

# MUNICIPAL YEAR 2006/2007 REPORT NO. 159

**CABINET – 22.11.2006**

**REPORT OF:**

Director of Finance and Corporate Resources

| <b>Agenda – Part: 1</b>   | <b>Item 5</b> |
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| <b>Subject:</b><br><br>1 <b>POPULATION OF THE LONDON BOROUGH OF ENFIELD</b> |               |
| <b>Wards: All wards</b>   |               |
| <b>Cabinet Members consulted:</b><br><br>Cllr.s Mike Rye, Michael Lavender, |               |

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## **1.0 EXECUTIVE SUMMARY**

- 1.1 The Council commissioned a report from Professor Leslie Mayhew to use local sources of data to verify and map the population of the Borough. A key finding of the study is that the confirmed minimum population of Enfield as of 31<sup>st</sup> March 2006 was 283,921 persons. This compares with the ONS 2005 mid-year population estimate of 280,504. Nearly the entire difference of 3,381 is concentrated in the age range 0-15. This information can form the basis of a powerful campaign of lobbying for recognition of the true population of the Borough in the Government's financial support.
- 1.2 “However, to quote from the report, “Our resulting figure is called a ‘confirmed minimum population’. We believe it is possible that the true population is higher still for reasons given e.g. where persons are not registered with doctors, for Council Tax, or do not attend school in Enfield. As a recent popular destination for international migrants, we think this is a plausible scenario”

## **2.0 RECOMMENDATIONS**

- 2.1 That the report is noted.
- 2.2 That the information in the report is used to support lobbying of the Government for full financial recognition of the real population of the Borough.

## **3.0 BACKGROUND**

- 3.1 In recent years the Council has become concerned that the officially recognised population of the Borough could represent an underestimate. Studies in local authorities such as Brent and Slough confirmed that the estimates of the Office of National Statistics in areas of high population mobility and migration were inaccurate. The ONS have subsequently admitted that their methodology for measuring the populations of demographically complex and dynamic areas is inadequate, and promised to work with local authorities to improve the situation. Government officials have suggested that the onus is on local authorities to prove the inadequacy of the figures. The systematic flaws in the ONS methodology have been discussed in press articles: for example, figures for International Migration are extrapolated from asking information of 0.2% sample of people arriving at international airports.
- 3.2 A number of London Boroughs have stated their perception that changes in migration patterns and living arrangements have increased the real populations served by local authorities and that these are not currently being properly counted. The official estimate of the population of the Borough in 2005 is 280,504.
- 3.3 Given that there has been significant demographic and socio-economic change in the Borough in recent years; that studies in Brent and Slough had indicated significant systematic undercounting of population in these areas; and the importance of the population figure to the funding of the authority, the Council considered that it would be a sound investment to commission an acknowledged expert on this subject. The Director of Finance & Corporate Resources conducted a procurement exercise to find external experts with the appropriate expertise to help, and eventually commissioned Professor Leslie Mayhew of the Cass Business School, City University, who has developed an expertise in this field, to perform a study which attempted to fix a baseline of the actual number of people who incontestably live in this Borough, to establish the current population from administrative data sources and to check it against official ONS figures. To ensure the accuracy of the outcome, the findings were delayed until we could guarantee the output from the Council's Local Taxation IT systems (Pericles), which were replaced during the earlier part of 2006.

## **5.0 FINDINGS**

- 5.1 The full report is attached at Appendix A. The Executive Summary of the report is as follows (key findings emboldened):

This study, commissioned by Enfield Council, is concerned with estimating Enfield's population using local administrative data sources (e.g. the General Practice Register, Council Tax and Electoral Roll).

Enfield Council believes that official published sources of information on population produced by the Office for National Statistics (ONS) undercount the true population. Population is the basis for central Government financial allocations to councils and primary care trusts, and so any inaccuracies in population estimates can make a significant difference to available local resources.

A key finding of the study is that the confirmed minimum population of Enfield as of 31<sup>st</sup> March 2006 was 283,921 persons. This compares with the ONS 2005 mid-year population estimate of 280,540. Nearly the entire difference of 3,381 is concentrated in the age range 0-15.

On exercises of this kind the total persons in all databases investigated are significantly larger than the confirmed population total. Our method, described in this report, removes duplicates and uses a system of rules to confirm each person exists and lives in Enfield.

Our resulting figure is called a 'confirmed minimum population'. We believe it is possible that the true population is higher still for reasons given e.g. where persons are not registered with doctors, for Council Tax, or do not attend school in Enfield. As a recent popular destination for international migrants, we think this is a plausible scenario.

Every person is assigned to an address using the local property gazetteer. We found that occupancy is around 96.8% with 3.2% of properties vacant. This is comparable with other boroughs that have used these methods.

Using the database created we publish and analyse novel and useful maps, charts and tables of population sub-groups by age, gender, tenure and benefit status. Wider uses of the database include service planning and resource allocation. Recommendations and suggestions are given in section 6.

## **6.0 COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS**

### **6.1 Financial Implications**

The cost of the study was £21K.

The study is of considerable assistance in the Borough's lobbying campaign for a fair allocation of resources. As Cabinet Members may recall the Borough is disadvantaged through being classified as "Rest of Outer London" for purposes of the Area Cost Adjustment ("Rest" meaning "East" since that part which is not the "rest" is clearly labeled "West"), and it is subject to Formula Grant Damping, which prevents the re-allocation of resource from areas of declining deprivation (principally in South-West London) to those of increasing deprivation (including Enfield in North London). The current effect of losses from the ACA is over £10 million, and the loss through damping is an on-going sum exceeding £4 million. That the Borough's population is underestimated adds further lack of equity to the formula grant received by the Council. The calculation used in the Mayhew Report is:

"The significance of these figures may be illustrated as follows. For each person not included in its population count, Enfield loses approximately £500 in grant. Meanwhile E(nfield)PCT loses around £1400 and so the combined loss to Enfield of 3,381 persons represents an approximate loss of £6.4m per annum as compared with the ONS 2005 mid year estimate, and £14m based on the higher population estimate."

This figure represents the order of magnitude of the resources of which the Borough is deprived through flaws in the ONS methodology. It forms the basis for a robust lobbying campaign. The campaign will join with efforts by other boroughs, and jointly with London Councils (formerly the Association of London Government) to force the ONS into using a more accurate methodology to calculate the true populations of local authorities. The Director of Education, Children's Services and Leisure has recently used the information from the Mayhew Report in a letter to the Chancellor of the Exchequer, which followed a meeting with the Chancellor on the issue of Child Poverty, where the Borough's efforts were noted. The point is a simple one: if the true population of the Borough was used to distribute Government support then more resources would be available in the Borough to further enhance our fight against child poverty through applying as much resources as needed to complete the Council's impressive and highly rated (3 star) work with Children and Young People

The Director of Finance & Corporate Resources has written to the Borough's three MPs with copies of the Mayhew Report, and the issue has been raised in Parliament by Enfield Southgate MP David Burrowes.

The lobbying campaign will continue to stress the positive difference that full recognition will make to what are shared objectives between HM Government and this Council.

## **6.2 Legal Implications**

The Council is empowered under section 2 of the Local Government Act 2000 to do anything calculated to improve the social, economic or environmental well-being of the area or its inhabitants.

## **Background Papers**

Report: “Estimating and Mapping the Population of Enfield Using Local Administration Data Sources”

Attached at Appendix A