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ETHNICITY AND PROSPERITY IN EAST LONDON

HOW RACIAL INEQUALITIES
IMPACT EXPERIENCES OF THE GOOD LIFE

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July 2021



The IGP's vision is to help build a prosperous, sustainable, global future, underpinned by the principles of fairness and justice, and allied to a realistic, long-term vision of humanity's place in the world. The IGP undertakes pioneering research that seeks to dramatically improve the quality of life for this and future generations. Its strength lies in the way it allies intellectual creativity to effective collaboration and policy development. Of particular importance to the IGP's approach is the way in which it integrates non-academic expertise into its knowledge generation by engaging with decision-makers, business, civil society, and local communities.

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ACKNOWLEDGMENTS

This working paper is based on survey data collected from five east London neighbourhoods in 2017 for the [London Prosperity Index \(LPI\)](#). The LPI is the UK's first citizen-led Prosperity Index which measures what matters to the prosperity of local communities in east London. We are, therefore, particularly grateful for the extensive research carried out by citizen social scientists, involving people living and working in five east London neighbourhoods, to understand what prosperity means and how it should be measured. We would like to thank the citizen social science team:

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EXECUTIVE SUMMARY

This working paper explores the London Prosperity Index survey data through an ethnicity lens and provides some preliminary findings concerning on the relation between racial inequality and prosperity. The quantitative data analysis is framed around three thematic issues, identified in qualitative research as critical to experiences of prosperity in east London: livelihoods, feelings about the local area and feelings about the future.

Capturing the range of diversity of lived experience related to ethnicity and race is not trivial. The rich qualitative data from the IGP's community-based research in east London in 2015 and 2017, based on interviews with people living and working in the area, was also examined to better understand any ethnicity-related differences in terms of lived experiences and contextualise the results of the quantitative analysis. These can be summarized in the following key findings:

- Black and Minority ethnic groups have lower household disposable incomes compared to people who belong to White ethnic groups.
- Financial stress appears to be higher for people of Mixed or Multiple ethnic backgrounds, especially those living in affordable and social-rented accommodations
- Black and Minority ethnic groups appear to feel less safe in public space compared to the reports of people belonging to White ethnic groups.
- People of Mixed or Multiple ethnic backgrounds report greater dissatisfaction with local environmental and health services.
- People of Mixed or Multiple ethnic backgrounds appear to feel less secure about their future and experience a lack of autonomy and/or ability

to change or improve their lives compared to people from White ethnic groups

The London Prosperity Index dataset demonstrates that ethnicity is linked to differences in the experience of good life and local prosperity. The ethnicity-related analysis of the dataset illustrates significant disparities in people's livelihoods as well as their perceptions about their local area and their future. These differences in the everyday experience of people with different ethnic backgrounds indicate clearly that pathways to place-based prosperity are not equitable. It is crucial therefore to address these issues in a meaningful way. Policymakers need to work towards building equitable pathways to prosperity for individuals and communities of diverse ethnicities. That is providing the necessary resources and tools that would empower people who experience the impact of racial and socioeconomic inequalities. Community-based research that starts from local lived experience and considers ethnic diversity can provide an important evidence base needed to drive these urgent policy responses and actions.

1. INTRODUCTION

The experience of systemic racism and inequality has not only put Black and Minority ethnic groups at greater risk of dying due to Covid-19 (Morgan W. 2020) but also made them more vulnerable to the economic impacts of the pandemic. After Black Lives Matter (BLM) grew increasingly popular in 2020 and after witnessing the disproportionate impact of the pandemic on Black and Minority ethnic (BME) groups (ONS 2020), a growing number of studies continues to provide evidence of existing and ongoing socioeconomic and racial inequalities. The urgency to address the intersecting nature of systemic racial, social and economic inequalities has become greater than ever and emergent phenomena such as the disproportionate impact of Covid-19 signal the need for meaningful place-based policies.

The latest annual report by the [Social Metrics Commission](#) (SMC) provides a recent evidence base on such ethnicity-related disparities (Social Metrics Commission. 2020a). Focusing on different characteristics of poverty the report shows that BAME households are between two and three times as likely to be in persistent poverty (being in poverty for at least two of the last three years) than families from White ethnic groups. The Commission also reports higher rates of poverty for Black and Minority ethnic groups (46% of Black African Caribbean households, 39% of Asian/Asian British, 32% of Mixed ethnicity and 42% of households belonging to Other ethnic groups) compared to just 10% of people from White ethnic groups. The evidence of the SMC report highlights the intersecting nature between poverty and race (Race Disparity Audit 2018) and suggests that people already in or near poverty are expected to move deeper into poverty as a result of the Covid-19 crisis. Indeed, [another recent SMC report](#) shows

that BAME individuals have been slightly more likely to have such negative labour market experiences compared to those from White ethnic groups (Social Metrics Commission. 2020b).

Another interesting finding from the SMC report (Social Metrics Commission. 2020a) is that a higher percentage of people living in rented accommodation are in persistent poverty. Additionally, people in poverty are more likely to be dissatisfied with their neighbourhood and feel unsafe in their local area. These findings are important because they capture disparities in the everyday lived experience of people. Subsequently, it is of great interest to examine such differences through an ethnicity lens as well.

Our report provides an initial exploration of the relationship between ethnicity and the experience of good life and local prosperity. Using the citizen-led London Prosperity Index (LPI) dataset collected in 2017 we explore ethnicity in relation to indicators that measure what matters to the prosperity of local communities in east London. The LPI 2017 household survey includes standard questions found in other similar studies such as employment status and education level, which permits comparisons to other datasets. It also includes, however, many atypical questions, which are based on qualitative work done with the local communities and reflect issues that matter to specific populations within the specific areas.

The objective of this report is not to replicate the findings from other similar studies on ethnic and racial inequalities, but to examine how ethnicity might be related to differences in the responses to

atypical questions of the LPI household survey. These questions are linked to a broader conceptualisation of prosperity and reflect local understandings of what constitutes a good life.

We, therefore, focus on specific Prosperity Index indicators such as real household disposable income, financial stress and the indicators that look at prosperity and place, feeling secure about the future, feelings about planning for the future. Ethnicity-related differences in the latter set of indicators can be most likely considered as a reflection of the effects of racial injustice.

Addressing such complex issues requires a systematic multi-sector response. It requires an approach that places value on the lived experience and expertise of different ethnic groups and local communities and favours co-production of pathways by building equitable partnerships among local communities and stakeholders (Vaughn L. and Obasi A. 2020). The co-production of pathways to prosperity and to reduced inequalities has been at the foreground of IGP's ongoing work, for example, see about the IGP's collaborations with [Money](#)

[A+E](#) (Harker C. and Anderson B. 2020; Harker C., Huq Z., & Charalambous E. 2020) and the [London Prosperity Board](#). This report seeks to contribute to the emerging attempts that aim to shed light on the effects of the systemic racial, social and economic inequalities and their intersecting nature.

