

Sir Michael Scholar KCB  
Chairman  
UK Statistics Authority  
Statistics House  
Islington  
London EC1R 1UW

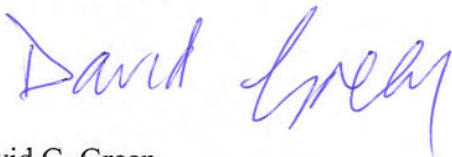
20 July 2009

Dear Sir Michael,

We have examined the EHRC report on the allocation of social housing and found that it falls short of standards of statistical reasoning that are expected of a Government agency that finances research from public funds.

We attach a report by Professor Mervyn Stone that sets out our case and we would be grateful if you would ask the UK Statistics Authority to investigate.

Yours sincerely



David G. Green  
Director

Encl.

**UK Statistics Authority**  
London

**21 JUL 2009**

**Received**

**HOW NOT TO BEAT THE BNP!**  
**A critique of the EHRC report on social housing allocation**

**Professor Mervyn Stone**  
**(Department of Statistical Science, University College London)**

**A Civitas Online Report (© Civitas 2009)**  
**July 2009**

# **HOW NOT TO BEAT THE BNP!**

## **A critique of the EHRC report on social housing allocation**

**Professor Mervyn Stone**  
**(Department of Statistical Science, University College London)**

On July 7th, the Equality and Human Rights Commission (EHRC) issued a 'news release' announcing that commissioned researchers had found *'no bias in allocation of social housing to immigrants'*. The report was given wide media coverage and by the end of the day there can have been few in the land who had not heard a claim that certain myths had been busted. The claim was reinforced by oft-repeated statistical percentages --- among which the killer statistic was undoubtedly a figure of less than two percent. If there had been a questioning voice anywhere, I for one did not hear it.

Favourable comment came thick and fast on radio and TV --- from Sarah Webb of the Chartered Institute of Housing and from Tim Finch of the Institute of Public Policy Research (IPPR) who pre-empted criticism by confidently and almost gleefully asserting that *'correcting a bias that doesn't exist will create a bias in the other direction'*. Mr Finch's strong support was hardly surprising, since EHRC's dis-embargoed news release was an advertisement for a 68-page EHRC/IPPR report *Social housing allocation and immigrant communities* --- the work of two IPPR researchers Jill Rutter and Maria Latorre. Also unsurprising was the presumably premeditated backing of minister John Healey and the Local Government Association.

A Methodist minister, Richard Hall, voiced his support the same day in a blog on theconnection.net . He saw the report as providing valuable ammunition in the fight against the British National Party (BNP) --- but appeared resigned to the outcome that *"of course, a little thing like 'truth' won't put the BNP off their stride"*. The report itself rather ungenerously resurrected the Margaret Hodge affair of 2007 --- in which the BNP featured and Mrs Hodge had dared to question the fairness between new migrants and *'established British families'* of the weights in the formula for the allocation of social housing.

Other websites posted the EHRC's news release as soon as it had appeared: directgov, info4local, publicnet, propertytalklive, build --- and no doubt others beyond my ken. The propertytalk site invited its clientele to post their comments --- but a week later no-one had found anything to say either pro or con.

### **EHRC/IPPR percentages as evidence of 'no bias'**

Value judgments must have been part of Mrs Hodge's concept of fairness. Had it been taken seriously by media commentators, analysis of the concept would have revealed something more wide-ranging than the conditional concept of *no bias* in the EHRC report. The statistics that flooded the airwaves on 7/7/09 date back to 2007, when they appear to have convinced IPPR's Migration, Equalities and Citizenship Team that there was no appreciable statistical bias in favour of immigrants in the



allocations actually made. The EHRC news release resurrected the figures in two paragraphs, which are here condensed with my additional emphases for the convenience of readers:

*The vast majority of people who live in social housing in Britain were born in the UK ... less than **two per cent** of all social housing residents are people who have moved to Britain in the last five years*

*... **nine out of ten** people who live in social housing were born in the UK*

*... within UK-born and foreign-born communities the proportion of people living in social housing is similar at around **one in six** people.*

*... many more recent migrants, those who have arrived in the last five years, have bought their own homes (**17 per cent**) than live in social housing (**11 per cent**).*

Two tables in the 'notes to editors' of the EHRC news release give these percentages to 1-decimal place:

**Housing type by country of birth**

Place of birth by housing type	UK born	Foreign born	Foreign born & arrived in the UK in the past five years
Owner occupier	92.0%	7.4%	0.6%
Social tenant	87.8%	10.0%	<b>1.8%</b>
Private tenant	58.3%	25.5%	16.2%
Other	69.2%	19.6%	11.2%

**Country of birth by housing type**

Place of birth by housing type	UK born	Foreign born	Foreign born & arrived in the UK in the past five years
Owner occupier	74.1%	51.4%	16.6%
Social tenant	<b>17.3%</b>	<b>17.8%</b>	<b>11.6%</b>
Private tenant	7.1%	26.9%	63.6%
Other	1.6%	3.9%	8.2%

The bold emphasis in the tables is EHRC's. There are some potentially confusing features in the legends:

- (i) conventional terminology would switch the two titles,
- (ii) the first rows are just for 'Place of birth',
- (iii) the third columns are for 'Foreign born ... more than five years ago'.

