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**IDENTIFYING PROSPECTIVE AREAS FOR INCLUSION IN THE
LOCAL DEVELOPMENT PROGRAMME**

BRIEFING PAPER

COMBAT POVERTY AGENCY

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IDENTIFYING PROSPECTIVE AREAS FOR INCLUSION IN THE LOCAL DEVELOPMENT PROGRAMME

1. INTRODUCTION

- 1.1 This briefing paper has been produced to provide information to assist in the identification of prospective areas to be considered for inclusion in the proposed Local Development Programme.
- 1.2 This exercise is based on applying objective criteria and scientific methods to identify disadvantaged areas. This paper briefly describes the approach adopted and methods used. The attached appendices provide details on the prospective areas along with accompanying maps.
- 1.3 The exercise has deliberately been over-inclusive in suggesting disadvantaged areas for the programme, on the basis that it is more helpful to provide information on areas which may subsequently not be included, than not having the necessary information on which to make those choices.
- 1.4 It is acknowledged that further refinement in the delineation of the identified areas will be necessary to reflect community and administrative entities. This cannot adequately be done without participation of local representatives.
- 1.5 The work of GAMMA (Geographical & Multi-Media Applications Ltd.) is recognised in undertaking the factor analysis and producing the maps and the listings. Without their expertise and commitment to the project this exercise would not have been possible within the time constraints.
- 1.6 The work of J. Williams (ESRI) is recognised in developing the methodology applied in this project and in identifying the Census variables which are utilised in the analysis.

2. APPROACH

- 2.1 Although unemployment has been identified as one of the most significant factors leading to poverty, unemployment rates alone do not provide a suitable indicator for the underlying disadvantage of an area. The reason for this is that long-term adverse labour market conditions may assert themselves through indicators other than the unemployment rate. For example, persistent out-migration from an area may lead to a reduction of the working age population. Such a scenario would reduce the unemployment rate, but would be expressed through a rise in the age dependent population. Another example is on-farm underemployment. In areas highly dependent upon employment in the agricultural sector, the lack of alternative employment opportunities may not necessarily lead to a rise in unemployment but may be absorbed by people remaining on otherwise unviable farms.

2.2 Extensive work by James Williams, ESRI, for the Agency, established a combination of eight variables which could be used to identify the degree of disadvantage of any area. These are:

- (i) the percentage of persons in higher or lower professional classes
- (ii) the percentage of persons leaving school at 20 years or more
- (iii) the percentage of persons leaving school at 15 years or less
- (iv) the percentage of persons in unskilled manual class
- (v) the unemployment rate
- (vi) the percentage of persons in small scale farming (defined as 30 acres or less)
- (vii) the labour force participation rate, and
- (viii) the age dependency rate

Information on housing could not be included due to lack of coverage in the 1986 Census.

2.3 As data from the 1991 Census of Population will not be available until spring 1994 and in the absence of any other small area statistics, the analysis builds on the 1986 Population Census.

3. METHODS

3.1 There were two stages involved in identifying the most disadvantaged areas. Stage One involved identifying DEDs which were particularly disadvantaged and Stage Two involved delineating clusters of disadvantaged DEDs so identified in Stage One. Both stages are briefly described below.

Stage One: Identification of Disadvantaged Areas

3.1 Using the eight variables above, a factor analysis was undertaken at the DED level (3438 DEDs) to identify the underlying factors. The factor loadings are shown in the following table.

Table 1: Results from the Factor Analysis of Poverty-Related Variables

	Factor 1	Factor 2
HILOPROF	-.85	.01
SC20GT	-.80	-.01
SC15LES	.80	-.12
UNSKILL	.51	.68
UNEMP	.51	.66
SMALLFARM	.51	-.63
LFPART	-.39	.17
AGEDEP	.53	-.38
% Variance	40.2	18.7

- 3.2 Broadly speaking, we can refer to the first factor as describing *Demographic characteristics* and the second factor as describing *Labour Market characteristics*. In total the two factors explain 58.9 per cent of the variance.
- 3.3 An aggregate value for the eight poverty surrogates was computed and the two factors summed for each individual DED. This information was then mapped on a single map for the whole country at DED level, with enlarged maps provided for the five counties that contain city boroughs.

