

University of Essex & London School of Economics  
Survey of Poverty

REPORT for the ADVISORY COMMITTEE on 2 October 1967

C o n t e n t s

1 Progress Report

- (a) Pilot reports
- (b) Preparations for the study of 3000 households
- (c) Staff changes

2 Miss Rowntree's Questions

- (a) Achievements to date: (i) Unemployed men  
(ii) Large families  
(iii) Fatherless families  
(iv) Chronic sick  
(v) General findings
- (b) The objects of the project
- (c) The design of a survey of 3000 households
  - (i) Sample design
  - (ii) The content of the survey

3 An Extended Survey

- (a) The case for extension
- (b) The method:
  - Method I Extension wholly undertaken by AGB using a full screening interview in our 51 constituencies
  - Method II Extension wholly undertaken by AGB using shortened screen on Audit sample in AGB's 420 areas
  - Method III Extension wholly undertaken by AGB using shortened screen in our 51 constituencies
  - Method IV AGB screens, our team follows up in our 51 constituencies
  - Method V Screen by students, our team follows up in our 51 constituencies

4 Intensive follow-up studies of particular groups

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REPORT for the ADVISORY COMMITTEE MEETING on 2 October 1967

1 Progress Report

(a) Pilot reports Since the last meeting of the Advisory Committee, reports on the four pilot studies have been written and are circulated to the Committee. In some cases there are a few chapters on specialised aspects which have still to be completed.

(b) Preparations for the study of 3000 households The Trust has given authority for the survey aiming at 3000 completed interviews to go ahead. A note on the method of drawing the sample - recommended by Professors Stuart and Durbin - was included in the last report to the Advisory Committee. A total of 51 sample constituencies has been selected and the process of selecting the areas for interview within these constituencies is well advanced. Arrangements are being made to secure that the final sample is drawn from lists which are as up to date as possible. Interviewers have so far been selected and provisionally appointed for three-quarters of the constituencies. A questionnaire has been drafted and is being piloted. The survey is planned to go into the field before the end of the year.

(c) Staff changes Mr John Veit Wilson left us at the end of August 1967. An assistant for Miss Benson, Mrs Brown, took up a part time appointment from early September.

2 Miss Rowntree's Questions

At the last meeting Miss Rowntree said that the Trustees would like to have a brief statement on

- (a) what had been achieved so far;
- (b) how far the objects of the project had changed;
- (c) what degree of simplification would be required if the Trustees were unable to pay for the larger sample.

These draft statements follow as the next three sections of this report.

(a) Achievements to date Four separate studies have been completed of random samples of:

- (i) 92 unemployed men and their families on Tyneside;
- (ii) 86 families with five or more dependent children in London;
- (iii) 116 fatherless families in Northborough and Seaton;
- (iv) 65 families with chronic sick and disabled heads in Essex.

Each study was conducted by a separate research worker and based on interviews averaging two hours per family. These studies have a value in their own right as no intensive studies of random families with these characteristics have been undertaken since the war. They

have also given leads on what types of question can and should be explored in a national survey when the type of question asked has necessarily to be more narrowly defined. Among the more interesting lessons from these studies are the following.

- (i) Unemployed men Disability of various kinds is a common characteristic of the long term unemployed. Those most likely to experience long term unemployment were the unskilled among whom were a considerable proportion who were in and out of work. When the skilled man did become unemployed he was in a much better position than the unskilled man, both in respect of his living standard and job prospects. Social security provisions were more favourable to the skilled man. Technological change does appear to be a considerable cause of chronic and irregular unemployment. Present training programmes and job placement services are not adequate to prevent this unemployment. There appear to be far too few opportunities, through job placement and training or re-training for men in middle-age and for men with partial handicaps. Whether skilled redundant or handicapped men manage to find a suitable or even any unskilled job seems to depend considerably on their luck. When unskilled they often find themselves chronically unemployed or prematurely retired.
- (ii) Large families There is a substantial proportion of poor families not receiving the various means tested benefits to which they are entitled. Large families have very severe housing problems and these are by no means always solved by being given a council house because many of the latter are unsuited to or too small for their needs. Some such families were extremely poor: the mothers simply did not have enough to eat. Among those which were not so poor were many where the father and in some cases the mother worked long hours. A considerable number of families fluctuated in and out of poverty.
- (iii) Fatherless families Although all the fatherless families received means-tested national assistance benefits, the measures devised in this pilot survey revealed that their incomes and standards of living differed widely. We were able to establish that some families suffered real deprivations, lacking, for instance, food and clothing. Also some families were in very poor accommodation. The survey revealed that widows were better off, and separated wives and unmarried mothers worse off, although relatives of the women could do much to cushion hardships. These variations in living standards were partly related to the mothers' past histories and partly to the provisions and operation of the social security system. Only one quarter of the maintenance or

