

Impact case study (REF3b)

<p>Institution: University of Essex</p>
<p>Unit of Assessment: 23 – Sociology</p>
<p>Title of case study: British Household Panel Study: Informing government strategy and legislation</p>
<p>1. Summary of the impact The British Household Panel Study (BHPS) is a longitudinal survey that has followed a representative sample of individuals since the early 1990s. The resource is used routinely by government departments (e.g. DWP, HMRC, Cabinet Office) and third-sector bodies (e.g. Children’s Society) for their research and for monitoring progress towards policy targets. The data’s longitudinal character has helped to transform government departments’ understanding of the goals of social policies, and allowed them to redefine targets in ways not possible without the BHPS. Examples include DWP’s monitoring of persistent poverty, which uses BHPS data to estimate the probability of an individual living in poverty for several successive years.</p> <p>2. Underpinning research The BHPS is one of the most important British longitudinal datasets and has been a major resource for the policy and social scientific research community in the UK and internationally since it was first established in 1991 (http://www.iser.essex.ac.uk/bhps). It was set up at Essex with ESRC funding to create the first national longitudinal household panel survey of some 5,000 households in Britain and data has been collected from these households annually since then. The progress of the project was reviewed on a five-year cycle, and funding was renewed in 1994, 1999, and 2004, and thereafter as part of a larger study. The aim of the study was to provide longitudinal data that could be used to model individual- and household-level outcomes and behaviour in relation to wider social and economic processes. The collection of longitudinal data at annual intervals from the set of individuals within the sample was designed to support a wide range of research on persistence of various states (e.g. low income and unemployment) and on the factors associated with transitions in and out of these states.</p> <p>Input into the design of the study came from social scientists who were themselves undertaking high-quality research across a wide range of disciplines, in order to ensure that it could contribute to research in, for example, economics, sociology, demography, psychology, geography, and epidemiology. The case for refunding at each round was greatly strengthened by earlier policy uses, and a number of government departments contributed to the study design on an ongoing basis.</p> <p>The BHPS was established to meet the need for high-quality longitudinal data suitable for the analysis of both the short and long-term dynamics of change and their impact on the well-being and life chances of individuals and households. The study has a nationally representative sample of individuals of all ages with annual interviews of all members of the sample households. The resulting dataset has proved to be one of the richest and most widely used British datasets and continues to be of national and international significance for the promotion and advancement of longitudinal research and methodology.</p> <p>The BHPS has, from 2009, been incorporated into a far larger panel study, called <i>Understanding Society: The UK Household Longitudinal Study</i>. <i>Understanding Society</i> interviews individuals in some 40,000 households across the UK, including the BHPS sample. The fact that this new and far larger household panel survey was commissioned by the ESRC with direct funding from the Department for Business Innovation and Skills (through the Large Facilities Capital Fund) is testament to the success of the BHPS and the value and strategic importance of continuing to provide high-quality household panel data for the academic and policy communities. The influence of the BHPS is long-running and is set to continue through <i>Understanding Society</i> over the coming years. There have been approaching 4,000 BHPS data users, and BHPS data have been used in over 5,500 academic and policy publications. There is substantial international recognition for the quality of BHPS, with large numbers of data users in USA, Europe and beyond.</p> <p>The first Principal Investigator for the BHPS was Professor David Rose, now Emeritus Professor at the University of Essex. He was followed by Professor Jonathan Gershuny, at Essex from 1993-</p>

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2005. Leadership of the project was handed over to Professor Nick Buck in 2001 who continues to direct the successor household panel study, *Understanding Society*. Other key researchers involved have included Stephen Jenkins (at Essex 1994-2010) and John Ermisch (at Essex 1994-2011).

3. References to the research

Buck, N., J. Gershuny, D. Rose and J. Scott (eds.) (1994) *Changing households. The British Household Panel Survey 1990 – 1992*, ESRC Research Centre on Micro-social Change, University of Essex. ISBN 1858711029

Jarvis, S. and S. P. Jenkins (1998) How much income mobility is there in Britain? *Economic Journal*, 108, no. 447: 428-443. DOI: 10.1111/1468-0297.00296

Booth, A., S. P. Jenkins and C. G. Serrano (1999) New men and new women? A comparison of paid work propensities from a panel data perspective. *Oxford Bulletin Of Economics And Statistics*, 61(2): 167-197. DOI: 10.1111/1468-0084.00124

Berthoud, R. and J. Gershuny (eds.) (2000) *Seven years in the lives of British families*. The Policy Press: Bristol. ISBN 1861342004

Ermisch, J. and M. Francesconi (2001) Family matters: impacts of family background on educational attainments. *Economica*, 68, no. 270: 137-156. DOI: 10.1111/1468-0335.00239

Brynin, M. and J. Ermisch (eds.) (2009) *Changing relationships*. Routledge: Oxon. ISBN 0415541042

Datasets:

SN 5151 - British Household Panel Survey: Waves 1-18, 1991-2009.