The percentages are those of different categories of households sampled in the 2007 Labour Force Survey. Section 4.1 of the EHRC/IPPR report makes a picture (Figure 5) out of the first table. The second table does not appear in any form but the report includes four of its percentages in the following extract --- which ends with a comment that has no rational basis:

*Our analysis shows that;*

- *Some 64 percent of new migrants to the UK over the last five years are housed in private rented accommodation.*
  - *New migrants to the UK over the last five years make up less than two per cent of the total of those in social housing.*
  - *Some 11 per cent of new migrants have been allocated social housing. The comparable figure for UK born residents is 17 per cent, and for all foreign-born UK residents 18 per cent.*
  - *Over 90 per cent [from Figure A5?] of those in social housing are UK-born.*
- This indicates that although some migrants do benefit from social housing, they are unlikely to do so until they have been settled for several years and acquire settled status, refugee status or become British citizens and that they are not significantly more likely to benefit than other residents*** [my emphasis].

Before any scholastic debate in the Middle Ages could get going, each side had to show *to the satisfaction of the other side* that it had fully understood what the other side was asserting about the issue being debated. The kind of arm's length debate between think tanks that we now have is unable to impose this discipline on participants. So all I can do is to express the *hope* that I have not misled readers about the structure of the figures that underlie the EHRC/IPPR claims. I will take all these percentages as if they were doubly-checked official statistics sanctified by the Office of National Statistics --- and therefore truthful and possibly informative, even if they are rather mind-boggling! The question now is whether we can share the conviction they gave to the IPPR researchers --- or whether we should see what we get when the bald statistics (which, *pace* Benjamin Disraeli, do not easily lie) are subjected to the gentle art of statistical reasoning. Let's start with a little logic!

### **What is evidence?**

There are two logically distinct statements about evidence that are too often treated as equivalent. Now that public policies are required to be 'evidence-based' and are

routinely claimed to be so, the distinction is of interest to more than philosophers. P = 'There is no evidence that your proposition is true' is not the same as Q = 'There is evidence that your proposition is false'.

The difference can be illustrated by the first use of the term 'evidence' in the EHRC news release where we are told that the IPPR researchers '*found no evidence to support the perception that new migrants are getting priority over UK born residents*'. Faced with that assertion, sceptics can hardly ask to see the evidence: they have been told (have they not?) that there is none! The only thing they can ask for is evidence that there is no evidence --- a question that opens a truly Pandoran box. How widely and how meticulously have the researchers searched for evidence? What is the scientific quality of their analyses of the different sorts of data that have been studied? etc., etc.. Any sceptic not satisfied with the response to those questions can then be charged with questioning, without good reason, the scientific competence of the researchers. By which stage, the issue has moved outside the proper framework of scientific discourse and has put the onus on the sceptic to examine everything that the study has accumulated over the years --- and even to assess whether some area of study has been ignored where the evidence might be lurking. Which may be just why researchers like to put things in the P-form!

In contrast, if EHRC had said that their researchers had '*found evidence that new migrants were not getting priority over UK residents*', the issue would have had a scientific focus. One could then ask to see the evidence! The researchers might be able to reveal that their statistician had given them a 95% confidence interval for the difference, in favour of new migrants, between the proportion of new-migrant applicants allocated social housing at some time between 2002 and 2007 and the analogous proportion for those UK-born residents on the waiting list of some local authority during those years. If the statistician had done a good job, the confidence interval would have a 95% chance of covering the true value of that difference. If the calculated interval turned out to be from  $-0.07$  to  $+0.06$  (i.e. going from a 7% bias in favour of UK-born to an 6% bias in favour of new migrants) even a sceptic might have to accept the interval as evidence that new migrants 'are not significantly more likely to benefit than other residents' (in the words of Section 4.1).