2. APPROACH & METHODS

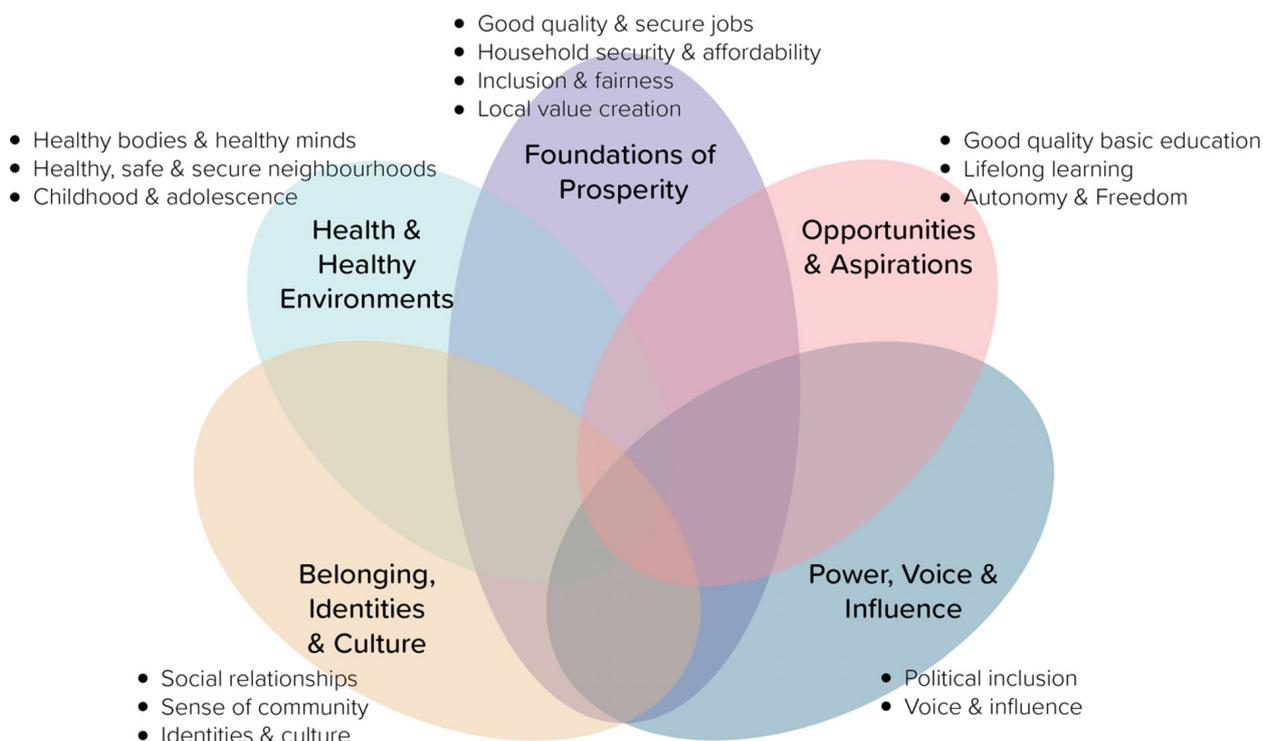


Figure 1. IGP's prosperity multidimensional community-led model of prosperity for east London

The LPI dataset includes 746 household surveys from five neighbourhoods in east London: Heath (Barking and Dagenham), Canning Town (Newham), Coventry Cross (Bromley by Bow, Tower Hamlets), the Olympic Park (Stratford and New Town, Newham) and Hackney Wick (Hackney). The indicators and metrics of the LPI reflect what matters to the prosperity of local communities in east London (Figure 1). The research has illustrated that prosperity is understood and experienced as a multifaceted concept, which extends beyond the conventional ideas about prosperity as economic growth and wealth (Woodcraft and Anderson 2019).

The data analysis in this paper is focused on survey questions that are linked to three key areas of interest: livelihoods, perceptions regarding the local area and feelings about the future. These three

areas group together indicators that are linked to the foundations of prosperity such as secure livelihoods as well as aspects that are crucial for people's sense of flourishing and good life such as the quality of the local environment, opportunities for personal development, having a sense of choice, control and voice in decisions that affect them and their communities. The aim was to examine how people from different ethnic backgrounds responded to these questions and how are these responses different.

Assessing and understanding such differences in terms of ethnicity can be a complex task. Although ethnicity is a subjective, multidimensional and changing concept (ONS 2019) we often need to aggregate these diverse experiences in order to study them in a systematic way. Qualitative data often captures such heterogeneities and variations and can provide a deeper understanding of the

Ward level percentages 5 ethnic groups	Heath		Canning Town		Bromley-by-Bow		Stratford and New Town		Hackney Wick	
	Census %	Sample %	Census %	Sample %	Census %	Sample %	Census %	Sample %	Census %	Sample %
White (White British, White Other)	67.7%	76.0%	43.2%	56.6%	29.6%	16.7%	40.8%	44.8%	48.4%	56.9%
Black African, Caribbean or Black British	21.6%	14.7%	27.1%	25.7%	12.0%	4.4%	21.3%	23.0%	31.8%	26.4%
Mixed or Multiple ethnic groups	3.4%	1.3%	5.7%	2.0%	3.9%	1.8%	5.5%	4.2%	6.8%	2.1%
Asian (Chinese, Indian, Bangladeshi, Pakistani, Other Asian)	6.6%	8.0%	20.6%	13.8%	52.1%	75.4%	28.3%	24.9%	8.7%	9.0%
Other ethnic group (Arab, Other ethnic group)	0.8%	0.0%	3.4%	2.0%	2.4%	1.8%	4.1%	3.1%	4.4%	5.6%

Figure 2. Percentages of the five ethnic groups of the sample population and the target population at ward level (Census 2011).

Source: *Ward Profiles and Atlas*. Greater London Authority (GLA).

Available at: <https://data.london.gov.uk/dataset/ward-profiles-and-atlas>

variations of lived experiences across ethnicities. Thus, to contextualise the findings of the quantitative analysis we also examined relevant qualitative data collected by citizen social scientists in 2015 and 2017, who interviewed people living and working in east London.

For the quantitative data analysis, we classified the data into five ethnic groups following the five-category ONS framework (ONS 2018). To ensure that our sample population is representative of the target population we weighted the data based on the data from the 2011 census. In other words, to be able to draw conclusions regarding the target population from which our sample was drawn (such as for different wards in the east London Boroughs), we weighted our dataset based on the ward-level distribution of the five ethnic groups (Table 1).

Survey data was analysed using SPSS to test for statistically significant differences between the five ethnic groups and people's responses to key questions related to prosperity. We report only the set of ethnic categories whose percentages differ significantly from each other at the level of $p < .05$ ¹. Data visualisation was done in Excel.

¹ The p-value shows the probability of the specific difference between the two groups or categories occurring by chance without the presence of a systematic effect. A p-value of 0.05 or lower suggest there is a 5% chance that this is a random observation.

3. EXPLORING RELATIONSHIPS BETWEEN ETHNICITY AND EXPERIENCES OF THE GOOD LIFE

The research conducted by the citizen social scientists in 2015 and 2017 was able to capture one of the most important conditions, which, according to the local population, is required to live a prosperous life: having a secure livelihood (Moore and Woodcraft 2019). This was understood as the ‘foundation of prosperity’, as a range of resources that constitute the building block enabling people to make the most of other opportunities. This building block was conceptualized as having four interconnected dimensions: secure, regular and good quality work that provides a reliable and adequate income; secure and genuinely affordable, good quality housing in a safe neighbourhood; access to public services and social infrastructure (healthcare, care, education, digital communication, transport); and inclusion in the economic and social life of the city and local community (Woodcraft, Collins and McArdle Forthcoming in March 2021).

Adopting this multidimensional approach to the concept of prosperity, the data analysis presented in this section examines some key ethnicity-related disparities associated with experiences of the good life and local prosperity.

Livelihood security

People involved in the research talked in detail about widespread livelihood insecurity in east London. The objective of the first part of the data analysis is to explore whether the level of livelihood insecurity has significant differences among the different ethnic groups. To examine that, we focused on four key indicators: *Tenure Type*, *Real Household Disposable Income*, *Unemployment* and *Financial Stress*.

Overall, the LPI household survey data suggest that 80% of our respondents in our east London research sites lived in rented accommodation. This percentage includes both people who live in private-rented accommodation and people who rent from a council or a housing association (affordable and social-rented accommodation). The data suggests that the distribution of the different ethnic groups between private-rented and affordable and social-rented accommodation is disproportional. The percentage of people with a White ethnic background who live in private-rented accommodation is significantly higher than the percentage of people from Black ethnic groups. 42% of people from White ethnic groups and only 12% of people with Black ethnic background live in private-rented accommodation while almost two thirds of the latter group (71%) live in affordable and social-rented accommodation

To examine income-related differences among the different ethnic groups we focused on the Real Household Disposable Income, which is a new indicator. Real Household Disposable Income (RHDI) is a measure that better reflects the burdens that high costs of living places on households in east London.

