

# Households Below Average Income

An analysis of the income distribution 1994/95 – 2010/11

June 2012 (United Kingdom)



**DWP** Department for  
Work and Pensions



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# **Households Below Average Income**

**An analysis of the income distribution  
1994/95 – 2010/11**

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**Editorial team**

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# Chapter 1

## Introduction and summary of key findings

### Introduction

#### Background

This is the twenty-third edition of the Households Below Average Income (HBAI) series. This report presents information on potential living standards in the United Kingdom as determined by disposable income in 2010/11, and changes in income patterns over time.

#### What does HBAI measure?

Households Below Average Income (HBAI) uses household disposable incomes, after adjusting for the household size and composition, as a proxy for material living standards. More precisely, it is a proxy for the level of consumption of goods and services that people could attain given the disposable income of the household in which they live.

In order to allow comparisons of the living standards of different types of households, income is adjusted to take into account variations in the size and composition of the households in a process known as equivalisation, which is explained in more detail below.

A key assumption made in HBAI is that all individuals in the household benefit equally from the combined income of the household. This enables the total equivalised income of the household to be used as a proxy for the standard of living of each household member.

See **Appendix 1** for a detailed definition of net disposable household income and see **Appendix 2** for a more in-depth presentation of the methodology underpinning HBAI.

#### Publication structure

This publication is split into seven chapters and three appendices. **Chapter 1** gives a summary of the results and an introduction to the analysis; **Chapter 2** gives an overview of the income distribution and looks at the economic climate for the period covered; **Chapters 3 to 6** provide detailed analysis of the incomes of all individuals, children, working-age adults and pensioners respectively; **Chapter 7** gives a summary of analysis of persistent poverty. **Chapters 3 to 6** follow a common structure, starting

# 1 Introduction

with commentary covering the key findings, then background information including an explanation of technical terms, then tables showing headline **trends** over time, which have a **tr** suffix, followed by **detailed breakdown** results for the most recent year, which have a **db** suffix, and tables showing **time series**, which have a **ts** suffix.

**Appendix 1** gives a glossary of terms used and detailed definitions, while **Appendix 2** gives a more in-depth presentation of the methodology underpinning HBAI. **Appendix 3** gives information on future changes to the child material deprivation items.

## Changes to the publication

The following changes have been made to the analyses within the publication this year.

- HBAI has recently undergone an assessment of compliance with the Code of Practice for Official Statistics. Arising from this assessment was a requirement to introduce additional statistical commentary into the report. Commentary is now included at the start of **Chapters 2 to 6**. More details on the assessment can be found below.
- The Consumer Price Index (CPI) has been included in **Table 2.1tr** showing trends in key economic indicators.
- Employment and Support Allowance has been included as a separate item to the list of benefits in the state support sections of the tables in **Chapters 4 and 5**. Due to small sample sizes in 2009/10, this benefit was previously included with Incapacity Benefit or Income Support depending on its type.
- Severe low income and material deprivation statistics have been included in the composition tables (**4.3db** and **4.4db**) and percentage tables (**4.5db** and **4.6db**) in **Chapter 4**.
- In-work poverty data has been added to the detailed breakdown tables (**4.1db**, **4.3db** and **4.5db**) and time series tables (**4.1ts**, **4.6ts**, **4.10ts**, **4.14ts** and **4.20ts**) in **Chapter 4**.
- Marital status data has been added to the time series tables (**4.1ts**, **4.6ts**, **4.10ts**, **4.14ts** and **4.20ts**) in **Chapter 4**.
- Four new questions about four additional material deprivation items for children were introduced into the 2010/11 FRS. However, for the 2010/11 report we are able to report on both series of items and will be using the original items for the calculation of low income and material deprivation, and severe low income and material deprivation statistics. More details on the changes are given in **Appendix 3**.
- With changes to women's State Pension Age, the definition of a pensioner has changed to someone who is of pension age at the time of interview. Some 60 year

old women who would previously have been defined as pensioners will now be included as working-age adults.

