

	<p>Performance and Finance Select Committee 5th June 2008</p> <p>Report from the Director of Finance and Corporate Resources</p>
For Action	Wards Affected: All
<p>Report Title: Population estimates – report by Professor Les Mayhew</p>	

1.0 Summary

- 1.1 The purpose of this report is to provide the committee with details of the results of a study by Professor Les Mayhew into population in Brent and the potential implications of these results for the borough. The report by Professor Mayhew is attached as Appendix A.

2.0 Recommendations

- 2.1 Performance and Finance Select Committee is asked to consider the results of the Mayhew study into population in Brent and the implications for the way in which council services perform and for the finances of the borough.

3.0 Detail

Council concerns about Office for National Statistics data

- 3.1 The council has had long standing concerns about population estimates and projections used by the Office for National Statistics (ONS) to measure population movement between 10 yearly censuses. The measures used by ONS show a marginal increase in Brent's population since the 2001 Census – 271,400 at mid-2006 compared with 269,600 in 2001. Projections show a further marginal increase to 272,200 by the time of the next Census in 2011. Given that natural population growth – births less deaths – in Brent is 2,500 to 3,000 each year, the marginal increases in population identified by ONS imply net emigration from the borough since 2001. This is not supported by other information such as additional properties within the borough, increasing numbers of children in schools, increases in the number of child benefit claims, the high level of registrations for national insurance numbers, and increasing numbers in receipt of pensions

The Mayhew study

- 3.2 These concerns led officers to commission Les Mayhew Associates to carry out research into Brent's population using different techniques from those used by ONS. The first piece of work carried out by Professor Mayhew was

in 2005 and measured the Brent population at April 2005. The second was in 2007 and measured the Brent population at April 2007. This latter piece of work also enabled evidence to be gleaned on changing household and geographical composition in Brent.

- 3.3 The techniques used by Professor Mayhew to measure population are significantly different from those used by ONS. The ONS approach is to measure movements in population using births and deaths to measure natural population growth, GP registration records to measure internal migration within the UK, and the International Passenger Survey to measure international migration. There are known problems with using GP records for internal migration and the International Passenger Survey for international migration. The approach adopted by Les Mayhew was to match a variety of administrative data sources – the property gazetteer, GP records, school records, housing benefit and council tax data, and the electoral register – to establish whether or not a person was resident in Brent. This use of a combination of data sources to measure population at a point of time means that there is less dependence on single potentially flawed data sources.

Key results

- 3.4 The result of the work carried out by Professor Mayhew in 2005 was to establish that Brent's 'minimum confirmed population' was 269,791 at April 2005. This was less than what was thought to be the true population because it excluded people who were not on more than one database. The subsequent work carried out by Professor Mayhew in 2007 showed the population to be 289,051 at April 2007. The data used in this exercise was more robust than in 2005 and this was considered a more accurate estimate of population at that time. It was 17,600 higher than the ONS estimate for April 2006, which is the latest ONS estimate currently available. Other key findings in the Mayhew study related to:

- household composition – rises in the number of households with more than two people; and
- changes in geographical spread of population within the borough - population growth mainly in the south, below an east-west line through the Welsh Harp Reservoir that includes south Wembley, Willesden, Harlesden and Kilburn.

Use of the results

- 3.5 The work carried out by Professor Mayhew has been used to lobby government to review the way population statistics are collected. The ONS has been carrying out work for some time on a project aimed at improving migration and population statistics (IMPS). In addition, a cross-ministerial group has now been set up to oversee progress on improvements in population and migration statistics. A key focus of the council's lobbying work has been to seek to ensure that population growth within Brent is reflected in government funding settlements. A 17,600 difference between what the government believes Brent's population to be and what the actual population is would by itself lead to loss of grant to Brent of around £9m per year. In

practice, the existence of a 'grant floor'¹ limits the impact of undercounting of population on grant in the short term.

