



Newham London

NHS
Newham

Joint Strategic Needs Assessment 2010

The London Borough of Newham

18th January 2011

10.0 Ambitious Newham

10.1 Introduction

This chapter covers

- Economic ambition – moving out of deprivation and poverty
- Educational ambition – improving skills and getting into work
- Working ambition – creating more job opportunities in the borough, promoting independence and moving off benefits into employment
- Area ambition – improving facilities and housing through regeneration

10.2 Economic ambition

People living in the UK's most deprived areas are between three and ten times more likely to suffer from self-harm, violence, chronic obstructive pulmonary disease, alcohol-related conditions and births to lone mothers, and to claim disability living allowance and incapacity benefits¹.

It is well documented that deprivation is a determinant of health and wellbeing and an important factor in addressing health inequalities. High levels of deprivation have been consistently linked with poor health outcomes and lower life expectancies.

The Indices of Multiple Deprivation (Dec 2007) rank Newham as the 6th most deprived borough in England and the 3rd in London behind Tower Hamlets and Hackney. All of Newham's Super Output Areas (SOAs, see glossary) were ranked within the 40% most deprived SOAs in England. The Indices determine deprivation using the following areas:

- Income
- Employment
- Health Deprivation and Disability
- Education, Skills and Training
- Barriers to housing
- Crime and disorder
- Living environment.

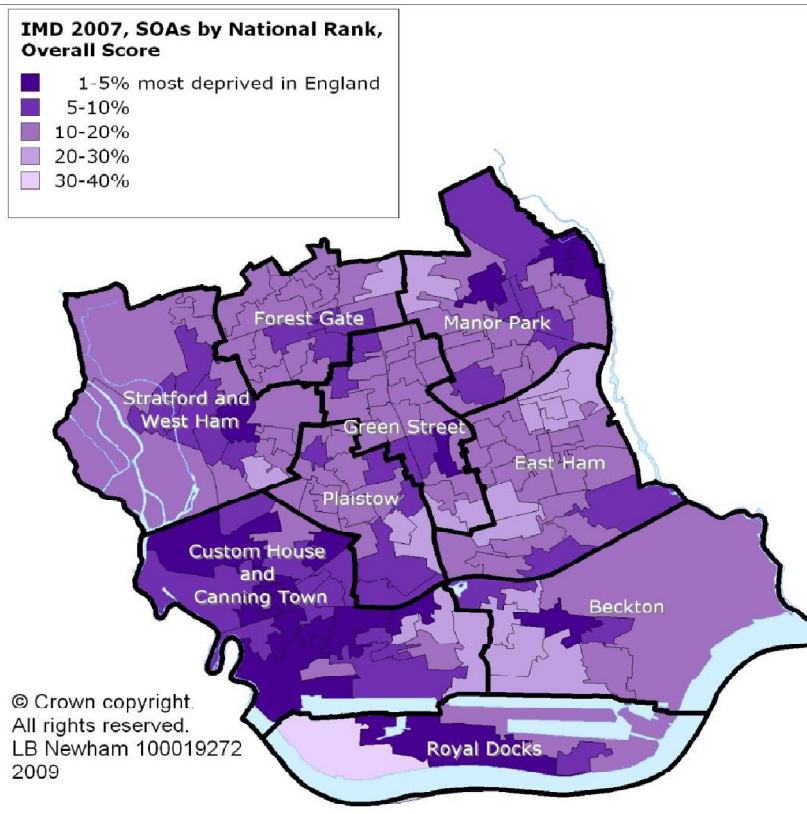
Each is determined by a number of different measurements and is combined to get the overall IMD score.