<http://www.esds.ac.uk/findingData/bhps.asp>

Research funding

The underpinning research was supported by the following main research grants, which total over £51 million:

Gershuny, J. *Research Centre on Micro-social Change*. ESRC, 01.10.94 to 30.09.99, BHPS component £5.425 million.

Gershuny, J. *UK Longitudinal Studies Centre*. ESRC, 01.10.99 to 30.09.04, £9.1 million.

Buck, N. *UK Longitudinal Studies Centre*. ESRC, 01.10.04 to 30.09.09, £13.5 million.

Buck, N. *UK Household Longitudinal Study*. ESRC, 01.04.08 to 30.09.12, £23.2 million.

4. Details of the impact

The impact detailed here focuses on the use of BHPS data by government departments and third-sector organisations, either internally or through commissioned reports from 2008 onwards. It mainly focuses on impacts on policy related to poverty and disadvantage, equalities and the family. However, this is part of a broader picture and over this period we have identified 43 reports published or commissioned by government departments or third-sector organisations, as well as a number of other uses. Of particular relevance for policy use has been annual panel data supporting research persistence and transitions, which has permitted a shift in the focus of policy from a concern simply with numbers in particular states at a given point in time to an investigation of factors leading to persistence and transitions.

The use of BHPS by the Department for Work and Pensions

The DWP uses BHPS data for the calculation of four-year persistent poverty rates for the Low-Income Dynamics statistics, which are published in parallel with Households Below Average Income statistics according to arrangements approved by the UK Statistics Authority. The 2010 *Low-Income Dynamics* report sets out in detail in Section 1 the way that it draws on BHPS data gathered between 1991 and 2008 [corroborating source 1]. The statistics and commentary give an insight into the standard of living of the household population in the United Kingdom, focusing on the lower part of income distribution.

A lower level of children in persistent poverty is one of four targets in the *Child Poverty Act 2010*. Although the Act does not make explicit reference to the BHPS it stipulates that the necessary statistical surveys must be used to assess whether the targets are being met – in the case of persistent poverty the Act stipulates that this must come into force before 2015 [corroborating source 2]. Given the DWP's use of BHPS data to measure persistent poverty rates, it is reasonable

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to assume that the BHPS constitutes one of the statistical surveys necessary to assess whether the government is meeting this target. Indeed, the current government's Child Poverty Strategy also makes use of BHPS data and explicitly identifies the role for Understanding Society as an indicator for persistent poverty in Annex A [3]. The document also states in paragraph 5.12 that "We will explore the potential of using longitudinal studies to better capture those who are living in sustained severe poverty (in particular the large scale Understanding Society study)" as well as making numerous references to BHPS findings [3].

The BHPS data that the DWP uses to measure persistent poverty is also used by the Scottish Government in figures on the percentage of children, working-age adults, and pensioners experiencing persistent poverty in Scotland. This measure of persistent poverty was introduced in chapter 4 of the *Poverty and income inequality in Scotland: 2009-10* report published in 2011 [4]. These statistics are used to monitor progress towards Scottish Government targets to reduce poverty and income inequality.

The DWP submitted evidence that used BHPS-generated statistics on persistent poverty in pensioners to the 2009 Work and Pensions Committee report *Tackling Pensioner Poverty*. This evidence relies on BHPS-derived figures on the percentage of pensioners with income 60% below median income in at least three out of four years [5]. BHPS data are also used in Pensim2, the Department's model for simulating the effects of different pension policies. For instance, BHPS figures are used in estimating earnings when modelling future payments to pensioners under different schemes [6]. Trevor Huddleston, Chief Analyst at the DWP, in a House of Lords Select Committee stated that Pensim2 "models the life course. In order to do that you need to have the right data and we did have the right data and the right computer power" [7].

The use of BHPS data by other government departments

The use of BHPS data has become routine in UK Government departments beyond the DWP and in the period since 2008 we have identified uses by various departments, including HM Revenue and Customs, Department of Business, Innovation and Skills, Department for Education, Department of Health, Department for Culture, Media and Sport, and Department for Communities and Local Government.

BHPS-based research has been used by the Cabinet Office and Department for Children Schools and Families in identification of key issues for the development of family policy, especially around the issues of family and family breakdown and the implications for children. BHPS data used in the research underpins the 2008 evidence paper, *Families in Britain* [8].

BHPS findings have been regularly used to inform strategy papers. For instance, the Cabinet Office's 2008 discussion paper on social mobility, *Getting on, getting ahead*, uses BHPS data in its analysis of opportunities to progress in the workplace [9]. BHPS data is also used to inform Scottish Government strategy and, for instance has informed a paper on the implications of changing household formation on housing policy [10].