- 3.6 The information from Professor Mayhew's study, together with information available from the MOSAIC model – which uses public and private data sources to segment the population into different lifestyle groups, also contributes to the intelligence the council has about population in Brent. These data sources are used to inform development of strategic frameworks within the borough, such as the community strategy and local development framework, and to help determine priorities within the council's Local Area Agreement. More detailed analysis at a local level, using data matching techniques, has helped the council develop service strategies eg early work on development of Phase 1 children's centres.

Implications of population growth in Brent

- 3.7 There are a number of implications of population growth for public services in Brent:
- The growth directly impacts on service activity – more waste has to be collected and disposed of; more people require social care, social housing and other support; there is increased demand for council facilities; and more people make contact with the council. Changes to the geographical, age, and ethnic mix of the population also require revisions to the pattern of service provision.
 - Additional service activity drives up costs for which the council does not receive additional funding (an exception is revenue funding of schools where funding is based on pupil rolls although the council still has to address the need for new school buildings). These cost increases can be limited by (1) controlling demand for services; (2) reducing services; (3) cost efficiencies eg improved procurement; (4) providing services in a different way – eg reducing face to face contact and encouraging internet use; and (5) increased income from charges. If they cannot be controlled in this way, they impact on council tax.
 - There is an impact on performance. Unless there are changes in the way services are provided, the impact of increased population with no additional resources will lead to poorer performance.
- 3.8 There is also an impact on performance measures as a result of undercounting of population and population growth. A lot of performance measurement and cost data is based on amount per head of population – eg waste tonnage collected per head of population or cost of a service per head of population. Given that ONS figures undercount population in Brent, the measures misrepresent performance and distort movement between years. The difference between the ONS estimate of population in Brent of 271,000 and the Les Mayhew estimate of 289,000 means, for example, that unit cost of council services are around 7% less than measures using ONS statistics would suggest.

¹ The 'grant floor' is the minimum level of grant increase a council receives. Brent is below the 'grant floor' partly because of population undercounting but also partly because of other changes to the grant system.

Measures to address the implications

3.9 The council is seeking to address the impact of increased population in a variety of ways, as follows:

- The council's planning framework takes account of projected growth in determining future development needs and the identification of growth areas;
- Priorities within the Community and Corporate Strategy and within the new Local Area Agreement currently being negotiated with the Government Office for London take account of the changing pattern of community and service need within Brent;
- Individual service strategies – eg for children's centres and homelessness – are based on the particular needs arising from changing population patterns;
- The council is able to use evidence of population growth in bidding for government resources – for example, for Building Schools for the Future;
- The council is active in pursuing contributions from developers toward infrastructure costs as part of Section 106 agreements;
- The council's medium term financial strategy sets out the financial context within which the increasing demands on council services will need to be met and the approach to addressing the resulting budget gap;
- Transformation programmes in children's social care, adult social care, waste management, and customer care are all aimed at managing additional demand for services to ensure continuation of effective service delivery and limit the impact on council tax;
- The council's efficiency strategy is aimed at improving value for money and is linked into strategies aimed at making effective use of information technology, improving procurement, rationalising property, and ensuring a flexible and productive workforce;
- The council is developing a corporate 'one council' approach to delivering change. This will take account of the changing population profile in determining the measures that need to be taken.

4.0 Financial Implications

4.1 These are dealt with in the body of the report.

5.0 Legal Implications

5.1 There are no legal implications arising from this report.

6.0 Diversity Implications

6.1 The Mayhew report has information on household composition, income deprivation and population turnover. The changing composition of the borough's population due to inward and outward migration needs to be reflected in the services the borough provides and the planning of future service provision.

7.0 Staffing Implications

7.1 There are no staffing implications arising from this report.

8.0 Background Papers

- Estimating and mapping the population of Brent 2005 - report by Les Mayhew Associates
- Brent population estimation, household composition, and change, 2005 to 2007 – report by Les Mayhew Associates
- Brent submission to House of Commons Treasury Sub-Committee review of population estimates

9.0 Contact Officers

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