Residents in deprived areas are two or three times more likely to face asthma, lung cancer, respiratory conditions and smoking-related deaths, diabetes and heart disease, alcohol-related deaths and poor mental health, epilepsy, self-rated poor health and frequent emergency hospital admissions²

¹ Sustainable Development Commission; *Sustainable development: the key to tackling health Inequalities*; Sustainable Development Commission, 2010

² IBID

Figure 10.1: Indices of Multiple Deprivation 2007 Super Output Areas in Newham



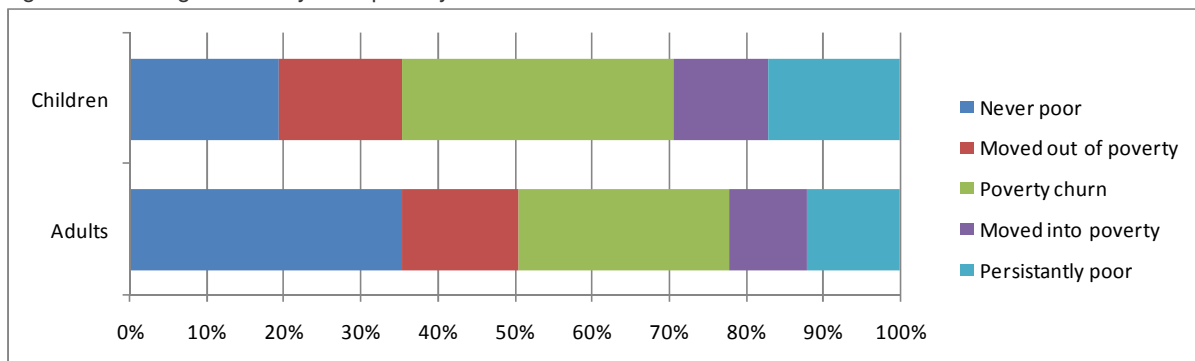
Source: Indices of Multiple Deprivation (IMD)

10.3 Poverty transitions

Poverty transition refers to flows into and out of poverty, this can only be determined through longitudinal research such as the Newham Household Panel Survey (NHPS). The Wave 5 report (2008) showed:

- Of those below the poverty line in the Wave 4 research (2006):
 - 27% moved above it but below the national median income
 - 17% moved above the national median income
- Of those above the national median income in the Wave 4 research:
 - 29% moved below the national median income, but above the poverty line
 - 11% moved into poverty
- Of those below the national median income but above the poverty line in the Wave 4 research:
 - 29% moved above the national median income
 - 26% moved into poverty

Figure 10.2: Long term analysis of poverty transitions



Source: NHPS Wave 5

The Figure above shows the poverty status of the adult and child participants in the longitudinal study. Key points shown include:

- The higher proportion of children in poverty than adults
- The large percentage of respondents in “poverty churn” – i.e. that move both in and out of poverty

10.4 Child Poverty

Ending childhood poverty may be the most difficult goal to achieve, but it would have the greatest relative effect [on health inequalities in Britain]³.

There are strong links between child poverty and health. Examples include the facts that children from disadvantaged families are:

- Born weighing an average of 200g less than babies in the richest families
- Two and a half times as likely to suffer from chronic illness as toddlers
- Twice as likely to suffer from cerebral palsy
- Three times as likely to suffer mental health disorders as children in the richest families
- Twice as likely to suffer from asthma
- 50% more likely to suffer from limiting long term illnesses as an adult⁴

The socio-economic status of parents accounts for a large proportion of the difference in educational attainment between higher and lower achievers at school⁵. Other factors that have been found to influence a child’s ability to do well at school include:

- Birth weight
- Post-natal depression
- Being read to every day
- Having a regular bedtime at age 3

Newham has one of the highest rates of child poverty⁶ in London and is one of the top ten most deprived boroughs both in London and nationally⁷.

Table 10.1: Number of children in poverty

Children in Low Income Families	Breakdown of Children in Low Income Families		Rank of Local Authority ⁸	Number of Deprived SOAs in the Borough ⁹
	In Work ¹⁰	Out of Work ¹¹		
69%	28%	41%	6	53 (out of 159)

Source: End Child Poverty HM Revenue and Customs (latest data – 2006)

Estimates show approximately 55.7% of children are living in poverty in Newham (NHPSW5 survey after housing costs), up from 54.4% in 2006. (London rate is 40%, the UK average 25%: London Child Poverty Commission).