The high cost of living has often been discussed as a significant challenge for households in east London, and more broadly across the capital. For instance, Trust for London’s Poverty Profile (Tinson

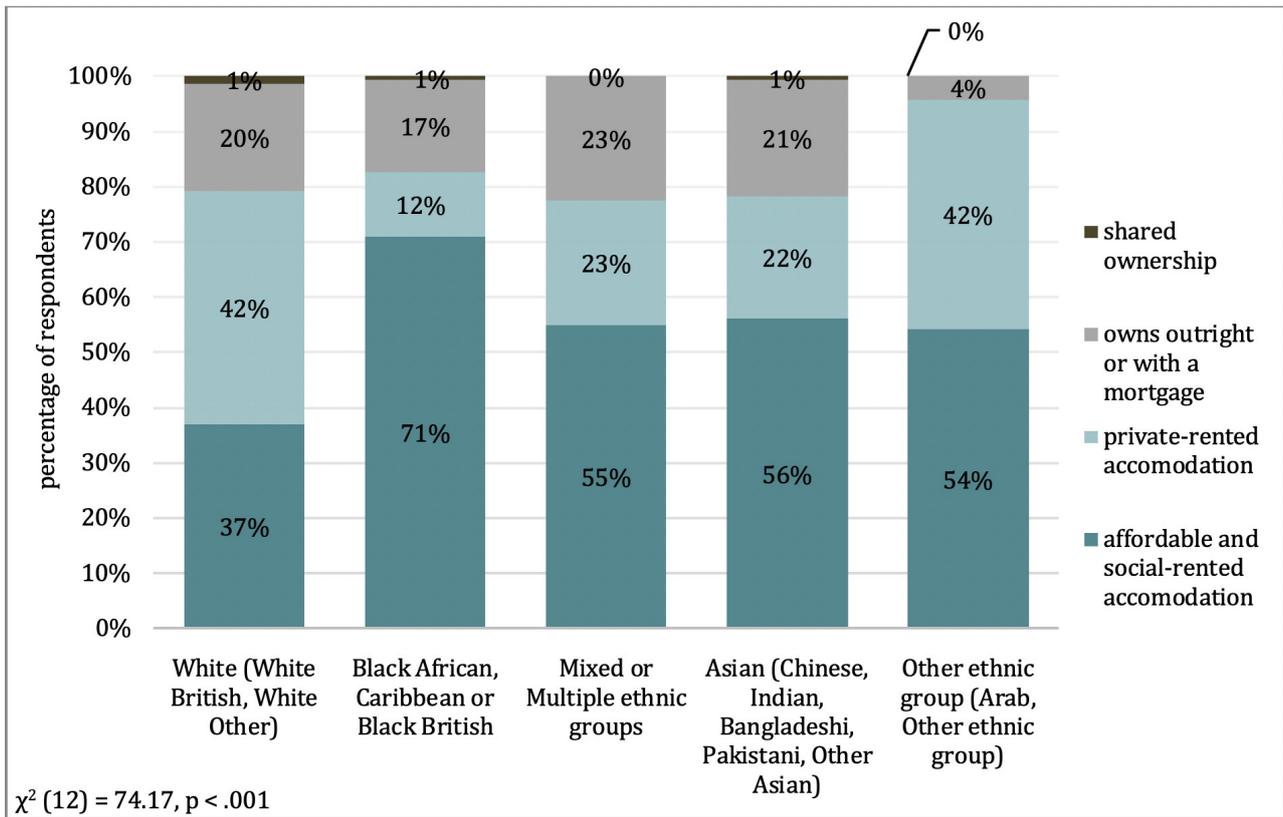


Figure 2. Tenure type by ethnic group

A. et al. 2017) has consistently identified housing costs as a driver of in-work poverty in east London. IGP’s research with citizen social scientists in 2015 has revealed that the ‘real’ cost of living includes additional expenses that should be taken into account when measuring household disposable income. This work showed that levels of deprivation are masked by public statistics that do not capture many essential household costs. Consequently, the Institute for Global Prosperity and London Prosperity Board developed a new measure of RHDI that considers housing and other ‘unavoidable costs’ as well as the tax and NI payments (see Box 1).

Box.1 REAL HOUSEHOLD DISPOSABLE INCOME

Following consultation with LPB partners about what should be included as unavoidable costs in a new measure the following question was included in the household survey:

How much of your monthly income would you say you (if applicable: and your partner) has left after paying tax, national insurance, housing costs (e.g. rent, mortgage repayments, council tax), loan repayments (e.g. personal loans, credit cards) and bills (e.g. electricity)?

As a new test measure, created for the Index, comparison data across London using the same methodology is not currently available. In order to create a benchmark to Index the measure, equivalent figures for households were derived from the Family Resources Survey (FRS), which contains variables for income, housing costs and bills and utilities. The Wealth and Assets Survey (WAS) was used to calculate average monthly debt repayments by income decile. This derived variable included debt from credit cards, store

cards, formal loans, mail order accounts and hire purchase agreements using a methodology adapted from previous work by the Institute for Fiscal Studies. A monthly repayment value was then assigned per case in the FRS according to income decile.

There was significant discussion during consultation with partners on whether childcare and commuter transport costs should be included in the measure. While it was agreed that an ideal measure would include these dimensions, currently suitable comparison data could not be incorporated in the measure. This is something that may be included in future updates to the Prosperity Index.

Source: Woodcraft, S; Anderson, B; (2019) Rethinking Prosperity for London: When Citizens Lead Transformation. Institute for Global Prosperity, UCL. London, UK.

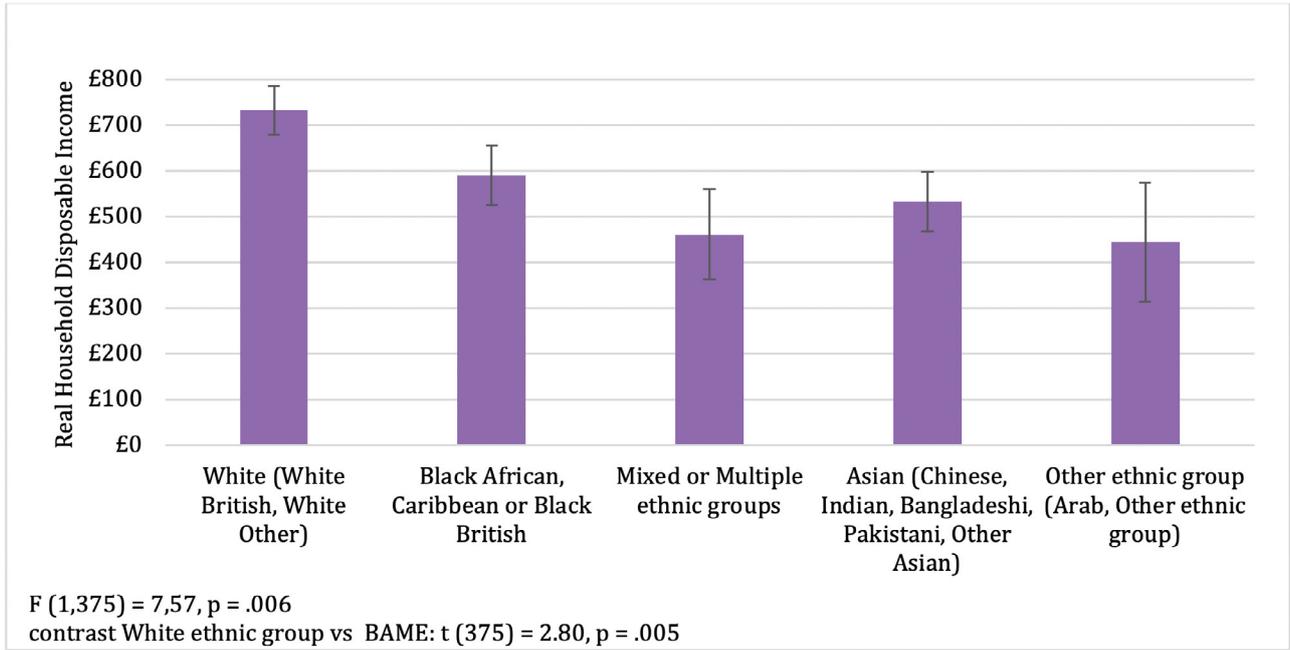


Figure 3. Mean Real Household Disposable Income per ethnicity group (Band mid-point)

The latest annual poverty report by the SMC (Social Metrics Commission. 2020a) examined the relationship between poverty and tenure type. According to their findings, people living in social-² or private-rented accommodation are much more likely to be in persistent poverty than those living in owner-occupied accommodation. Almost one third of all people living in social-rented accommodation (28%) and slightly more than one fifth of people living in private-rented accommodation (23%) are in persistent poverty compared to just 6% of those in mortgage-owned accommodation.

A closer look at the group of people living in rented accommodation and the distribution of the Real Household Disposable Income between ethnic groups reveals some additional interesting results.

Again, the data suggests a significant difference between people of different ethnic groups who live

in rented accommodation and their Real Household Disposable Income. Less than one in five people (18%) from White ethnic groups who live in rented accommodation have less than £200 RHDl compared to almost half of people (47%) with Asian background. The data here illustrates well that there are income-related differences among ethnic groups.