alimony to which these women were entitled was actually received. Several women had a much less secure income and sometimes lower income before their marriage broke up than afterwards. The circumstances of these families showed the contrast between total and partial poverty. Some with a house, furniture and appliances, had the same income as others who had virtually no stock of personal possessions.

- (iv) Chronic sick That chronic sickness and disability cause considerable drops in income has long been recognised. The pilot showed that as the onset of many conditions was gradual, the largest drop in income might occur long before the men finally abandoned work. Some of those in work were as disabled as others out of work. While chronic sickness gave men priority in obtaining a council house they often failed to secure housing which was suited to their disability. The importance of suitable housing was shown by the high proportion of owner-occupied disabled who had moved to suitable housing. The existing living standard of the households was greatly influenced by pre-sickness earnings. Many of the sick were able to work and wanted to work but suitable work was not available for them. Re-training services seemed to be of only limited value. The problems of the disabled could only be understood if one enquired about their history - particularly their health and employment history.
- (v) General findings All these pilot reports stress the importance of looking at poverty over a period of time. Poverty can be measured in a number of different ways, for instance, by level of possessions, by income, by housing standards, so that families lacking in one of these respects can be described as in partial poverty. The studies revealed how the families sense of well-being was related to the rising standard of living in the community so that erstwhile luxuries were coming to be regarded as necessities.
- (b) The objects of the project The aim of the study as originally conceived in 1964 was to collect information about living standards from a national sample of 5,000 households and further information from certain minorities by revisiting small sub-samples. Two general points were made in the original application: that new definitions and measures of need would have to be explored and that the circumstances and problems of the poor could only be properly explained in relation to the circumstances of the rest of society. Special information about the poor would have to be set against general information about those who were living in more prosperous conditions.



These broad objectives of studying poverty and its incidence remain unchanged, but our pilot work has taught us a great deal and caused us to modify our approach. We have found that the poor are far less homogeneous even than had been supposed hitherto. Examples could be given from all four pilot studies. Fatherless families, large families dependent on low earnings, families with a chronically sick or disabled adult and families with an unemployed head have problems which are very different from each other as well as problems which are very similar to each other. Even within these groups there are big differences, as between widows and separated wives, for example. We have come to the conclusion that in establishing people's needs in modern society and therefore in finding just where a poverty line should be drawn and how poverty might begin to be measured and explained, five fundamental steps are necessary.

- (i) Living standards among families of a single type need to be compared. We want to be able to distinguish problems which are attributable to poverty rather than family circumstance or social status. In judging at what point families have resources which are adequate for purchases of food and activities which are customary in society we must have information for families of the same type with relatively high incomes.
- (ii) Living standards of families with relatively low incomes of each type need to be compared with the living standards of families of average composition and income.
- (iii) Variations in living standards over time have to be assessed. A distinction must be drawn between short-term or occasional and chronic poverty, whether due to some combination of family size, rent and low earnings or to absence of earnings (fatherlessness, unemployment, sickness or disability) or to irregular employment.
- (iv) Variations in people's access to the social services and in their environmental facilities and facilities at work also have to be assessed as aspects of living standards. A distinction has to be drawn between partial and total poverty. A family with a very low income may be found living in a modern council house, the father working in good factory conditions and the children of the family attending a newly built school. Paradoxes in living conditions of this kind are increasingly characteristic of societies in which the big corporation and a highly developed "Welfare State" are found.
- (v) The effectiveness of the social services which aim at helping the poor has to be established. We have to check on the take-up in the population of certain benefits, for example, free school meals and welfare milk.