³ Mitchell, Richard; Shaw, Mary & Dorling, Daniel; *Inequalities in life and death: what if Britain were more equal?*; The Policy Press and Joseph Roundtree Foundation (2000)

⁴ Hirsch, D & Spencer, N; *Unhealthy lives*; End Child Poverty (2008)

⁵ Marmot Review: Fair Society Healthy Lives: Strategic Review of Health Inequalities in England Post 2010, Pub. Feb 2010 by the Marmot Review; <http://www.marmotreview.org/>

⁶ Poverty is commonly defined in terms of having a household income that falls below 60% of the national median household income and equalised, i.e. adjusted for household size and composition. (Office of Public Sector Information)

⁷ Government Office for London, <http://www.go-london.gov.uk/boroughinfo>

⁸ Rank of Local Authority out of 354 local authorities in England (where 1 is the most deprived).

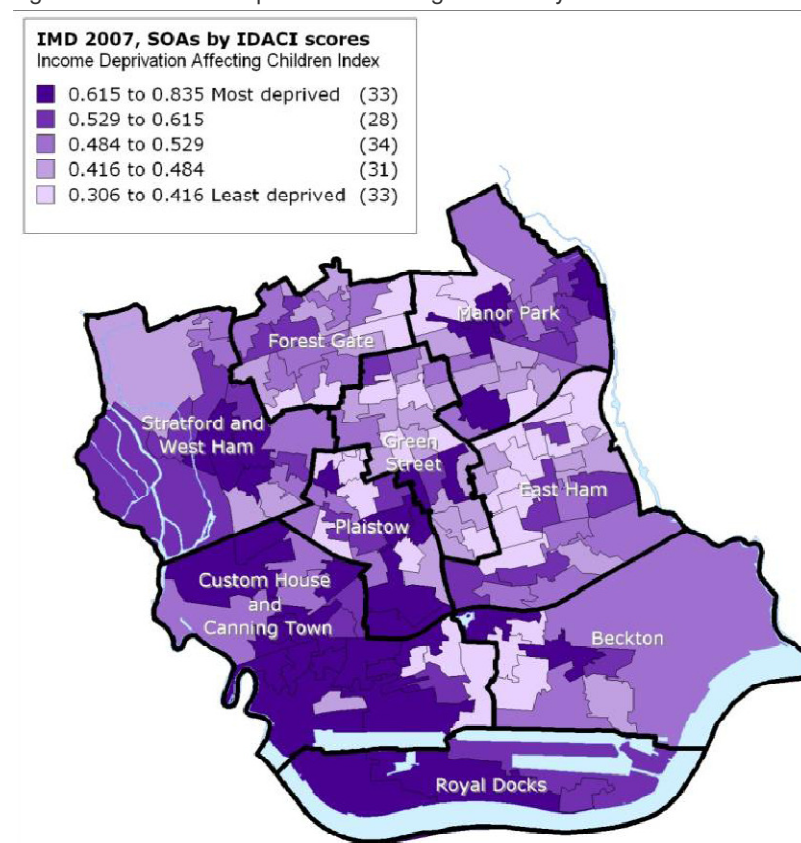
⁹ Number of Wards that fall in the top 10% most deprived wards in England

¹⁰ In Work: Receiving Working Tax Credit and Child Tax Credit

¹¹ Out of Work: Receiving Workless Benefits – Job Seekers Allowance, Incapacity Benefit, Income Support or Carer’s Allowance.

In the 2007 Index of Income Deprivation Affecting Children, Newham was ranked fourth, nationally, behind Hackney, Tower Hamlets and Islington¹². This was a worsening of the position from 2004, when Newham was ranked sixth, with child poverty at 44%. Child poverty varies considerably by area, super output areas in Green Street, Canning Town and Beckton have the highest scores for income deprivation for children. 11.3% of those children who are living under the poverty line in Newham are living in intense poverty¹³ (households with income below 30% of the national average).