Stage Two: Delineation of Viable Disadvantaged Clusters

- 3.4 Ideally one should now apply a cluster algorithm to the individual factor scores derived for each DED to identify clusters of deprivation. However, there are no ready-made programmes that include geographical contiguity constraints, and there are particular difficulties in developing and utilising such programmes. For this reason the clustering was undertaken in a one day workshop which brought together a panel of experts, with a broad knowledge and experience of local development. (For a list of participants see Appendix F).
- 3.5 Following discussion of contextual issues, "visual sampling" was undertaken to derive viable clusters around those areas which were scientifically identified as being most disadvantaged. This was done first within Dublin, then for other urban areas, and finally for rural areas. The existing PESP Partnership areas were included in this selection. Areas proposed by the National Coordination Team, the Department of Social Welfare, and the Department of Employment and Enterprise were considered throughout the selection process.
- 3.6 Whilst local knowledge played an important role in discussing feasible size and boundaries of any such area, it is important to stress that the identification of the area in the first place originates from the scientific analysis. Some broader considerations which influenced the identification of feasible areas for inclusion into an area based response to combat unemployment are outlined in the next section.
- 3.7 It should be noted that we only refer here to those considerations which affect the selection of viable clusters of disadvantage. Considerations regards the overall implementation of the Local Development Plan have been made by the Combat Poverty Agency in separate submissions.

4. CONTEXTUAL CONSIDERATIONS

The Need for a National Policy

- 4.1 Whilst targeting geographical areas is one way of addressing disadvantage and long-term unemployment it should complement national policies to tackle these problems rather than be hailed as the solution in its own right.

Concentrations of Disadvantage

- 4.2 Research has shown that whilst geographical areas can be identified as relatively disadvantaged, large proportions of the disadvantaged population have been found not to be located in highly disadvantaged areas. Thus, in terms of the potential of a policy targeting specific areas the implication is that concentrating on a relatively small number of areas with very high unemployment rates (say the 10% of DEDs in the country with the highest unemployment rates) could reach perhaps about one quarter of the unemployed (forthcoming publication, ESRI). Widening the focus of such a policy, to say, the 30% of DEDs with the highest unemployment rates would contain a majority of the unemployed, but also 40% of the population and thereby partly lose its focused target.
- 4.3 The evidence from both the ESRI survey and the Census indicate that poverty and unemployment are "spatially pervasive phenomena" which affect virtually every area in the country. The poor or the unemployed are not clustered in the major urban centres, and while there may be a high incidence of poverty in public housing estates most poor households in Ireland are not in public housing.
- 4.4 However, while policies targeted at highly disadvantaged areas can be expected to reach only a minority of those in need, they may still serve an important function in helping people in such areas to overcome what may be called "cumulative disadvantages". Thus, such policies can form one element of an overall strategy to combat poverty; but they will never be a replacement for a national strategy.

Targeting Disadvantaged People

- 4.5 In implementing an area-based approach a distinction should be made between disadvantaged areas and disadvantaged people within those areas. Areas designated as disadvantaged will obviously contain people who are not disadvantaged. The focus of any policy targeting disadvantage should target those who are most disadvantaged, and the success of any such policy would be the extent to which those who are most disadvantaged have benefitted.

Levels of Concentrations of Disadvantage, Operation and Influence

- 4.6 A programme targeting development in disadvantaged areas will operate at a number of levels. Firstly, there is the identification of people who are disadvantaged within the designated area. Secondly, there is the operational area which may have a broader focus. This operational area could be identified in labour market terms, in terms of administrative units or service provision. It may also be seen as the area from which board members and other key personnel might be drawn. Thirdly, there is a wider area which could be termed an area of influence over which the local development programme might have an effect. This is particularly important in relation to Local Development

Companies (LDCs) in close proximity, to ensure co-operation between companies, to maximise resources, avoid duplication, and reduce displacement effects.

- 4.7 In this exercise we have focused on the identification of areas of disadvantage ie. the first level, although consideration was taken of the other levels, where relevant. For example, in the urban areas a number of particularly disadvantaged areas may be identified but it may be appropriate for the LDC to operate at a wider city level, while ensuring that those who have been identified as particularly disadvantaged are the beneficiaries of the programme.
- 4.8 In presentation and implementation of the programme care should be taken to ensure that areas do not become stigmatised or ghettoised. This can be avoided by operating at the second level identified, whilst ensuring that the most disadvantaged benefit.