The use of BHPS data within the third sector

The BHPS is used by policy and third-sector organisations for policy evaluation and development. This includes for example, the Low Pay Commission, Institute for Public Policy Research, Equality and Human Rights Commission, Fawcett Society, The National Young Volunteers Service, Centre for Social Justice, The Children's Society, National Council for One Parent Families, Financial Services Authority, and Age UK.

BHPS findings are regularly cited by third-sector organisations in their submissions to House of Commons committees. For example, the Resolution Foundation used BHPS data to establish the profile of low earners in evidence submitted to the Treasury Committee's 2008 report, *Budget measures and low-income households* [11]. BHPS data has been used to inform policy reports by organisations such as the Centre for Social Justice on family breakdown [12] and the Children's Society on relationships between fathers and children [13].

5. Sources to corroborate the impact

All documents are available from HEI on request.

[1] Department for Work and Pensions (2011) *Low-Income Dynamics 1991-2008* (Great Britain).

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London: DWP. See especially section 1.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/200978/low_income_dynamics_1991-2008.pdf

[2] HM Government (2010) *Child Poverty Act 2010*. London: Stationery Office. See Parts 6 and 7.

<http://www.legislation.gov.uk/ukpga/2010/9/contents>

[3] Department for Work and Pensions and Department for Education (2011) *A new approach to child poverty: Tackling the causes of disadvantage and transforming families' lives*. See particularly Annex A on Understanding Society as one of the Child Poverty Strategy Indicators. References in document to Understanding Society (5.12 on the importance of longitudinal studies; 5.14) and BHPS (Footnote 11; Footnote 71; Footnote 18; Footnote 123).

<https://www.education.gov.uk/publications/eOrderingDownload/CM-8061.pdf>

[4] Scottish Government (2011) *Poverty and income inequality in Scotland: 2009-10*. Edinburgh: Scottish Government National Statistics. See chapter 4.

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Social-Welfare/IncomePoverty/povertystats0910pdf>

[5] The Work and Pensions Committee (2009) Memorandum submitted by Department for Work and Pensions (TPP 19), *Tackling pensioner poverty. Fourth report of session 2008-09. Volume II. Oral and written evidence*. London: Stationery Office. Ev 101-110. See Annex A.

<http://www.publications.parliament.uk/pa/cm200809/cmselect/cmworpen/411/411ii.pdf>

[6] Armellini, M and S. Butler (2012) *Evolution of pensioners' income from defined benefit schemes*. Department for Work and Pensions.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/223065/evolution_of_pensioners_income.pdf

[7] House of Lords (2012) Unrevised transcript of evidence taken before The Select Committee on Public Service and Demographic Change Inquiry on Public Service And Demographic Change. *Evidence Session No. 2. Heard in Public. Questions 56 -71*, Tuesday 9 October 2012. See p. 18.

<http://www.parliament.uk/documents/lords-committees/Demographicchange/ucPSD091012Ev2.pdf>

[8] Cabinet Office and the Department for Children, Schools and Families (2008) *Families in Britain*. See pp. 37, 47, 70, 72-73.

<https://www.education.gov.uk/publications/eOrderingDownload/Families%20Evidence%20Paper%20v0%2032%20181202.pdf>

[9] Cabinet Office (2008) *Getting on, getting ahead*. A discussion paper: analysing the trends and drivers of social mobility. London: Cabinet Office. Strategy Unit. See p. 81.

<http://webarchive.nationalarchives.gov.uk/http://www.cabinetoffice.gov.uk/media/66447/gettingon.pdf>

[10] Scottish Government. Communities Analytical Services (2010) *Household formation in Scotland: What does it mean for housing policy?* Edinburgh: Scottish Government. See pp. 8 & 19.

<http://www.scotland.gov.uk/Publications/2010/07/13084549/10>

[11] The Treasury Committee (2008) Budget measures and low-income households. Thirteenth report of session 2007-08. Report, together with formal minutes, oral and written evidence, *House of Commons: Treasury Committee Reports*, HC 326. London: Stationery Office. See Ev 169.

<http://www.publications.parliament.uk/pa/cm200708/cmselect/cmtreasy/326/326.pdf>

[12] Centre for Social Justice (2010) *The Centre for Social Justice green paper on the family*. London: Centre for Social Justice. See p. 7.

http://www.centreforsocialjustice.org.uk/UserStorage/pdf/Pdf%20reports/CSJ_Green_paper_on_the_family.pdf

[13] The Children's Society (2010) *Fatherhood Commission: links between young people's relationships with their fathers and their mothers, and their well-being and self-esteem*. London: The Children's Society. See p. 3.

http://www.childrensociety.org.uk/sites/default/files/tcs/research_docs/fatherhoodreport_0.pdf