The income related inequality and housing security are factors that have an immediate effect on livelihoods and the level of insecurity that people may experience. Two other factors that might contribute to higher levels of insecurity about one's livelihood are unemployment and financial stress.

The relationship between the employment status of the respondents and their ethnic background suggests that one in ten people from Black ethnic groups (11%) is unemployed and looking for paid work

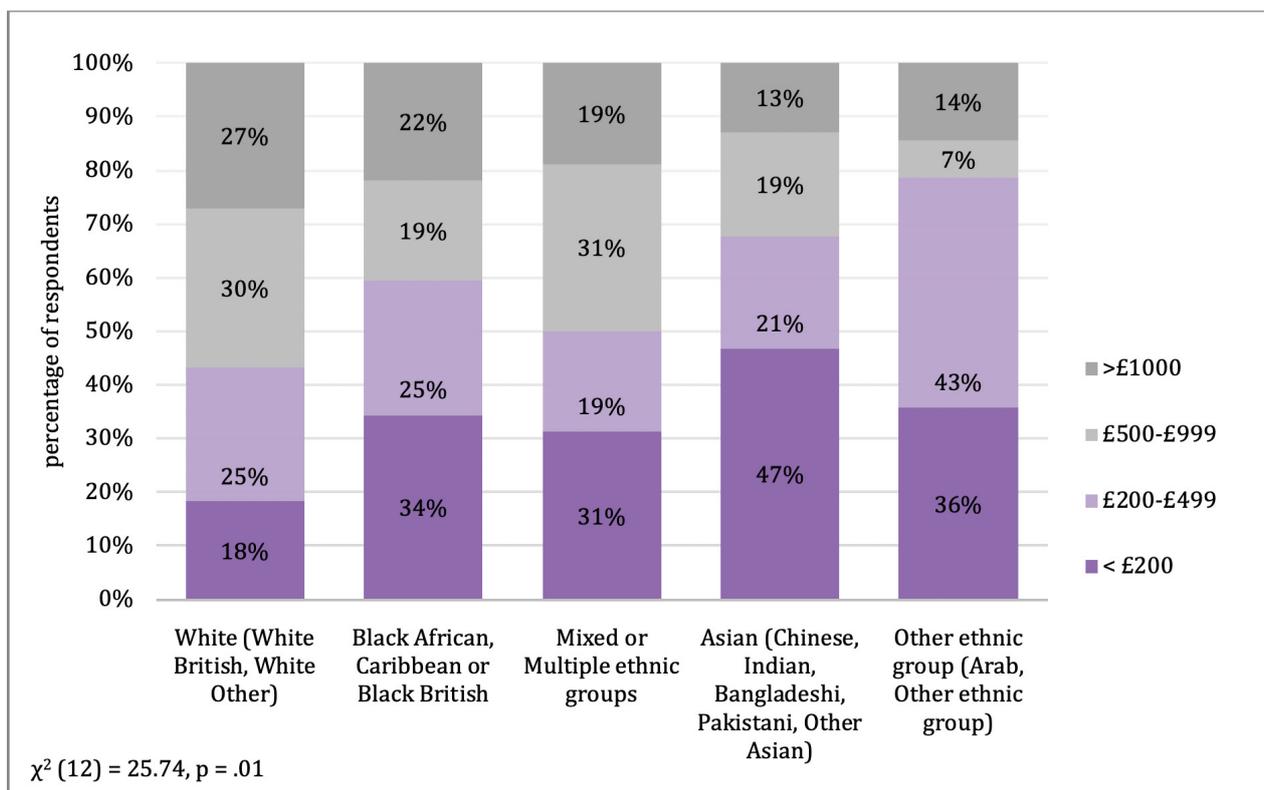


Figure 4. Real Household Disposable Income for group of people living in rented accommodation

² The SMC report is based on the HBAI dataset (2018/19). The HBAI tenure type analysis uses the Dwellings by tenure type dataset from the Ministry of Housing, Communities and Local Government and the respective categories, which are Social Renters, Private Renters, Owner Occupied (HBAI 2018/19). In this case Social Renters includes both local authority and housing association tenants.

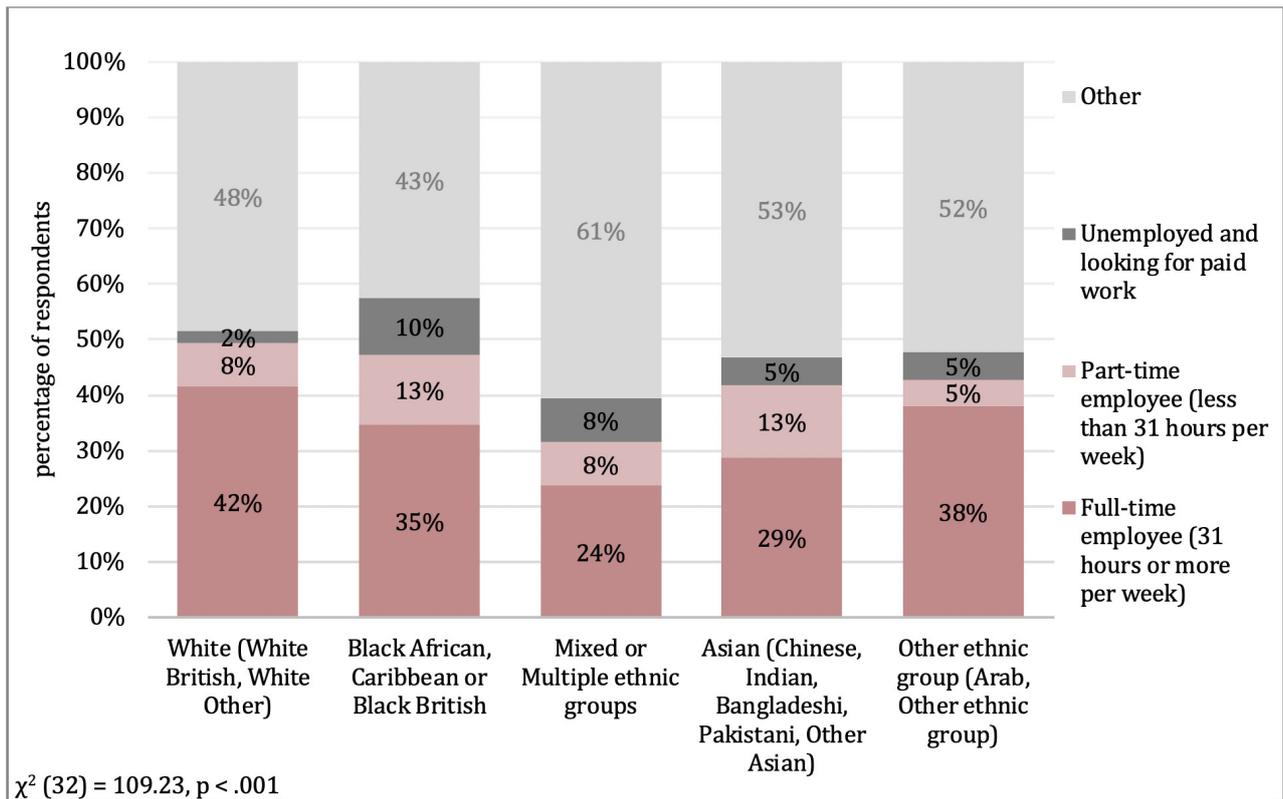


Figure 5. Employment status. The graph shows percentage of people in full-time employment, part-time employment and unemployed. The category Other includes all other categories such as self-employed, students, retired etc.

compared to less than three in one hundred people from White ethnic groups (3%), which is a significant difference.

only 1.7% of people from White ethnic groups are not up to date with household bills compared to 23% of people⁴ from the Mixed or Multiple ethnic groups.

Respondents were also asked whether they are up to date with all their household bills such as electricity, gas, telephone, or if they are behind with any of them. The data suggests that a high percentage of people who belong to the Mixed or Multiple ethnic groups tend to have high levels of financial stress. More than one in ten people with Mixed or Multiple ethnic background (13%) responded not being able to pay every household bill when it is due, and this percentage is significantly higher in relation to other ethnic groups³. These differences tend to be greater for people living in affordable and social-rented accommodation. In this case, the data shows that

³ $\chi^2 (4) = 20.63, p = .003$

⁴ The same percentage of people from this ethnic group also tend to have difficulties keeping the accommodation warm enough during the winter, $\chi^2 (4) = 20.63, p = .003$.