These conclusions affect the design of the study. In the national survey we need to make sure that we are able to get to information for a

sufficient number of relatively 'rare' types of household (see (i) above). We also need to widen the search for information in the interviews from the national sample of households to include rather more about housing, the social services and working conditions than we had originally intended (see (iv) and (v) above). There would then be a reasonable chance of attaining our original objectives.

In addition to trying to measure and explain poverty as it is at present, it seems valuable to study the use of those services which might help to prevent certain types of poverty now and in the future - particularly longer term poverty. Thus we are interested in which occupations are low paid, in the effectiveness of education, apprenticeship, job placement, training, re-training and rehabilitation services; in savings, fringe benefits and private insurance; in housing and rent policies, in health, welfare and family planning services.

Since we first applied to the Trustees, certain partial incidence surveys have been undertaken - in particular, of retirement pensions and family allowance recipients by the Ministry of Social Security (as it is now called). To be most useful further work needs to be deeper and wider. There have, however, been substantial changes in social security and other factors in the last few years which have affected or will affect the numbers in poverty in particular groups (the establishment of the supplementary benefit system, wage-related sickness and unemployment benefits, the announced increases in family allowances, redundancy agreements and the present high level of unemployment).

(c) The design of a survey of 3000 households

- (i) Sample Design In designing a study with resources to complete approximately 3000 households interviews there are two conflicting considerations. Any attempt to obtain an estimate of the incidence of poverty requires a random national sample. On the other hand any attempt to describe in any detail the characteristics of the different categories of the poor (as a means of improving definitions of poverty and understanding cause) requires that as high a proportion as possible of poor households should be included in the total of households interviewed and thus a sample biased towards areas where the incidence of poverty is high.

For ascertaining the incidence of poverty there are dangers in biasing the sample towards regions or areas where poverty is believed to be high. Areas of high unemployment may have a disproportionate amount of particular types of poverty mainly associated with lack of employment opportunity for both able-bodied and disabled. On the other

hand, areas which appear to be affluent may have an undue proportion of poverty caused by high rents, large families or the migration to those areas of the retired. Poverty in rural areas may be different from poverty in urban areas and poverty in growth areas may be different from poverty in declining areas. While it is true that any bias deliberately introduced in the drawing of the sample can be removed by appropriate weights fed into the computer at the analysis stage, there remain difficulties in making detailed breakdowns of a sample which was originally biased in any direction. Partly because of our lack of reliable criteria to determine which regions or areas should be given excess weighting and partly because of the problems posed for the analysis, we have come to the conclusion, which is supported by Professors Stuart and Durbin, that an incidence survey requires a random national survey.

We have considered the possibility of introducing a screening technique in the national incidence survey to determine in a relatively short interview whether a household does or does not contain persons in poverty. We have, however, found that to be sure of complete reliability a screening interview would have to last half an hour or an hour and thus yield no economy. One difficulty is that poor persons can be hidden away in households which are not on average poor: e.g. pensioners, disabled persons or lodgers. Moreover we believe that a large number of random households need to be interviewed to give an indication of customary levels of living with which deprived households can be compared.

On the other hand, our desire to describe the characteristics of the poor leads us to want as many poor as possible in the sample, as the poor can only be usefully studied in fifteen or more separate sub-groups. This is one of the lessons we have learned from our pilot studies.

Our proposals for 3000 completed interviews attempt to balance these conflicting aims. We propose to aim at 2000 completed interviews drawn on a random basis from the 51 sample constituencies, to give us our incidence figure and proper controls, both in the sense of giving us data on average households and as a means of knowing how efficient the screening procedure used for the remaining households has proved in practice. We are well aware that 2000 is on the low side for this purpose.

Instead of seeking to obtain a further 1000 random interviews nationally we propose (secondly) to use an abbreviated screening procedure to identify some types of poor households in one of our sample constituencies in four different regions of the country, selected

because they are expected to contain a high incidence of poverty: three of them may be areas with very high levels of unemployment and one subject to rural depopulation. More than 2000 households will be 'screened' but the cost of even a minimal screening procedure means, however, that only about 150 identified households could be interviewed in each of the four areas - making about 600 altogether. These households will thus be consciously weighted towards the problems of unemployment and low wages. The representativeness of these four constituencies and to some extent the reliability of the screening procedure can be checked by comparison with data in the random sample of 2000. Concentration on only four constituencies for this part of the study has the advantage of reducing the cost of screening by minimising interviewer travel and increasing the proportion of poor households ascertained. It also makes it possible to review the findings against the background of local services and the local employment situation.

