Drifting upwards or sliding back?
Ethnic inequalities in local authorities in England and Wales, 2001-2011

Key findings:
• Ethnic inequalities in education, employment, health and housing are widespread in England and Wales and persistent since 2000.
• Localities across the country need in particular to respond to ethnic inequalities in employment and housing which have increased nationwide over the 2000s.
• Localised initiatives are required as ethnic inequalities exist in diverse and deprived areas (e.g. Tower Hamlets) but also in areas with low ethnic minority concentrations, in more affluent areas, and rural areas (e.g. Breckland).
• Many of the districts that have become more unequal between 2001 and 2011 are semi-rural and rural districts that had low ethnic diversity levels and small ethnic minority populations at the start of the decade.
• Lessons can be learnt from districts which have succeeded in reducing ethnic inequalities over the 2000s, such as Bradford.
• In addition to local initiatives, national policy in education, employment, housing and health is crucial. While there has been some improvement in educational inequality, national policymakers should be concerned about gaps in employment and housing in particular.
• Local authorities can do more to respond to these inequalities, for example scrapping residency requirements for housing and piloting apprenticeship programmes for ethnic groups more likely to experience unemployment.
• Actions that address ethnic inequalities can help address inequalities for all ethnicities and should be part of mainstream policy and practice.

Although the nature of ethnic diversity has changed over the past few decades, ethnic inequalities are stubbornly persistent. This briefing summarises the findings of a report on ethnic inequalities in education, employment, health and housing for local authorities in England and Wales, and explains why these need to be better understood by policymakers.

Methods
Inequality for ethnic minorities in relation to the White British in education, employment, health and housing has been calculated for districts in England and Wales using data from the 2001 and 2011 England and Wales Census. The inequality reported is the absolute difference in the proportion of the White British ethnic group and the ethnic minority group who experience disadvantage on a particular indicator.

The indicators of inequality are: percent aged 16-24 with no qualifications (Education); percent aged 25 and over who are unemployed (Employment); percent with a limiting long term illness (indirectly age standardized) (Health); percent living with an occupancy rating of -1 or below, indicating overcrowding (Housing).

An Index of Multiple Inequality (IMI) has been calculated as an average of the ranks of each indicator of inequality, for district-ethnic group combinations that have a score on at least two indicators. Inequality is calculated only where district-ethnic group populations are at least 100.

The full dataset is available in the Local Ethnic Inequalities Local Area Profiler (www.ethnicity.ac.uk). This Profiler allows users to select a local authority and obtain summary results and charts on ethnic inequalities. The Profiler contains calculations of inequality measures for seven ethnic minority groups: Minority other than White British, White Irish, White Other, Black, Asian, Mixed and Other.

A third generation of ethnic inequalities is a concern for local and national policy
The overarching finding of the research is that ethnic inequalities in education, employment, health and housing are widespread in England and Wales, and persistent since 2000. Although there have been some improvements for some ethnic groups in some domains in some areas, the overall trend still points to a gap between White British and ethnic minority people living in England and Wales. Without clearer and more consistent focus from national and local policymakers, the concern is that a third generation of British-born ethnic minorities will have unequal opportunities and outcomes compared to their White British counterparts.

The relatively greater prevalence of ethnic minorities in Britain’s urban areas, particularly London, is widely understood, and so too is the evidence that many ethnic minorities live in more disadvantaged areas. The Index of Multiple Inequality rankings show that these diverse and disadvantaged areas can also have high levels of ethnic inequality: Lambeth and Haringey have the greatest ethnic inequalities in 2011, along with Rotherham.
Oldham, and Tower Hamlets. The most equal districts are Knowsley, Copeland, the Vale of Glamorgan, Hartlepool and North Warwickshire.