Figure 10.3: Income deprivation affecting children by area



Source: LBN

This map indicates that children living in the south-east of the borough are likely to be affected by deprivation than those in the north-west and central north of the borough around Forest Gate and Green Street.

10.5 Educational ambition

Improving skills and getting into work

Research has shown a correlation between health inequalities and the level of education within a population¹⁴.

Newham has a lower percentage of the working age population with National Vocational Qualifications (NVQ) level 4 or above, compared to London or nationally. Newham also has much higher proportions of residents without any qualifications. However, the proportion of Newham's population with other qualifications (this includes foreign qualifications and some professional qualifications) is higher in Newham compared with London or England. (Source: Newham website on Diversity). It has a lower than average number of people with degrees and one in five of the population have no qualifications (oneplace.direct.gov.uk: Independent overview of local public services).

¹² Income Deprivation Affecting Children Index (IDACI) ward scores calculated by the East London Common Information Service.

¹³ Newham Household Panel Survey, Wave 5

¹⁴ House of Commons; *Health Inequalities: Third report of session 2008-09*; The Stationary Office, 2009

Table 10.2: Percentage of residents with key qualifications, 2008

Qualification	Newham	London	England
NVQ4 & above	24.6	38.6	29.0
NVQ3 & above	35.1	51.6	47.0
NVQ2 & above	46.5	63.8	65.2
NVQ1 & above	55.7	73.7	78.9
Other qualifications	24.2	14.2	8.7
No qualifications	20.1	12.0	12.4

Source: ONS annual population survey

10.6 Working ambition

Research has shown a correlation between both physical and mental health and employment and the levels of education within a population is considered to be one of the determinants of health inequalities¹⁵. The Marmot Review (2010) references the complicated relationship between employment and health, i.e. being without a job can negatively impact on health but jobs that are insecure and low paid can also cause ill health¹⁶.

Business and job opportunities

Income inequality affects health – even after adjusting for people’s individual incomes – and unequal societies are almost always unhealthy societies¹⁷.

Job density is defined as the number of jobs in an area divided by the number of working age residents¹⁸. The Figure below does not include either Westminster (jobs density 3.7) or City (jobs density 58.1) for reasons of scale. Newham has the second lowest jobs density in London, less than half that of Greater London as a whole. In addition, Newham has a different jobs profile than London as a whole with nearly two in every five jobs in public administration, education and health.

Table 10.3: Jobs available in Newham by industry, 2008

	Newham	London	Great Britain
Manufacturing	5.3%	4.3%	10.2%
Construction	4.2%	2.9%	4.8%
Services	89.9%	92.4%	83.5%
Distribution, hotels & restaurants	23.5%	21.0%	23.4%
Transport and communications	7.5%	7.4%	5.8%
Finance, IT other business activities	16.7%	34.7%	22.0%
Public admin, education & health	36.4%	22.2%	27.0%
Other services	5.8%	7.2%	5.3%
Tourism related ¹⁹	7.6%	8.3%	8.2%

Source: ONS annual business inquiry employee analysis

¹⁵ House of Commons; *Health Inequalities: Third report of session 2008-09*; The Stationary Office, 2009