In total this method would not produce enough persons in minority groups for us to be able to draw reliable conclusions about these groups.

- (ii) The content of the survey As explained in the paper we presented to the last meeting of the Advisory Committee, we are proposing to concentrate on income in its widest sense rather than on expenditure. This decision is based partly on our desire not to duplicate the Family Expenditure Survey and partly on the fact that the collection of detailed expenditure data reduces the response rate particularly among the elderly and disabled.

We envisage three measures of poverty:

- 1 Comparisons with supplementary benefit levels as used by the government in its own survey;
- 2 Comparisons with average levels of living;
- 3 An attempt to identify deprivation on the basis of both
  - (a) the levels normally found to be necessary for the standard percentage on food to be spent, and
  - (b) inability to participate in even a substantial number of the activities and customs followed by the majority of the population of the United Kingdom.

We will attempt to distinguish brief episodes of poverty from chronic poverty and to measure the various safeguards against poverty available to different sections of the population - savings, expectations of occupational benefits and private insurance. We will also ascertain to what extent poor families 'take up' the various services provided to assist them - national assistance, free school meals, welfare milk, welfare food, uniform grants, educational maintenance allowances, rate rebates, subsidised or free holidays for children.



To obtain statistically significant figures for the use of some of these services, samples of 2000 and, say, 600 will, however, inevitably be too small even if they allow us to make some estimate of the contribution of the services to families' standard of living. We will also study overcrowding, lack of housing amenity, housing deficits and housing suitability (in terms of child play facilities) to see how far these are correlated with poverty. We will also ascertain the assistance received from family and friends. Data will be collected on hours of work and the working environment.

It will be possible to analyse the data by broad design, by age, by marital status, by type of household, by immediate cause of poverty, by country of origin, by occupation, by social class, by functional disability and a variety of other variables - though again the sample is too small for certain sub-groups to be recorded with statistical reliability. The questionnaire is, moreover, being planned to make it possible to analyse the data by the individuals in each household as well as by the household as a complete unit.

We plan to seek the permission of persons in the sample households for us to ask the Ministry of Social Security for their address in the future. This would make it possible for us to do follow-up studies in after years on particular types of household to ascertain the long term effects of poverty. This would maximise the yield from the original high cost of identifying particular types of poor household and appropriate control households which are not in poverty.

### 3 An Extended Survey

(a) The case for extension The case for extending the survey is that the poor consist of a large number of principal sub-groups with different characteristics and different problems. The extent of the differences has become clear in our pilot work. Medium term or long term poverty is to be found disproportionately among the following types of household. The estimated number of households of the particular type per 1000 is indicated against each principal sub-group.

#### Minorities for whom information will be specially collected:

1. Families in which one parent is absent
2. Families consisting of woman and adult dependants
3. Families in which there are five or more dependent children
4. Families containing an adult who has been unemployed for thirteen weeks (consecutively or in last twelve months)

#### Numbers per 1000 households

30  
20 ?  
15  
20

3,002 families  
with Injury  
disabled child  
5% are parent missing.

(81%)

56% income  
less than £12/10/-

?

1/4

812.

7/12

5. Families containing an adult under 65 years of age who has been ill or injured for thirteen weeks (consecutively or off work for a total of thirteen weeks or more in last twelve months) 50
6. Families containing a disabled adult under 65 50
7. Families containing a disabled or handicapped child (including children ill or injured for thirteen weeks or more) 25
8. Families containing a person aged 65 or over who has been bedfast or ill for thirteen weeks or more or who is otherwise severely incapacitated 25
9. Families in which there are
  - (a) earners, none earning £12 a week or more
  - (b) adult male earners (aged 21 to 64) earning less than £14 a week 150
10. Families in which there are persons who are
  - (a) non-white
  - (b) born in Eire 40

Total of sub-groups: 425

Total allowing for double-counting: 300

Some other groups - e.g. retirement pensioners living alone - are sufficiently numerous to allow analysis of sub-samples of the national sample of either 2000 or 3000.