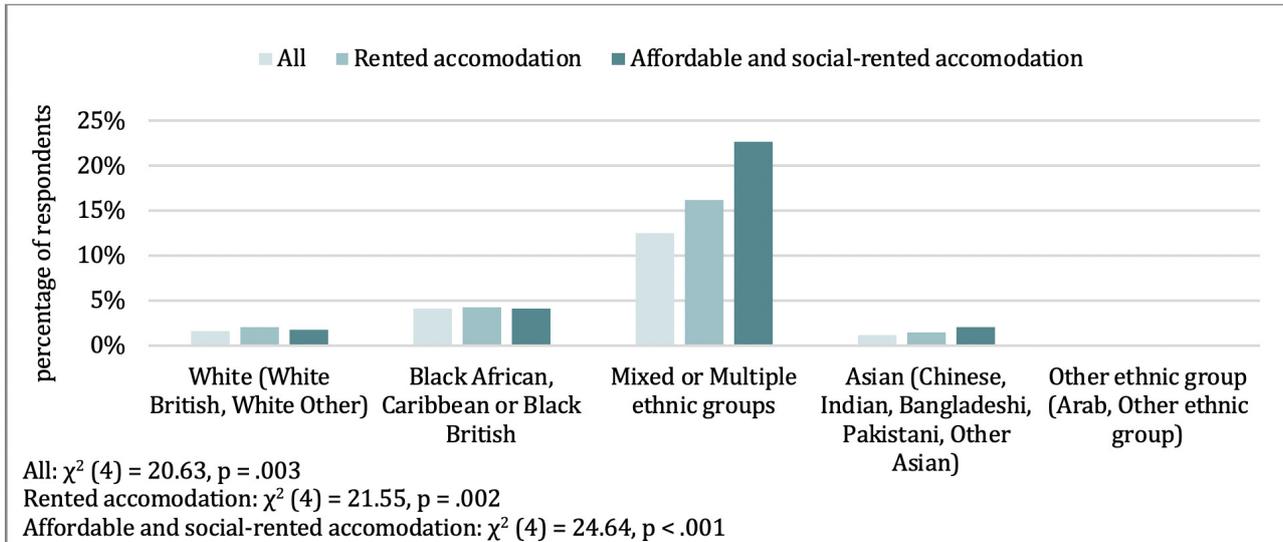


Figure 6. Financial Stress. Percentage of people who responded that are not up to date with household bills such as electricity, gas, telephone. Bar chart shows percentages for all respondents, respondents living in rented-accommodation and respondents living in affordable and social-rented accommodation.

The qualitative data from the interviews conducted in 2015 provides further evidence and illustrate well the effect of housing issues have on the everyday lived experience of people.

The following quote, for example, is from an interview with Winnie (pseudonym). Winnie is a 40 years old woman from Ethiopia. She would like to open her own small business, a vegan restaurant (Tower Hamlets) and she described her housing situations as follows:



Figure 7. Coventry Cross housing estate, Image by Sarah Nisi, 2020

“I don’t know, everyone has different issues. For me, housing. I have a 1 bed flat, 3 kids, a partner, all sharing one room. It’s unacceptable. I am not in work, my partner works. We get no extra support, it’s tough [...] It’s too expensive to rent around here outside social housing [...] So yeah, housing is my issue. It makes me unhappy. My children are fighting each other because it’s too crowded. “

The combination of rising housing cost, insecure and low-quality work was an issue raised by many people in Hackney Wick. Frances, a Hackney Wick resident in her 50s working in the voluntary sector, described this situation as a ‘toxic mix’:

“How can we have a prosperous life for everyone, people of all classes? The situation is precarious for people around here. The combination of unaffordable housing, zero hours contracts, portfolio careers ... people have no security. Jobs are not good quality ... this is a toxic mix.”

Feelings about the local area

‘Place’ has an important role in shaping our opportunities to prosper. People’s experience of prosperity is shaped by where they live: the nature and quality of their living conditions; the local public services they can access; the safety of local neighbourhoods and stability of government; whether local economies create the conditions for secure livelihoods; the local social networks and feelings of inclusion in community life. The LPI dataset suggests that ethnicity is likely to be linked to differences in the experience of local prosperity, the level of satisfaction with the local public services and perceived safety of the local neighbourhood.

As a measure of subjective experiences of safety, respondents were asked to rate how safe they feel walking alone in their neighbourhood during the night and during the day. Data analysis is usually focused on the first part of the question -how safe people feel when walking alone at night- in order to capture how people experience the safety of their local area. We did not find any significant difference in the percentages of people’s responses among the different ethnic groups. There was however a trend for people of White ethnic background who live in affordable and social rented accommodation to feel less safe walking alone at night (30%) compared to people from Black ethnic groups (14%).

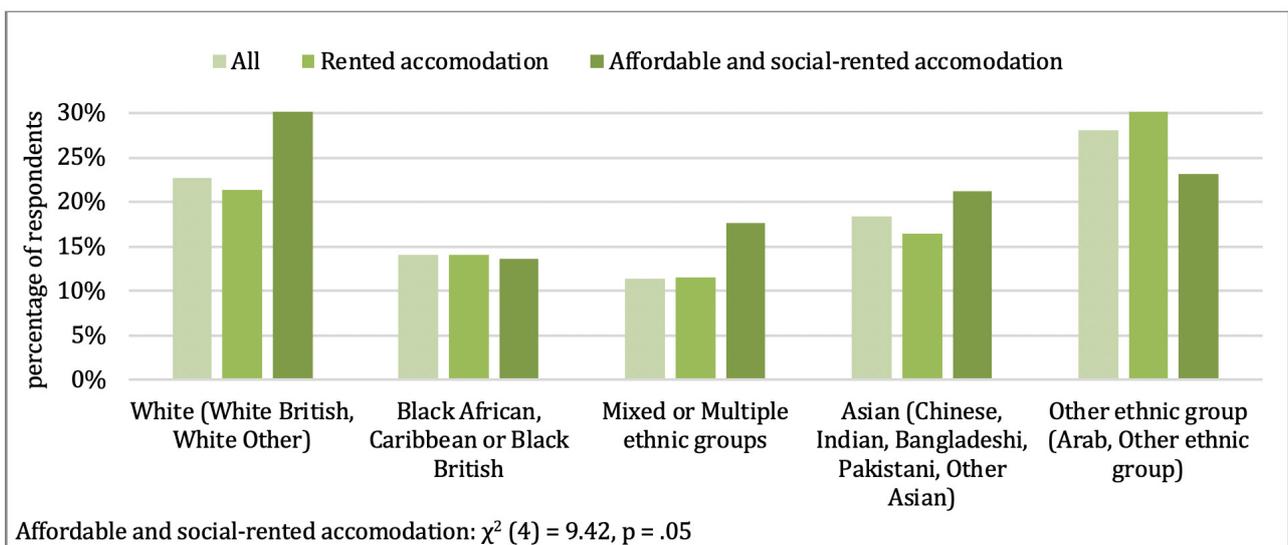


Figure 8. Perceived safety of neighbourhood during the night. Percentage of participant who responded feeling a bit or very unsafe walking alone in this area during the night. Bar chart shows percentages for all respondents, respondents living in rented-accommodation and respondents living in affordable and social-rented accommodation.