- The Office for Disability Issues (ODI) maintains a disability indicator set. One of the ODI indicator categories 'Those living in families with disabled children' was not available in the HBAI publication. An extra disability category has been added to cover this missing category.
- Following user consultation, time series tables looking at pensioners in households with incomes below 50 per cent of median have been removed.

## Revisions to 2008/09 and 2009/10 and other methodological improvements

For this publication, we have revised the 2008/09 and 2009/10 results. This was due to two reasons:

- Changes to the direct tax system in Northern Ireland: In 2007/08 a new rates system was introduced in Northern Ireland. However, within the Family Resources Survey dataset, information under the old property specific values were being used for 2008/09 and 2009/10, resulting in higher rate values being calculated which overestimated housing costs in Northern Ireland.
- New tenure data from the Department of Communities and Local Government (CLG): CLG tenure data is used as a control total within the FRS grossing regime. CLG has published more up to date information and has revised previously published estimates. Due to the size of the changes to the tenure totals we have taken the unusual decision to revise the grossing for 2008/09 and 2009/10.

More information can be found at:

[http://research.dwp.gov.uk/asd/hbai/hbai\\_revision\\_due\\_to\\_ni\\_tax\\_changes.pdf](http://research.dwp.gov.uk/asd/hbai/hbai_revision_due_to_ni_tax_changes.pdf)

Revised tables for earlier years are available on request. The grossing issue will particularly affect analysis by tenure, while the Northern Ireland direct tax system revision will mainly affect results for Northern Ireland.

Methodological improvements have been made to the way the HBAI data is derived:

- There are a small number of adult and child material deprivation questions with missing data. We have developed a methodology for imputing values, with a similar methodology to that used for pensioner material deprivation for FRS 2009/10.
- The methodology to calculate total savings and investments has been improved. More households are shown to have a small level of savings and fewer households are shown to have a large level of savings. This means figures in this publication are not directly comparable with figures in the previous publication.

# 1 Introduction

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## Equivalisation

Income is adjusted, or equivalised, to take into account variations in both the size and composition of the household. This process reflects the common sense notion that a family of several people needs a higher income than a single person in order for both households to enjoy a comparable standard of living.

Equivalence scales conventionally take a couple with no children as a reference point. The incomes of larger households are adjusted downwards and the incomes of smaller households adjusted upwards relative to this reference point. The values of the modified OECD and McClements equivalisation scales are shown in **Table A2.1** in **Appendix 2**.

Most income values quoted in this publication relate to the 'cash' income for a couple with no children; the equivalisation process must be reversed in order for them to be converted to cash incomes for other family types (see **Table 2.4ts** for examples).

## Housing costs

It could be argued that the costs of housing faced by different households at a given time do not always match the true value of the housing that they actually enjoy, and that housing costs should therefore be deducted from any definition of disposable income. However, any measure of income defined in this way would understate the relative standard of living of those individuals who were actually benefiting from a better quality of housing by paying more for better accommodation. Income growth over time would also understate improvements in living standards where higher costs reflected improvements in the quality of housing.

Conversely, any income measure which does not deduct housing costs may overstate the living standards of individuals whose housing costs are high relative to the quality of their accommodation (for example, some residents of London). Growth over time in income Before Housing Costs could also overstate improvements in living standards for low-income groups in receipt of Housing Benefit, and whose rents have risen in real terms. This is because Housing Benefit will also rise to offset the higher rents (for a given quality of accommodation) and would be counted as an income rise, although there would be no associated increase in the standard of living. A similar effect could work in the opposite direction for pensioners: if a shift from renting to owning their housing outright leads to a fall in Housing Benefit income, because fewer low-income pensioners are paying rents, then changes in income Before Housing Costs may understate any improvement in living standards.

Therefore, HBAI presents analyses of disposable income on two bases: Before Housing Costs (BHC) and After Housing Costs (AHC). This is principally to take into account variations in housing costs that themselves do not correspond to comparable variations in the quality of housing. A definition of housing costs can be found in **Appendix 1**.