But the issue of ethnic inequalities is not just one for diverse or deprived cities; ethnic inequalities also exist in areas with low ethnic minority concentrations, in more affluent areas, and rural areas. For example, the twenty districts with the largest ethnic inequalities include less urban areas with smaller ethnic minority populations including East Staffordshire, Hyndburn and Pendle (Table 1). And even in urban areas, some of the areas with higher ethnic inequalities are not usually thought of as particularly deprived – for example Wandsworth.

Concerns for rising inequalities outside the conurbations

Map 1, which gives a ranking of districts’ ethnic inequality score, shows that some of the districts with largest ethnic inequalities are in areas of the country that are not usually noted for issues relating to their diverse populations, including parts of Kent, Somerset and Lincolnshire.

The need for authorities throughout the country to consider ethnic inequalities is further highlighted if we consider particular ethnic groups. For example, the White Other group is experiencing disadvantage in relation to the White British group most notably in districts outside the major urban centres.

In addition to ethnic inequalities being widespread in England and Wales they are persistent since 2000. These inequalities are not, and will not, disappear of their own accord. This is particularly the case for ethnic inequalities in employment and housing which have worsened in a large proportion of districts between 2001 and 2011. For example, over this decade ethnic housing inequality (as indicated by levels of overcrowding)
was experienced in every district in England and Wales in 2011 (as in 2001) and in the majority of districts the level of inequality worsened over the 2000s. This was particularly the case outside urban centres, as Map 2 shows.

Indeed, many of the districts that have become more unequal between 2001 and 2011 are semi-rural and rural districts that had low ethnic diversity levels and small ethnic minority populations at the start of the decade.

Success stories show potential for change

The picture, however, is not entirely negative. Some districts are success stories for having reduced ethnic inequalities over the 2000s. One such district is Bradford which is often maligned on race relations. Bradford, where 36 percent of the population identify with an ethnic group other than White British, has dropped out of the twenty districts with greatest ethnic inequality. One driver of this has been improvement in educational attainment for all ethnic groups: In 2001 the proportion of 16-24 year olds with no qualifications from ethnic minority groups in Bradford was higher than for the White British (25% compared with 19%); by 2011, the minority population in Bradford had similar levels of education as the White British group (14% of 16-24 year olds from each group had no qualifications).

Policy implications for education, employment, health and housing

This research allows us to consider the policy implications in each domain of inequality – education, employment, health and housing – as well as generally.

Education and Employment

Overall, there have been improvements in terms of ethnic inequalities in education over the 2000s as suggested by other research. However, inequalities for some groups, particularly the White Other group and Mixed ethnic groups remain. This suggests that educational disadvantage is experienced not only by members of established ethnic groups but also by new ethnic minority groups. Interventions to improve educational attainment may therefore usefully include English language provision.

Previous evidence has indicated discrimination in the labour market, showing that ethnic minorities experience higher unemployment rates, and that higher educational attainment does not always translate into higher paying jobs.

Our findings appear to support this, showing that ethnic minorities living in districts with relatively equal educational outcomes still experience inequalities in the labour market.

This indicates the key policy challenge of ensuring that educational attainment results in better employment outcomes for young people of all ethnic groups. Further monitoring, unconscious bias training, positive action and mentoring have all been adopted by employers seeking to overcome these inequalities, but government needs to show more leadership and challenge employer discrimination.

At a national level, one of the key policies to address youth employability – apprenticeships – has worse outcomes for ethnic minorities. The national government needs to adapt apprenticeship policy so that it delivers better results, particularly for young Black men. Local governments could also support pilot schemes for employers seeking to employ more local young ethnic minorities and consider using their procurement processes to promote diversity.

Health

Health inequality is most severe for the Mixed ethnic group which fares worse in terms of health than the White British group in the majority of districts. Many districts with the greatest inequalities are located in urban areas in London, the North West, Yorkshire and the West Midlands. In terms of ethnic minorities as a whole in half or more of the districts in England and Wales ethnic minorities fared better in terms of health compared to the White British in both 2001 and 2011. During this period health inequality increased in just seven local authority districts, most located in London.