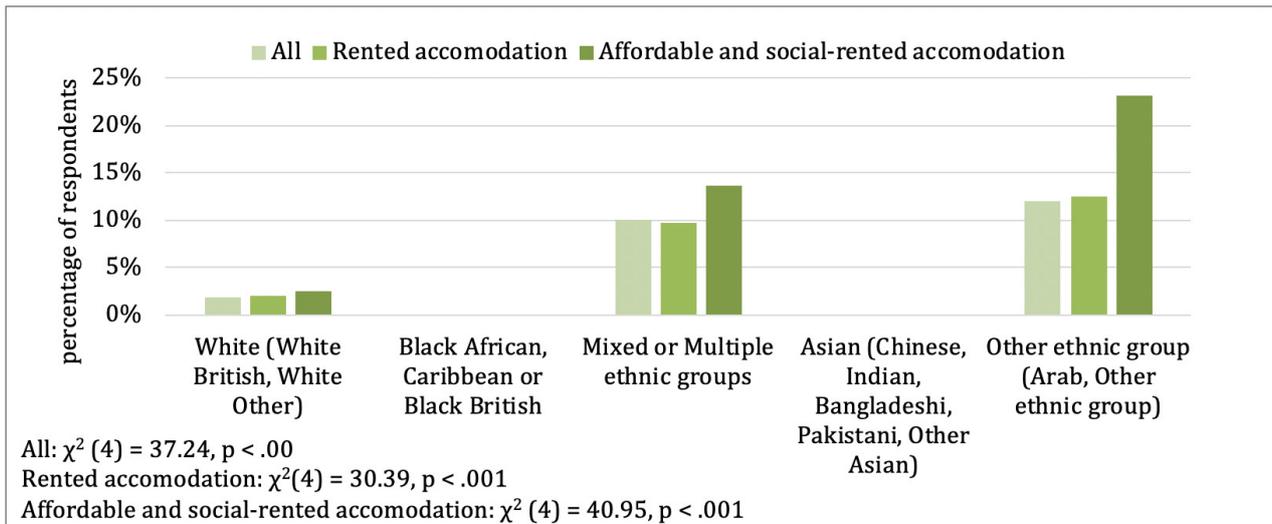


Figure 9. Perceived safety of neighbourhood during the day. Percentage of participants who responded feeling a bit or very unsafe walking alone in this area during the day. Bar chart shows percentages for all respondents, respondents living in rented-accommodation and respondents living in affordable and social-rented accommodation.

Nevertheless, responses regarding people’s feelings of safety when walking alone in their local area during the day, were significantly different among ethnic groups. Just 2% of people from White ethnic groups reported feeling a bit or very unsafe compared to 10% of people of Mixed or Multiple ethnic backgrounds and 12% of people belonging to Other ethnic groups. This difference appears to be greater for people living in affordable and social-rented accommodation. More than one in five people (23%) of Arab and Other ethnic backgrounds and more than one in ten people (14%) of Mixed or Multiple ethnic backgrounds living in affordable and social-rented accommodation reported feeling unsafe to walk alone in their local area during the day compared to just 3% of people of White ethnic groups.

Focusing on the responses of people who live in affordable and social-rented accommodation reveals further differences between ethnic groups and their level of satisfaction with local environmental and health services. More specifically, almost one

in five people (19%) of Mixed and Multiple ethnic backgrounds reported dissatisfaction with the local parks and open spaces and two in five (41%) dissatisfaction with the quality of the local health services compared to almost 3% and 11%, respectively, of people from the White ethnic group.

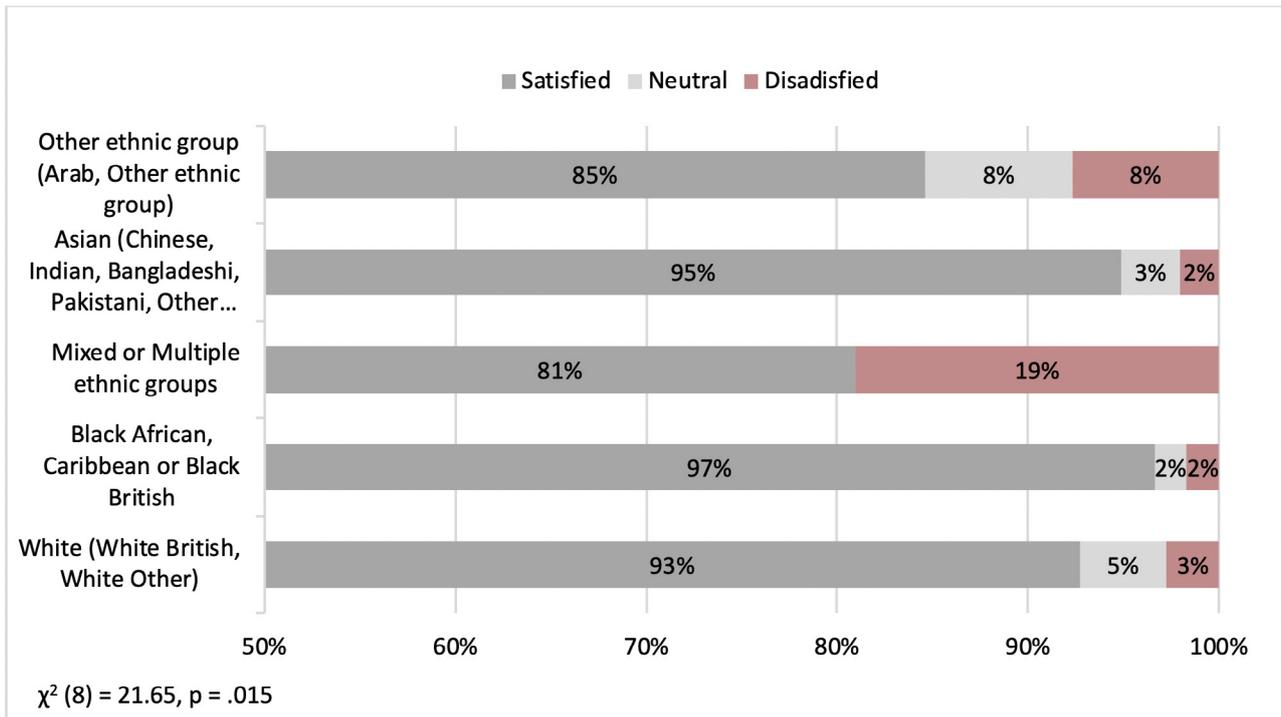


Figure 10. Level of satisfaction with open space and parks of the local area of the group of people living in affordable and social-rented accommodation

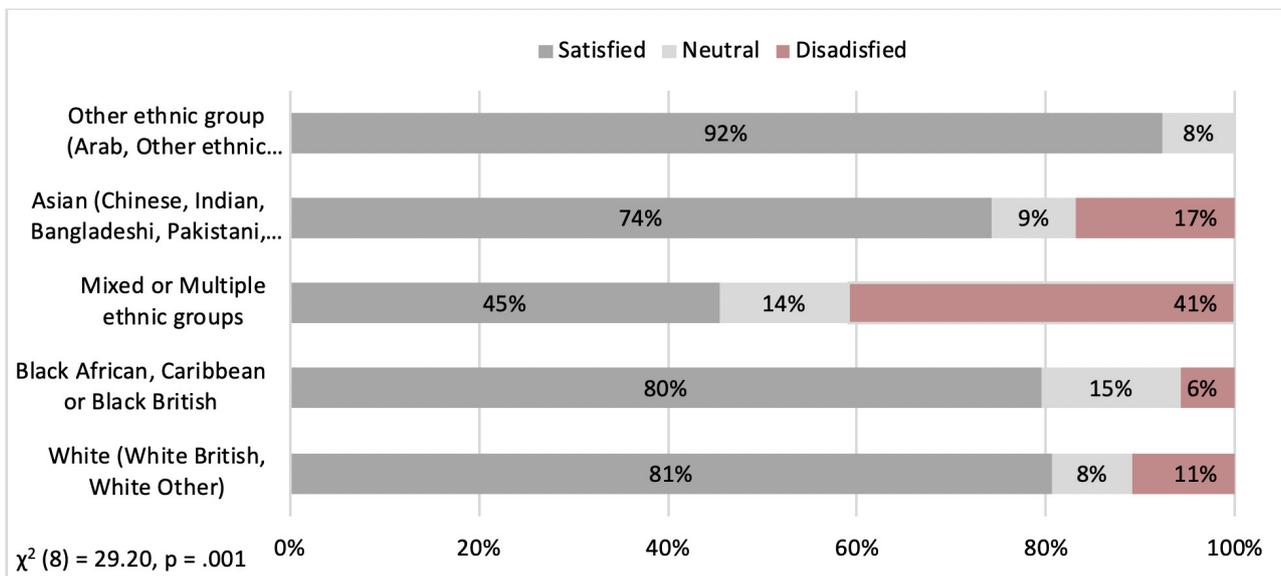


Figure 11. Level of satisfaction with the quality of the health services in the local area of the group of people living in affordable and social-rented accommodation.

These differences appear to be greater in certain research sites. For example, in Canning Town, Newham, none of the respondents from the Mixed or Multiple ethnic community appears to be satisfied with the local health services compared to more than 60% of positive responses from each of the other ethnic groups. Half of the respondents from the Mixed or Multiple ethnic group living in this area are also dissatisfied with the local open spaces compared to just 6% of people from White ethnic groups. Additionally, there is a similar trend in the respondents living in Hackney Wick where 33% of people from the Mixed or Multiple ethnic community and 27% from Asian ethnic groups reported dissatisfaction with local health services compared to just 4% of respondents from White ethnic groups.