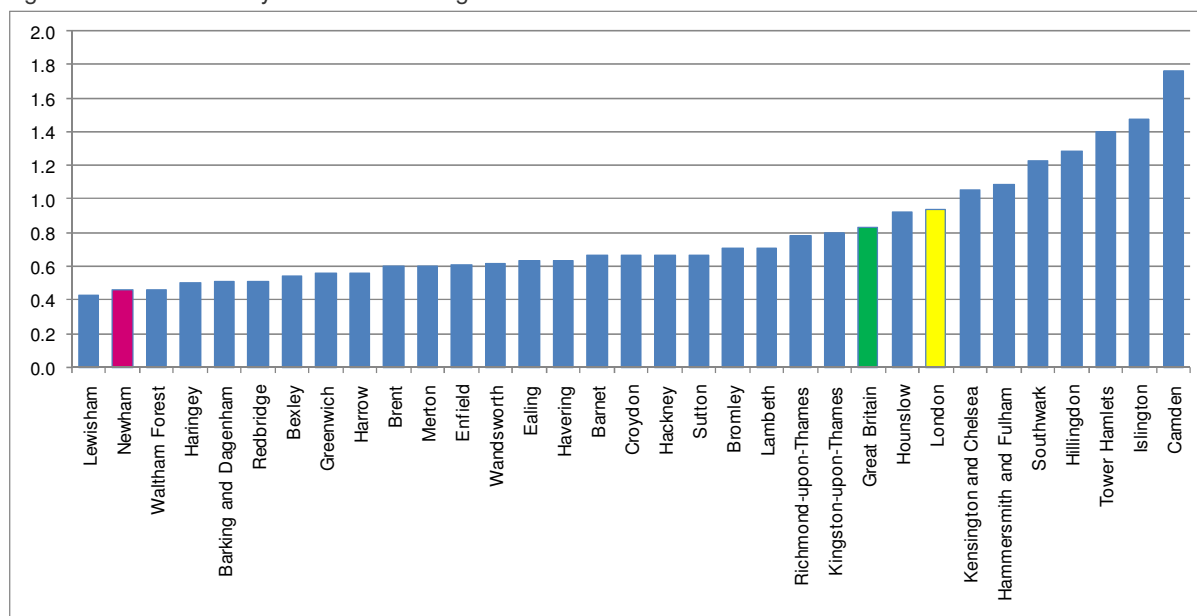
¹⁶ Marmot Review: *Fair Society Healthy Lives: Strategic Review of Health Inequalities in England Post 2010*, Pub. Feb 2010 by the Marmot Review; <http://www.marmotreview.org/>

¹⁷ Sustainable Development Commission; *Sustainable development: the key to tackling health inequalities*; (Sustainable Development Commission, 2010)

¹⁸ See the Employment section for a definition of working age population.

¹⁹ Tourism consists of industries that are also part of the services industry

Figure 10.4: Jobs density in London Boroughs



Source: ONS jobs density, 2008

In 2009 there were 5,030 businesses registered for VAT²⁰/PAYE²¹ in Newham²². 42% of all businesses were in the service sectors. This proportion is lower than the London average of 55%. In addition, more of Newham’s service sector businesses were in the public sector rather than private service sector. This reflects the job figures above. Retail and wholesale business comprise a higher proportion of the business base in Newham at 26.7% of all businesses compared to 15.4% in the whole of London. Manufacturing and construction industries also represent a higher proportion of the business base in Newham than in London as a whole.

The public sector is the largest employer in Newham and includes:

- London Borough of Newham: 12,140
- NHS Newham: 2,240
- University of East London: 1,490

The largest private sector employer in Newham is London City Airport. In total, the businesses on the airport site employ almost 2,000 people. The second largest private employer in Newham is Tate & Lyle with 570 employees.

A survey of 311 town centre businesses²³ in Newham found that in 60% of businesses, more than half the employees were Newham residents. For a third of businesses, 90% of their employees were Newham residents.

Table 10.4: Private Sector Employment by Workplace Size (2008)

	Newham Count	Newham Percentage	London Count	London Percentage
Less than 200 employees	35,200	79.2%	2,096,590	64.6%
200 or more employees	9,230	20.8%	1,147,920	35.4%
Total workplaces	44,430		3,244,510	

Source: ONS Annual Business Inquiry (2008)

²⁰ Value Added Tax (VAT) is a tax that’s charged on most goods and services that VAT-registered businesses provide in the UK

²¹ PAYE (Pay As You Earn) is the system that HM Revenue & Customs (HMRC) uses to collect Income Tax and National Insurance contributions (NICs) from employees’ pay as they earn it

²² ONS, IDBR

²³ GVA Grimley (2010) London Borough of Newham: Town Centre and Retail Study

Analysis of the private employment market (see table above) shows that workplaces with less than 200 employees are an important part of Newham's economy accounting for nearly four in every five people employed in the private sector in Newham.