It should be emphasised that this list shows the number of households per thousand in which the incidence of poverty is high. By no means all the households will prove to be poor under any definition of poverty. But the incidence is likely to be much higher than in the population at large. Many of the groups amount to no more than 20 to 30 per thousand households and by no means all of these households will be poor. This is the reason why we believe it essential to be able to draw upon a total of at least 8000 households to give us a minimum box size of some 50-100 households in poverty of a particular type. Moreover, without a sample of this size we cannot make useful statements about the extent of the failure of poor families to use the many services provided on a means test basis - supplementary benefit to supplement sickness or unemployment benefit, free school meals, clothing grants, rate rebates, etc.

We will also argue that if the most economical techniques are used - and we discuss this in the next section - additional interviews can be added to a survey of this kind at relatively low marginal cost. There are two reasons for this. First, there are substantial overheads in a study of this kind which do not increase with the number of interviews - preparing and piloting the questionnaire, briefing and selecting interviewers, determining coding procedures and computer programming. Secondly, screening procedures can be safely used for extra interviews. We hesitate to use them without also having a control sample to enable us to check on the

already defined as 'poor'.

(7/12)

(4 times)

Families below the poverty line father's earnings £10 or (2 children)

£13/13 for (6+ children)

efficiency of the screening. Thus we also see a control sample as an overhead, the cost of which need not increase with the total number of interviews in the survey.

(b) The method At the last meeting of the Advisory Committee a report was made on the negotiations with the Ministry of Social Security and it was decided to explore the possibilities of a cooperative project with the Supplementary Benefits Commission. On 29 June 1967 the Minister wrote to say that the Department was unable to participate in a conjoint project.

Soon after we received this disappointing news, we sought an interview with Professor Moser, the Director of the Central Statistical Office, to seek his advice on whether any private market research agency might be equipped to undertake the screening of an extended sample. He recommended that we approach Audits of Great Britain as he thought this firm had the greatest competence and the most suitable organisation for this particular task. AGB interviews 35,000 households in some 420 areas of Great Britain about their possession of and purchases of consumer durables. Each household is interviewed for four successive quarters. Each quarter 8,000 new households are brought into the survey to replace the 8,000 households which have already given four quarterly interviews.

We have discussed with AGB the possibility of adding a screening questionnaire for our study as a trailer to the questionnaire which they are already using to ascertain purchases of consumer durables. AGB were only prepared to consider this in the case of households being interviewed for the fourth time lest the response rate for their own study be reduced when the time came for further interviews with the same household in their regular programme. On the other hand they were prepared to approach once more households which had dropped out of their survey at an earlier stage or refused to cooperate in the first place. We gave AGB copies of a screening questionnaire which we had prepared when it was hoped that Social Survey or the Ministry of Social Security might be cooperating with us. They reported that this particular questionnaire would be too complex to be handled by all their regular audit interviewers.

From further discussions with AGB and among ourselves we list below five different methods of undertaking the survey.

Method I Extension wholly undertaken by AGB using a full screening questionnaire in our 51 constituencies

AGB have worked out for us the cost of a special 'bespoke' screening job undertaken by their selected interviewers in our 51 sample constituencies. The cost of approaching 7,000 households would come to around £27,000. If they were to undertake the subsequent interviews with the households identified in the screening process there would be a further cost

of around £7,500. Allowing for coding, punching and computer analysis, the total cost would be in the neighbourhood of £35,000. (This is Method II in the attached AGB memorandum excluding the cost of coding and analysing the screen and adjusting for the number of interviews required.)

Method II Extension wholly undertaken by AGB using shortened screen on Audit sample in AGB's 420 areas

In view of the costliness of this method, we have been working on a simpler screening interview which would we hope be acceptable to AGB for use by all their regular audit interviewers. The simplified screen is inevitably less precise. But it is obviously economical to bear the cost of some ten per cent of unwanted households being given the main interview if much greater savings could be made in the cost of the screening process. If the simplified screening interview proves acceptable to AGB the cost of adding it to their fourth audit interview plus 'drop outs' and original non-respondents (a total of 8000 households) would be up to £15,000. As, however, this exercise could only be conducted in Audit's 420 areas the main survey would have also to be conducted by their interviewers. This would cost a further sum of up to £16,300, a total cost of up to £31,300. (Method I in the AGB memorandum excluding the cost of coding and analysing the screen.) There are serious disadvantages in this procedure which are clearly explained in AGB's memorandum and we do not recommend it. It is, moreover, doubtful whether we could produce a screening questionnaire simple enough for AGB to approve it for use by all their interviewers without any briefing.