### **Like-with-like**

Readers new to the concept of a confidence interval may be unable to make sense of that (necessarily) technical explanation --- but they can usefully take from it the phrase 'analogous proportion' that expresses the principle that like-with-like comparisons are more informative than like-with-unlike ones (which can be horribly misleading unless they can be technically justified). The EHRC/IPPR study *was* making a like-with-like statistical comparison when it pointed to the rough equality of those 'one in six' percentages 17.3 and 17.8. However, for the 'killer statistic' of 2 percent there was not so much a comparison as an unremarkable and uninformative *contrast* of two proportions of the same whole --- which the last page of the report expressed thus: '*New migrants to the UK over the last five years make up less than*



*two percent of those in social housing, whereas over 90 percent are UK born citizens'* [the 'over 90' presumably came from Figure A5]. These numbers went out over the airwaves with no statistical health warning about how people should interpret them -- that they were not to be compared without additional information. The idea seems to have been that a small figure can impress by its very smallness --- without generating any call for explanation.

The IPPR researchers must have known that the data needed for meaningful like-with-like comparison of allocations to UK born and new migrants were missing from their report. Their Section 5.4, entitled '*Analysis of allocation policies from the perspective of equality*', tells us that they '*looked for evidence of differential treatment of different groups ... by looking at how the policies [of different local authorities] would treat two hypothetical families:*

*Family A: A UK-born family comprising two adults and two children who have lived in the local authority for all their lives. They have just been served an eviction order by their private landlord.*

*Family B: An EEA [European Economic Area] worker and family, with the household comprising two adults and two children. They have lived in the UK for just two months. The family has just been served an eviction order by their private landlord.*

What was found in this search for evidence had no more than a hint of the statistical -- in the statement that '*There was no evidence that allocation policies discriminated against white groups. There was a small amount of evidence that some housing policies unintentionally discriminated against ethnic minority communities.*

However, the explicit statement of methodology --- even if it was for seeing what local authority policies would do in hypothetical competition rather than what they did in practice --- does show that the researchers were well aware of the principle of like-with-like comparison.

Given that there are geographical variations in the density of new migrants as well as in local authority allocation policies, it will not be easy to get good data for like-with-like (or technically justifiable like-with-unlike) comparison. However, the need to get at the currently missing data might be given dramatic emphasis by trying to do something about the uninformed contrast between the 2% and the 90% --- for example, by eliciting from IPPR researchers the portion of the 87.8% for UK-born households that were allocated in 'the last five years' (2002 to 2007). That portion will be much smaller than 87.8%, since most of the UK-born tenants in the 2007 survey will not have been applicants in that period. Informative comparison of the reduced percentage and the 1.8% still requires the numbers of households allocated in the five years (that are some multiple of these percentages) to be set against the numbers of applications from which they were selected. Allocations have to be expressed as proportions of the corresponding numbers of individuals (in the two competing groups, UK-born and new migrant) who made applications during the five years --- if they are to represent the chances of successful application. For the 2%, the number of applications will be very much smaller than the number of new migrants since (as the notes to editors correctly tell us) '*most new migrants have no entitlement to social housing*'. For the UK-born, little can be said about the number of applications in the five years until the statisticians tell us. So, until we get this like-

with-like comparison of meaningful proportions (even if it is only a relatively crude comparison) commentators should urge the researchers to observe the Wittgenstein maxim: *'Whereof one cannot speak, thereof one must be silent'*.

### **'Live in Truth!' (Bjørnstjerne Bjørnson)**

This EHRC/IPPR study of social housing allocation was promisingly initiated by Trevor Phillips back in November 2007, as follows:

*'I think that rather than appearing to suppress the debate we really need to inform it with robust, independent evidence. We will never combat prejudice with silence. So I want to propose we commission the best independent study we can by dispassionate academics on whether the housing system is being abused to the detriment of anyone --- including white families.'*

Just five months later, a joint letter to local government chief executives from LGA's Sir Simon Milton and Trevor Phillips was able to give those responsible for administering the local allocation of social housing a privileged sight of some 'initial results' of the commissioned study. The letter went so far as to conclude that *'the evidence shows no bias in the allocation system in favour of recently arrived migrants as compared to UK-born residents'*. After such a short period of commissioned research, this was a claim that ought to have raised doubts about whether the EHRC/LGA partnership actually succeeded, in late 2007, in commissioning the 'best independent study' by 'dispassionate academics' then available.

Fifteen months on and we have now witnessed the denouement of the final report. The poor quality of its statistical thinking about what is a fundamentally statistical issue can only be regarded as a confirmation of such doubts. The difficulty of getting good quality, genuinely independent research on such questions is intimately related to the inhibition, even the corruption, of free academic argument by the financial benefits that can flow to any research organization that succeeds in the competition for a commissioning contract. There are pressures sidelining honesty and truth that only greater openness and transparency about the contractual procedure may be able to overcome.