In 2008 there were 1,200 enterprise start ups in Newham, offset by the closure of 740 enterprises giving a net increase of 460 enterprises²⁴. While the net start up rate of businesses per 1,000 population is still lower in Newham than in London, between 2007-2008 Newham's rate of new business formation grew by 26% while the London average fell by 8%.

Business opportunity to improve the outcomes for local people means development is moving to the borough. With the Olympics and Stratford City in construction and Thames Gateway developments in progress, there are plans for a further 52,000 new homes in the borough. The council has been active in promoting economic development by relocating those jobs displaced by the Olympic Development, to find new sites for 80 per cent of companies. (IDeA, 2009)

Key developments in Newham that will create jobs include:

- Stratford City with new cultural venues and the Westfield Centre – 37,000 jobs between 2007 and 2020
- Royal Docks, including an expansion of Excel and extra flights at City Airport – 16,300 jobs between 2008 and 2016
- Canning Town and Custom House – 5,000 jobs between 2007 and 2025.
- Olympic and Paralympic Games – 12,000 jobs between 2010 and 2012.

For more information see the Sustainable Communities Strategy²⁵.

10.7 Residents in employment

Employment is a key priority in Newham as set out in the Newham Sustainable Community Strategy. Employment has significant potential benefits for individuals and communities. Paid employment has a positive impact on people's health. Over the past few years the issue of job security has been recognised as important for well-being. It is also the case that unemployment has a negative impact because it is linked to poverty and low income. There are important repercussions in relation to psychological well being, morbidity and mortality. For statistical purposes the Department for Work and Pensions defines working age as those aged 20 or over and up to pensionable age, currently pensionable age is 65 for men and 60 for women.

According to ONS statistics the proportion of working age men and women in Newham total up to 165,900 and of those 66,700 are economically active men and 44,000 economically active women. In 2007 the total number economically active was 109,800 (Jan 07-Dec 07) which has risen by 0.8%.

Table 10.5: Employment and unemployment in Newham (Oct 2008-Sep 2009)

	Newham's labour force in total numbers
Employed	95,200
Men	57,500
Women	37,700
Unemployed	14,300
Men	9,200
Women	6,300

Source: ONS annual population survey

²⁴ ONS Business Demography

²⁵ Newham Partnership; *Making Newham a place where people choose to live work and stay: Newham's sustainable community strategy for 2010-2030*; London Borough of Newham (2010)

10.8 Employment for those with disabilities

Past research has shown significant barriers to employment for people with disabilities²⁶ and this has become a priority for local authorities. There is a national indicator that looks at people with learning disabilities in employment; however this only looks at people in contact with social services. In 2009-10 there were 5.2% of people with learning disabilities, who were in contact with Newham Adult Social Care Services, in employment.

Nationally, the employment rates of people with disabilities are around 47%, compared with around 77% for people without disabilities. While the gap is still high, it has reduced from 36% to 30% between 2002 and 2009²⁷.

10.9 Residents claiming benefits

In Newham in 2009, 21% of people of working age claim benefits, compared with 15% for London and for Great Britain.

Table 10.6: Working-age client group - key benefit claimants (November 2009)

	Newham	London	Great Britain
Total claimants	21.0%	15.4%	15.8%
Job seekers	5.8%	4.2%	4.0%
ESA and incapacity benefits	8.0%	6.2%	7.1%
Lone parents	3.7%	2.6%	1.9%
Carers	1.4%	0.9%	1.1%
Others on income related benefits	0.8%	0.6%	0.5%
Disabled	1.0%	0.8%	1.0%
Bereaved	0.2%	0.2%	0.2%
Key out-of-work benefits †	18.3%	13.6%	13.4%
Total claimants	21.0%	15.4%	15.8%
Job seekers	5.8%	4.2%	4.0%
ESA and incapacity benefits	8.0%	6.2%	7.1%

Source: DWP benefit claimants - working age client group, NOMIS, 2009

Note: the percentage here is a proportion of resident working age population of area based on ONS estimates. The percentages in Newham, therefore, will be lower because of the underestimate of Newham's population²⁸.