Method III Extension wholly undertaken by AGB using shortened screen in our 51 constituencies

This involves AGB administering, as a purpose built operation, a simplified screen of 7,000 households in our 51 selected constituencies. This would cost around £15,000 if we can keep the screening questionnaire to 10 minutes but would cost more if the questionnaire took longer to administer. If AGB also undertook the final interviews the total cost would be up to £23,500 or more.

Method IV AGB screens, our team follows up in our 51 constituencies

Bringing in AGB involves a certain amount of duplication. Inevitably they would have to incur 'overheads' in securing that their senior staff familiarised themselves with the questionnaire and worked closely with us on it, in briefing their own interviewers, etc. Some of the duplicated overheads could be avoided if the final interviews were conducted by our own interviewing team. The sample design has made it necessary for us to recruit about 45 interviewers to cover the 51 constituencies. Under our plan for 2,000 random interviews the vast majority of our interviewers

would only have to complete about 40 interviews. We do not think it would be too difficult to increase that number to an average of 100 per interviewer if all the final interviews were done by our team.

Under this plan, one national sample of 11,500 households would be drawn. Our team would attempt to contact 4,500 random households to achieve 3,000 completed interviews. We would also undertake a further 1,500 interviews with households screened out by AGB from 5,000 households contacted (out of 7,000 approached). The extra grant needed to achieve this would be about £23,000 (£16,000 for the screen by AGB and £7,000 for the final interviews). The advantage of this approach is that we would expect to be able to obtain more information per household using our own interviewers. Moreover, we would ourselves have control of the quality of all the final interviews. It would, moreover, be possible to give extra weighting to four selected high priority incidence areas within this total design to make comparisons with local data and local services. A higher proportion of screening interviews could be undertaken in the four chosen constituencies.

Method V Screen by students, our team follows up in our 51 constituencies

Further economy might be achieved if we ourselves attempted to organise the screening, using students to do the interviews. Many universities are keen that students should have interviewing experience. If we could find students who lived in the sample constituencies this method of screening could be more economical than if we attempted to organise the work from universities during term time. But some households identified by students in vacation time would have moved or changed their circumstances by the time we reached them for the main interview. We are well aware that great care would be needed in selecting students for the work and supervising them in the field. By this method it might be possible to complete the whole operation with an extra grant of around £18,500. We appreciate that the recruitment and supervision of the students would be a major administrative operation. Moreover, students are particularly liable to contract out of arrangements at the last moment. We would welcome the Committee's comments on this suggestion.

We therefore see three serious options:

		<u>Extra cost</u>
Method III	Screening and final interview by AGB	£23,500
Method IV	Screening by AGB, final interview by our team	£23,500
Method V	Screening by students, final interview by our team	£18,500

We would welcome the Committee's advice on the various options. If the survey were extended we would need an additional research officer to work on the further analysis which could be undertaken from the total

survey material.

4 Intensive follow-up studies of particular groups

As reported to the last meeting of the Advisory Committee, we have been in contact with the Disablement Income Group which wishes to sponsor an intensive follow-up on disabled persons under the age of 65 identified in the sample. They wish to obtain information on the use of existing welfare and occupational provisions and on the relationship which disabled persons have with the Ministry of Social Security and other bodies. We understand that they have already raised some of the money needed to pay for this study. We are embarrassed to hear that DTG has without our knowledge made an independent approach to the Trust to seek the further funds they require.

We still plan to undertake ourselves two immediate follow-up studies. We would also be glad to cooperate with other responsible groups wishing to undertake research into special groups of the population. But in so far as we are able to keep contact with the original sample which depends on the willingness of the sample and the Ministry of Social Security to allow us to trace those who have moved, we hope to undertake and assist others to undertake a series of studies of special groups over the next ten or more years.