



***Summary Report on the LSC's Small Area  
Models of Legal Need***

*December 2002*

**Legal Services Research Centre**

VERSION 1.03 (MODIFIED 31.12.02: PARAGRAPH(S) 8; MODIFIED 29.10.03: Title Page; MODIFIED  
01.12.04: General Terminology)

1. The Community Legal Service has developed a series of small area predictive legal need models to provide a starting point for local legal needs analysis, and to assist Regional Legal Service Committees in formulating 'Strategic Plans'. The models are statistical models based on socio-economic data, which can be produced at various geographical levels (e.g. ward, local authority). They aim to identify the need for legal services across England and Wales. The LSRC periodic survey has provided a first opportunity to empirically evaluate the models. This evaluation was undertaken in collaboration with the Social Disadvantage Research Centre, Department of Social Policy and Social Work, University of Oxford.
2. The need to undertake analysis at a geographical level, combined with the relatively low incidence of most problem types, meant that the LSRC survey data were not ideally suited for an evaluation of the small area models. However, it has been possible to use it to provide an indication of their effectiveness. In the future, data from CLSP performance indicator surveys, because they will be geographically concentrated, may provide a better opportunity for evaluation.
3. The methodology for evaluating the small area legal need models involved two separate exercises. First, a comparison between the LSRC survey findings and model outputs, to determine whether a correlation existed between reported and predicted need at the small area level; second, an exploration of alternative models. Before the two exercises could be undertaken the survey data had to be prepared. This preparation involved a substantial amount of data cleansing and recoding, as well as geo-referencing. To geo-reference the survey data, two aggregated data files were created, one at postcode sector level and one at ward level. The postcode sector level file included 124 sectors, and the ward level file included 258 wards.

4. There was sufficient incidence in seven problem categories to undertake analysis; housing, employment, debt, welfare benefits, consumer, education and family. Only weak correlations were found between LSRC survey incidence and predicted incidence for most of the models. In two categories, though, when looking at predicted need per 1000 population, no correlations were found; welfare benefits and employment. For these two categories weak correlations were found only against 'total' predicted need. The strongest correlation was for housing problems. The failure to find a better correlation in respect of the employment model may be in part the result of the particular construction of that model, as it is focused on people's places of work rather than residence.
5. In exploring alternative models, only analogues for current administrative data were used. Again, only weak models could be produced, and no model, even a weak one, could be established in relation to owned housing, consumer and family problems. However, the alternative models pointed to a number of potentially useful indicators. For example, housing benefit proved to be a relatively good indicator of debt problems, job seekers allowance of welfare benefit problems, and the proportion of persons of working age of employment problems.
6. The use of LSRC survey data to evaluate and develop small area legal need models is problematic, and the results set out above are not conclusive. However, as more data becomes available it may be possible to surmount *some* of the problems faced in conducting the above analysis. Nevertheless, problems relating to such things as problem categories and the time-delay in respondents reporting most problems will remain in the future, and so a definitive assessment of small area models will never be likely.
7. If the Legal Services Commission or local CLSPs wish to use small area models for discussions on legal service provision in specific areas,

or local investigation of legal needs, they could continue to do so, for example as a starting point for discussion. The findings strongly suggest, though, that a broad range of information should be used for analysing local legal need patterns.

8. Whilst we believe that use of the current models is legitimate, as a starting point for local legal needs analysis, and provided they are used alongside other methods of needs assessment, we feel there is no prospect that models based on proxy data of the type set out above will ever be sufficiently robust to form the foundations of a funding allocation mechanism. The most effective current models were housing and debt. It should be noted, though, that the consumer, employment and welfare benefits models seem to be of little predictive value. For the last of these the indicators set out in paragraph 5 could provide an alternative.
9. We feel that little benefit would be derived from developing the current models further in the short term. With more administrative data becoming available, this position might change over the next few years. It is unlikely though, that they will ever provide more than a starting point for local legal need analysis.
10. In the light of the above, we suggest that other bases for developing small area models be investigated. In particular, we suggest there is evidence that it may be possible to use usage data as a base for modelling legal need. Of course, it would be necessary to take account of 'illegitimate' factors that influence patterns of usage, such as economic and geographical distortions to the existing supply of legal advice.
11. We also suggest that an evaluation be undertaken of the effectiveness of more narrowly defined models (for example, housing disrepair as opposed to housing more generally). These may be more successful in explaining variance.

12. The first stage in looking to develop usage based models must be a complete review of this practice (and its development) in other contexts, such as health provision. This should be accompanied by a comprehensive determination of potential illegitimate factors in the context of legal service supply. Both these exercises will take some time, and we cannot envisage a series of usage based models being available in the short term.
  
13. If usage based models were to be developed, they would require the collation of usage data across the entire Community Legal Service. We recommend that steps be taken to assess the prospects of sufficient such data becoming available.