Qualitative data from the 2017 interviews demonstrates how a high-quality local environment, satisfaction with the local area and neighbourhood safety contributes to people's sense of prosperity. However, as residents of East Village highlighted, one usually needs to pay a high living cost to be able to live in such a good quality neighbourhood.

For example, Mark (pseudonym), an entrepreneur who lives with his family in a townhouse in East Village characterised this situation as a “prosperity trade-off”:

“I feel like I'm living a prosperous life but it's not sustainable. Personally, it's hard to make it sustainable because I pay such a premium to live here... If prosperity means saving for holidays and saving for a pension then it is not a prosperous place... but if prosperity means a first-class education for the kids, healthy food, access to good places for health and wellbeing, somewhere safe... then you can get on if you can afford to live here.”

⁵ $\chi^2(6) = 16.88, p = .009$

⁶ $\chi^2(6) = 33.24, p < .001$

⁷ $\chi^2(6) = 15.15, p = .06$

Feeling safe in one's neighbourhood also appears to have a high cost according to Ruth (pseudonym), a White British female in her thirties:

“My husband and I, we absolutely love living here. We love especially our flat- this is the best flat I've ever lived in....And you know, there is a security number that we can ring for security guards that make you feel a bit safer. Even though I feel a little bit odd that we're paying high service charge in rent in part to have a security service....”

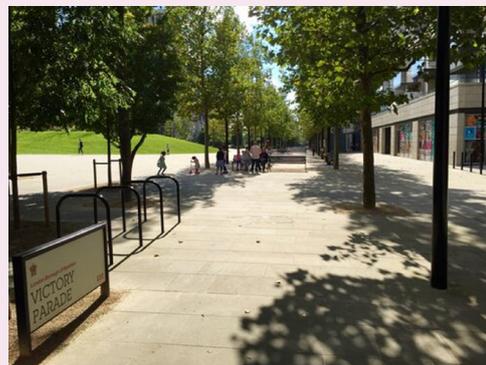


Figure 12. Victory Park, East Village, 2015

East Village resident X clearly describes her satisfaction with her current neighbourhood:

“I used to live next to West Ham park, that area, and then moving to the Olympic Park was completely different [...], because it was so much nicer and so well looked after, it made you feel, I don't know, it was just such a better environment. It had a whole different type of atmosphere. It was definitely cleaner. It was a really positive change.”

And she explains in detail how this new environment is quite different than the one she and her family used to live in:

“Where I used to live the boys around our area, they haven't done well for themselves a lot of them are in prison. There was a road

of us and if we stayed in that environment [...] who knows my brother could've stayed down that route but now we have moved away and there are kids in the area but it is not like you see a group of young people hanging around in the corner, you see kids playing but in terms of gangs and stuff you don't really see that in where we live now so I suppose that's a better environment for my brother and I suppose overall for my family."

Similar issues regarding the satisfaction with the local environment and the sense of safety in the neighbourhood were also raised in a group discussion with young people in a Youth Organisation in Hackney. Rose (pseudonym), for example, a young woman of Black ethnic background, highlighted the need for local parks and child-friendly spaces:

"...Hackney Wick [...] it's such a nice area and it's so abandoned, there's nothing there, like there isn't much to do for children [...] You shouldn't have to walk to Olympic Park every time because you want to go to the park, when Hackney Wick, there should be a park like, there should be these things for children and a lot of the children may say 'Ah there's gangs' so it's like they feel uncomfortable [...] so when you think about it, Hackney Wick is actually abandoned, like there isn't enough for children to do."

that support this idea. Their findings suggest that people in poverty are more likely to be dissatisfied with their neighbourhood and feel unsafe in their local area (Social Metrics Commission, 2020a).

Beside indicating differences in the perceived local prosperity, the disparities in terms of dissatisfaction with the local area or local services and perceived safety of the local neighbourhood might also indicate different levels of neighbourhood deprivation. Living in a deprived neighbourhood has certainly an immediate effect on the everyday lived experience of people and might also be linked to socio-economic differences. The latest SMC report provides evidence

Feelings about the future

IGP’s community-based research in 2015 identified that being able to act to improve one’s live and to influence the decisions that affect local areas are important components of the experience of good live. The speed and nature of change underway in east London was a significant concern among the people who participated in the study. Many people felt that local communities and businesses lacked a voice in the process of change; for example, being able to express local needs and concerns such as worries about housing affordability, access to public services, and finding ways for local employers, community organisations and residents to capture some of the value from regeneration. Choice and control are, therefore, important factors in shaping peoples’ feelings of prosperity.

The choice and control indicator, used in the 2017 household survey, is a measure exploring the extent to which people feel they are able to change and

improve their lives. In other words, it captured the extent to which respondents disagree with the statement: “There is no point in trying to improve my life, there’s nothing that can be done”. The data analysis shows that only, just under one in five people (18%) from Mixed or Multiple ethnic groups disagree with this statement. At the same time almost half of people (48 %) from the White ethnic groups reported disagreement.

Many people involved in the 2015 research were anxious and insecure about the future. These feelings of insecurity were linked to the effects of the rapid changes they experience in their local area. For example, a factor that seems to increase their level of insecurity about the future is not knowing whether they would be able or not to stay in their neighbourhood where they have strong social networks. This in turn has a significant impact on their wellbeing and feelings about the future.

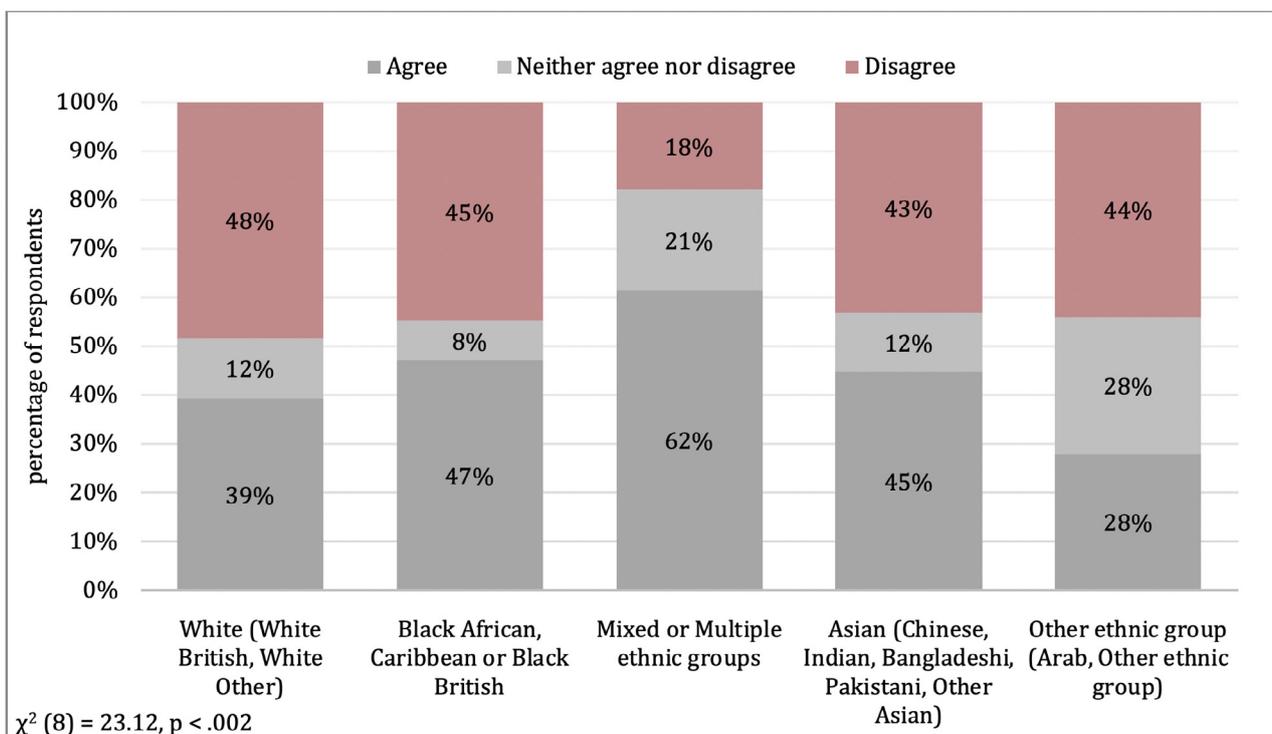


Figure 13. Levels of agreement with the statement: “There’s no point trying to improve my life, there’s nothing that can be done”

Subjective experience of insecurity was measured based on the level of agreement with the statement “If I needed help, there are people who would be there for me”. The data suggests that more than one in five people from Mixed or Multiple ethnic groups (23%) disagree with this statement. This percentage appears to be much higher than the percentage of people of White ethnic backgrounds, which is less than 5%.