In terms of policy, the development of local health and wellbeing boards and greater decentralisation could potentially allow local authorities to target their resources in such a way to meet the greatest need. This will require more fine-grained analysis – understanding whether cancer survival rates, dental health or diabetes prevalence vary by ethnicity in a local area. It will also require greater attention to be paid to how the social determinants of health differ for ethnic groups and districts.

Housing

The report’s findings on housing are perhaps most striking, with ethnic minorities having higher levels of overcrowding than the White British in every local authority in England and
Wales in 2011. Housing inequality for the Black group has worsened between 2001 and 2011 in terms of the average level of inequality in overcrowding for districts and the proportion of districts with a higher incidence of overcrowding for ethnic minorities compared with the White British group.

All major political parties have now committed to building more homes, and have identified housing costs as a key issue. To tackle ethnic inequalities in housing, however, such policies will probably need to target ethnic minority families first, something that goes against the grain of current policymaking. In the past year local authorities have availed themselves of the ability to take into account years of residency (often ten years) in allocating social housing, with the result being a steep drop in ethnic minorities being housed.

Furthermore, changes to housing benefit and the benefit cap are more likely to affect ethnic minority families, with the DWP’s equality impact assessment for the latter noting that 40% of those affected would be ethnic minorities, who may also now be dispersed away from family and caring support. Encouraging landlords to check the migration status of their tenants will likely lead to racial discrimination thereby worsening housing inequalities. Local authorities must better monitor these outcomes and develop policies to minimise their impact on ethnic minorities locally.

Policy and research conclusions

The findings from this project raise many questions about why ethnic inequalities exist in some places to a greater extent than others, and what might be done about them. The findings provide clear evidence that ethnic inequalities are a local as well as national concern, and that addressing inequalities is not purely an issue for authorities with diverse and poor populations. They also demonstrate that inequalities can be reduced, and there are districts across the country that have achieved this over the 2000s.

Some districts need to address inequality across several social dimensions. Others can target policy initiatives at particular outcomes and populations. However, ethnic inequalities in employment and housing should be a concern for authorities across the country.

Local and national policymakers and politicians must respond much more directly to ethnic inequalities. There is currently little appetite to implement any policies that target any particular ethnic group, on grounds that this is ‘segregationist’ or divisive. Yet as this report shows, the nature of inequalities is complex, varying by ethnicity, locality and the indicator of inequality being considered. In addition to targeted policies, in many cases policies to tackle ethnic inequalities may also tackle inequalities for all ethnic groups and so be ‘mainstreamed’ into policy design more generally. If national government has a role to ensure that discrimination is tackled at a societal level by government and employers, local authorities need to respond more directly to the specific inequalities experienced by ethnic minorities in their districts.

Despite this stark message the picture is not uniformly gloomy, and we can learn from those areas where ethnic inequalities have decreased and so ensure more equal opportunities for all of Britain’s residents, whatever their ethnic background and wherever they live.

Note on the project and its resources:

In collaboration with the Runnymede Trust, the ESRC Centre on Dynamics of Ethnicity (CoDE) has produced measures of ethnic inequalities in education, employment, health and housing for each local authority district of England and Wales, for 2001 and 2011, using census data. The study has been led by Nissa Finney and Kitty Lymperopoulou at the University of Manchester.

Project resources are available at http://www.ethnicity.ac.uk/research/further-research/local-ethnic-inequalities:

• Local Ethnic Inequalities Area Profiler. This Excel-based tool allows you to explore summary data for each district.
• Report, summarizing key findings and detailing methods.
• Briefing, highlighting key results and policy implications.

About the authors

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1 This recommendation has been adapted from Nicholl, A. and Naidoo, R. (2014) Why ethnicity matters for local authority action on poverty. York: Joseph Rowntree Foundation.
4 Bécares, L. (2013) Which ethnic groups have the poorest health? CoDE/JRF Briefing