10.10 Area ambition

Improving facilities and housing through regeneration

Improving derelict places reduces crime and makes them more attractive, encouraging increased footfall, social contact, and a sense of security that helps prevent disorder and enhances people's wellbeing²⁹.

While there are a large number of regeneration projects ongoing in Newham, there are three major projects affecting significant areas within the borough.

²⁶ Goldstone, Carol; *Barriers to employment for disabled people*; Department for Work and Pensions (2002)

²⁷ Office for Disability Issues, Key facts and figures <http://www.odl.gov.uk/research/facts-and-figures.php#em>

²⁸ See chapter 5 for details

²⁹ Sustainable Development Commission; *Sustainable development: the key to tackling health inequalities*; Sustainable Development Commission, 2010

10.10.1 The Olympic site and Stratford City

In March 2010, a Multi-Area Agreement (MAA) was signed between the host boroughs granting powers to unite and direct funding to boost local jobs and skills support ahead of 2012. The agreement sets out, a commitment to narrow the unemployment gap with rest of London by 1% – 1.5%, which could mean up to 7,000 fewer unemployed economically active people based on 2008/09 figures³⁰. Newham is also in talks with other boroughs in the joint Local Economic Assessment (LEA) to focus on economic challenges the borough faces

Stratford City is the most ambitious development within the M25. Covering 73 hectares of largely derelict land, the next 15 years will see the creation of a new £4bn metropolitan centre in, with more than 100 shops, two department stores, cafés, schools, hotels, parks and health centres. There will be a new commercial district with landmark towers and new leisure facilities. New urban districts will house an extra 11,000 residents and 30,000 workers. It will also house most of the 2012 Olympic athletes.

Long term plans are being developed to integrate Stratford City and the Olympic site with the existing Town Centre enabling it to thrive as a distinctive quarter within the wider area.

10.10.2 The Royal Docks

The next phase of improvements to the area are a plan for more than 5,000 new homes with new, modern, sustainable business premises to create jobs. These regeneration plans aim to stimulate the economic recovery of the Docks and the wider region as well as reviving existing communities. Detailed discussion about the development of key sites such as the Albert Basin and Silvertown Quays and key projects such as the Olympic Connections work are now underway

10.10.3 Canning Town and Custom House

The Canning Town and Custom House Regeneration Project has been included in the Government's Mixed Communities Initiatives, which aims to create neighbourhoods with a balanced mix of owned and rented accommodation. This £3.7billion project aims to transform the area physically, socially and economically with up to 10,000 new homes and two improved town centres. A developer consortium has been selected and an exclusivity agreement was signed in September 2009.

For more information see the Sustainable Communities Strategy³¹.

10.11 Key issues and gaps

The London Borough of Newham supports an extensive volunteering programme including universal opportunities and opportunities targeted at:

- People with disabilities
- Working with people with disabilities (including befriending projects)
- LDA-funded "Personal Best" volunteering into work scheme.

This edition of the JSNA does not include a section on volunteering and this should be covered in future editions.

There is a lack of data on the numbers of residents with disabilities who are in employment and more research into this area may prove useful.

The major regeneration projects in Newham are expected to result in a large increase in population (see also chapter 6). While this is likely to involve an increase in health and social care need within the borough, it is unknown whether the new residents will have the same health and social care profile as the existing residents of the borough. Further predictive work needs to be carried out in this area to ensure appropriate and adequate service provision.

Investment in improving opportunities in the borough, regeneration and tackling poverty and deprivation will have a preventative impact on health and social care need within the borough.

³⁰ newham.gov.uk/News/2010/March and SEL

³¹ Newham Partnership; *Making Newham a place where people choose to live work and stay: Newham's sustainable community strategy for 2010-2030*; London Borough of Newham (2010)