Urban/Rural Differences

- 4.9 It was recognised that there were differences between urban and rural areas both in terms of identifying disadvantage and in the development of strategies to address the needs of the most disadvantaged.
- 4.10 Whilst unemployment is more evident and readily identified in urban than rural areas this does not necessarily mean that unemployment and disadvantage are any less of a problem in rural areas. They may be experienced in different ways in the two settings and the labour market may operate differently in urban and rural areas. These factors have been taken into account in the identification of disadvantaged areas and are addressed at 4 below.
- 4.11 It is thus suggested that it is appropriate to adopt different strategies in addressing unemployment and disadvantage in rural areas and that strategies which are seen to be successful in an urban context may not always be suitable for rural areas.

Other Dimensions, Programmes and Initiatives

- 4.12 Whilst this local development programme will target the most disadvantaged it is recognised that the programme is operating within a broader dimension eg. under specific EC criteria relating to enterprise creation etc and also alongside other programmes and initiatives operating in the area. While this exercise has solely dealt with the identification of the most disadvantaged areas it is recognised that in the implementation of the programme these other factors should be taken into account and the relationships and interactions with other programmes and initiatives should be maximised.
- 4.13 It is essential that a flexible approach be adopted within the programme to accommodate the differing scales in size and in depth and in nature of disadvantage. This will also be important in considering strategies to be

employed in the programme.

- 4.14 Finally, the workshop participants were concerned that the impact of any changes in existing PESP areas were fully considered, since they are currently drawing up Action Plans based on their existing areas.

5. DELINEATION OF VIABLE DISADVANTAGED AREAS

- 5.1 At the one day workshop the panel of experts discussed and made suggestions about where the boundaries of contiguous disadvantaged areas might be. This was done on the basis of maps being provided which showed the relative degree of advantage/disadvantage at the level of individual DEDs. Additional maps were provided containing information on the incidence of unemployment and the underlying demographic weakness of any DED. Dublin, other urban areas and rural areas were considered separately, reflecting differences in the density of the respective disadvantaged populations.
- 5.2 For each of the three groups, first existing PESP areas were identified at the DED level. Then other DED's identified as disadvantaged were discussed and either delineated as new prospective LDCs in their own right, or as extensions to existing PESP areas. It was recognised by workshop participants that pockets of disadvantage may exist within DEDs which may not have been identified in the mapping exercise. It was in such circumstances that the expertise and local knowledge of the workshop participants was particularly useful.
- 5.3 In **Dublin County Borough** the proposed LDCs are made up of largely homogenous areas of high deprivation. The only exception to this is Kilbarrack, which consist of a number of disadvantaged pockets. The boundaries of the Tallaght and Blanchardstown LDCs extend beyond the actual location of their disadvantaged populations, to reflect community and administrative entities. The approach adopted here effectively is that in the "other urban" category.
- 5.4 In the **Other Urban Areas** LDCs were seen as operating within a broader urban context. Thus, prospective LDC areas were identified by concentrating on the most disadvantaged DEDs but also including surrounding areas as part of an overall viable LDC. Generally, LDCs in the "Other Urban" category are not made up of homogeneous areas but define viable entities around smaller areas characterised by high numbers of unemployed people.
- 5.5 In defining **Rural** LDCs the underlying demographic weaknesses was seen as important as the rate or the number of unemployed people (see para. 2.1). Prospective LDC areas were identified, concentrating on the most disadvantaged areas, but also including some less disadvantaged areas as part of an overall viable LDC. To secure administrative feasibility, areas were defined within existing county boundaries.

- 5.6 The relationship with towns within disadvantaged rural areas was considered; depending on circumstances, in some cases towns were included whilst in others they were excluded or defined as separate LDC. Population size was a factor taken into consideration to make up LDC of manageable size.

6 APPENDICES

Appendix A: Areas identified as viable clusters for inclusion into the Local Development Plan: Summary Table, Comments, DED Specification.

Appendix B: Dublin - Location of LDCs and DED Listings.

Appendix C: Other Urban Areas - Location of LDCs and DED Listings.

Appendix D: Rural Areas - Location of LDCs and DED Listings.

Appendix E: Maps

Appendix F: List of Workshop Participants