The LPI data, therefore, suggests that people of Mixed or Multiple ethnic backgrounds appear to feel less secure about their future and experience a lack of autonomy and/or ability to change or improve their lives compared to people from White ethnic groups.

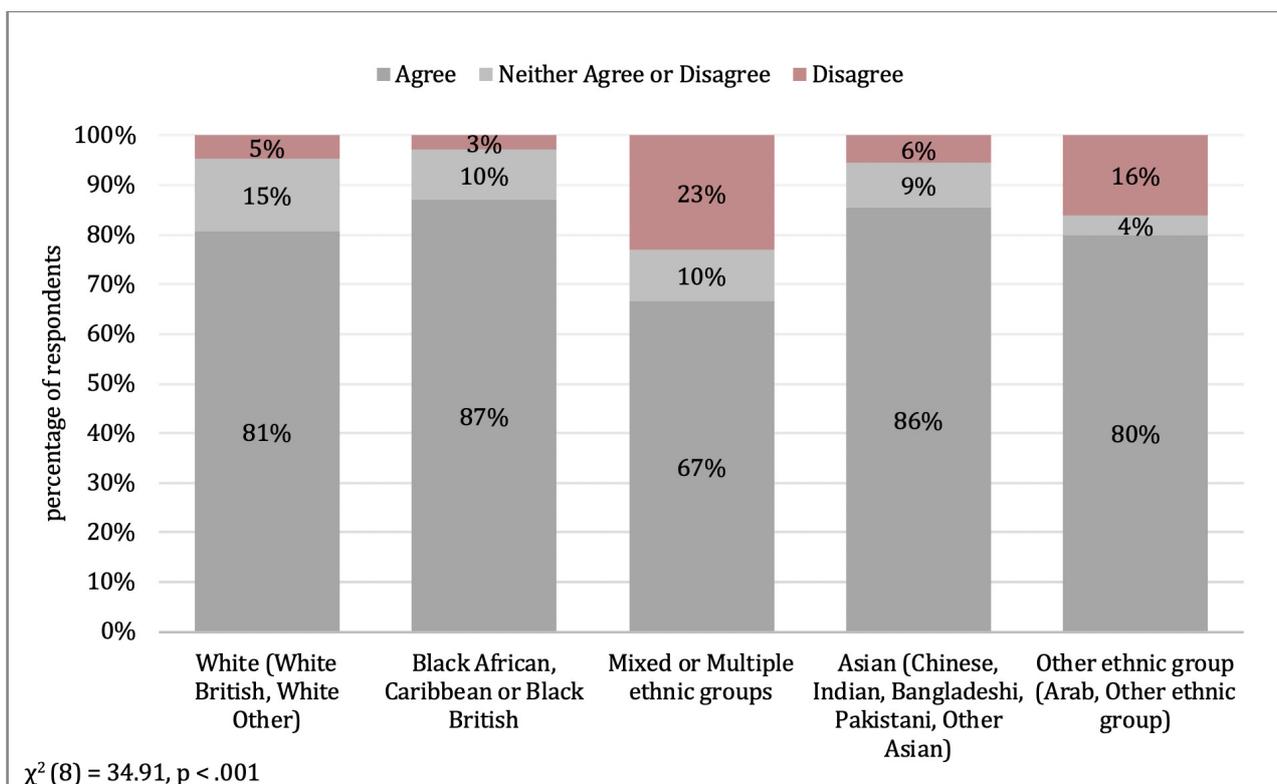


Figure 14. Levels of agreement with the statement: “If I needed help, there are people who would be there for me”.



Figure 15. *Devas St, Image by Sarah Nisi, 2020*

The qualitative data from the interviews conducted in 2015 illustrates well the effect of regeneration on people's feeling about the future and their local area. The following quote is from Nancy (pseudonym) a 40-year unemployed woman with a Mixed ethnicity background. She comments:

“Well I don't feel like there's gonna be many jobs around here, with people moving in and taking over and... yeah you know lack of jobs and [...] it's just ... annoying that they're building so many places and it's here more than anywhere that I've seen, that is really sort of coming up [...] there's two sides here, there are people down the road that have got you know penthouses [...] and they're building all these places for them and then there's people like us that are struggling to get through and it's just making it harder and harder, you know as well ...but what can you do.”

As well as showing differences in perceptions about the local area and feeling about the future, these disparities between ethnic groups are also likely to reflect that pathways to place-based prosperity are not equitable. Subsequently, to address these inequalities in a meaningful way we need to ensure equitable pathways to prosperity for individuals and communities of diverse ethnic backgrounds.

4. CONCLUSION

The report demonstrates that differences in ethnicity are linked to differences in how people perceive and experience the good life. People from Black and Minority ethnic groups tend to give a lower score to indicators that impact the main domains, defined as important for prosperity by the residents of east London such as secure livelihoods, housing, place satisfaction and having choice and control over decisions that affect individual and community prosperity (Woodcraft and Anderson 2019).

The data analysis of this report is specifically focused on people's livelihoods, feelings about their local area and feelings about the future. The findings suggest that mean Real Household Disposable Income changes according to ethnicity. Difference in tenure type and the proximity of the accommodation to green spaces and local services of good quality are likely to be related to differences in place satisfaction and the subjective experience of feeling safe within the neighbourhood where one lives. Beside differences in the perceived local prosperity, ethnicity-related inequalities are also present when we look at the degree to which people feel secure about the future and feel able to make choices, plan and improve their life in the future.

There are various other variables and LPI indicators that might be linked to these ethnicity-related differences and might provide a deeper understanding of the effects of racial injustice such as health, quality of work or access to housing (e.g. shared ownership). For example, the differences in RDHI among ethnic groups could be explained by a set of different variables that influence RDHI such as housing quality and location, employment status, etc.

One of the limitations of this report is that the LPI household survey dataset is based on a randomly selected sample. More specifically, the sample population might not accurately represent the ward-level ethnicity breakdown of population it was designed to reflect and ethnic groups that should ideally be oversampled were not (e.g. Multiple and Mixed Ethnic groups). Thus, the interpretations of the findings of this initial exploration should be treated with caution.

Furthermore, not only different types of geographical areas have diverse breakdowns of ethnic populations but people from different ethnic background have a diverse set of lived experiences. For example, someone who is Chinese would have a very different kind of experience from somebody who is Bangladeshi. A Romanian or Polish or Bulgarian construction worker would have a very different experience from somebody who is an established White British person. These qualitative differences in terms of lived experiences within each ethnic group category are significant. However, the standard ethnicity categorisation does not capture adequately and accurately this rich information.

Future IGP work will examine possible ways of challenging these categories and assess how these are perceived by the people involved in future studies. IGP's future contribution will be to provide a new lens on existing datasets and studies that explore ethnic and racial inequalities in London. Future analysis will examine how key ideas related to prosperity are different across ethnic groups such as the concept of secure livelihoods (e.g. job quality rather than just type of employment) and the role of community and social local relationships (e.g. types

of community practices, volunteering), which are important components for people's understanding of prosperity. This will lead to new theoretical accounts that link the concepts of race and ethnicity (and gender) to the developing⁸ concept of prosperity.

Developing this form of knowledge through collaboration with local communities is crucial in order to respond to the current challenge of planning meaningful post-covid recovery action paths. This requires policies that are aligned with the diverse set of lived experiences. A deeper understanding of the prosperity-related disparities between different communities and within communities will provide the policy-relevant knowledge, necessary for developing equitable pathways to prosperity. To level up our communities, policymakers and local authorities should work closely with local communities in order to make sure that any post-pandemic recovery action plan addresses the needs of the specific local community in a meaningful way. That is providing affordable resources, assets, services and support to empower people and communities who have and will most likely experience the greatest impact of the pandemic.

⁸ Rebuilding post-covid prosperity will most likely require rethinking again the concept of prosperity. Future studies will need to address the changes in the perceptions of good life triggered by the effects of the pandemic and examine the possible evolutions of some indicators.

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