the decline?
Headline poverty rates

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What has caused the significant falls in income poverty?
What has caused the significant falls in income poverty in East London?

Fundamental question – is this because of population change, or improvements for the population in-situ? Possible mechanisms include:

1. This is because of an improvement in employment and wages paid to population in-situ
2. This is because of dilution of the poor population, not a reduction in numbers
3. This is because poor households have been displaced by richer incomers in a process of gentrification
4. This has been driven by changes to housing benefit rules and a reduction in social housing, driving low income households to lower cost areas
5. The statistics aren’t fully reflecting the need in the area. People who are living on low incomes aren’t claiming the benefits to which they are entitled, and therefore aren’t being counted. Or maybe they are undocumented and therefore not entitled
By the numbers – children

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By the numbers – working age

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By the numbers – older people (60+)

![Graph showing population change by deprivation level in different areas of East London between 2010 and 2015.]

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Conclusion
A reality check

Cartogram: people in poverty ID 2010

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In the ID 2015, Tower Hamlets still had the highest rate of poverty amongst older people and children in England.
The outlook for poverty in London

The outlook for poverty in the UK looks bleak (IFS)

• Freeze in working age benefits
• Rise in inflation
• Continued rise in housing costs, not matched by wage increases or housing benefit rises
• New benefit cap November 2016
Conclusion

Poverty in the UK is changing, and this has affected the geography of poverty in East London

The decline in deprivation rankings is caused largely by a declining proportion of the population in poverty

This is caused largely by an increase in the total population, though there has been a fall in absolute numbers of children in poverty

But East London still has widespread poverty

Has this deconcentration been a positive benefit to low income families?

Or will poverty become increasingly suburbanised, disconnecting low income families from opportunities in Inner London?
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