## Self-employed

All analyses in this volume include the self-employed. However, it should be noted that a proportion of this group are believed to report incomes that do not reflect their living standards and that there are also recognised difficulties in obtaining timely and accurate income information from this group. Previous analysis of the level of material deprivation reported by those self-employed and reporting incomes amongst the lowest 20 per cent of incomes suggests that the link between lower incomes and higher levels of material deprivation is much weaker than it is for the population as a whole.

## Data sources

The main source of data used in this publication is the UK DWP Family Resources Survey (FRS), which is a continuous cross-sectional survey. During 2010/11, full interviews were completed with 23,460 households in Great Britain and 1,896 in Northern Ireland.

As the FRS does not track individuals over time, analysis of incomes is supplemented by the use of longitudinal data from the British Household Panel Survey (BHPS), which is carried out by the Institute for Social and Economic Research (ISER) UK Longitudinal Studies Centre at the University of Essex. The BHPS has been subsumed into the larger Understanding Society survey from the start of 2009. A technical note is available at:

[http://research.dwp.gov.uk/asd/hbai/low\\_income/usoc\\_tech\\_note.pdf](http://research.dwp.gov.uk/asd/hbai/low_income/usoc_tech_note.pdf) setting out details of the move to using Understanding Society for persistent low-income statistics.

## Changes to the Family Resources Survey

Prior to 2002/03 the survey covered Great Britain; from 2002/03 the survey was extended to cover the UK. The fieldwork for the survey in Northern Ireland is managed by the Department for Social Development (DSDNI) and is currently carried out by the Northern Ireland Statistics and Research Agency. The contract for fieldwork for the survey in Great Britain has been re-tendered four times, most recently in 2010. A consortium made up of the Office of National Statistics and the National Centre for Social Research won that contract, for 2011-12 to 2014-15 inclusive. As part of the new contract the cost of the survey has reduced, but the Department has sought to retain as far as possible the accuracy of FRS estimates.

This has been achieved primarily through:

- The FRS incorporating those elements of the General Lifestyle Survey (GLF) used to provide cross-sectional data for the EU Survey of Income and Living Conditions (EU-SILC). While the FRS is used to measure UK poverty, the GLF, an ONS survey, was used to satisfy the EU-SILC, which is used to compare poverty levels across Europe. From April 2012, the FRS will be used to capture the cross-sectional data requirements for EU-SILC, while ONS will retain responsibility for

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the longitudinal EU-SILC requirements. Completed FRS interviews will form the sample frame for a follow-up survey, which ONS will use to meet the longitudinal EU-SILC requirements. DWP and ONS have agreed to share savings from this exercise. DWP will seek to minimise any increase in the length of the FRS questionnaire, and disruption to FRS estimates. More details can be found at: <http://www.ons.gov.uk/ons/about-ons/consultations/closed-consultations/2011/the-future-of-the-glf-survey/index.html>.

- Reducing the sample size: From April 2011, the target achieved sample size for GB was reduced by 5,000 households. Therefore the overall achieved sample size for the UK will be around 20,000 households. We have assessed that this still allows core outputs (such as measures of poverty and take-up of income related benefits) from the FRS to be produced, though with slightly wider confidence intervals or ranges. More details on this assessment can be found at <http://research.dwp.gov.uk/asd/frs/>.

## Population coverage

Both the FRS and the BHPS are surveys of private households. This means that people in residential institutions, such as nursing homes, barracks, prisons or university halls of residence, and also homeless people are excluded from the scope of the analysis presented here. Northern Ireland was included in the FRS from the 2002/03 survey year. The selected BHPS results presented in this publication do not include data for Northern Ireland, which are only available from the 1996 wave. The area of Scotland north of the Caledonian Canal was included in the FRS for the first time in the 2001/02 survey year, and from the 2002/03 survey year, the FRS was extended to include a 100 per cent boost of the Scottish sample. This has increased the sample size available for analysis at the Scottish level.

For some tables, estimates for Northern Ireland (NI) have been imputed for the years 1998/99 to 2001/02. This allows for changes since 1998/99 to be measured at the United Kingdom (UK) level. For further details, see **Appendix 4 of the HBAI 2004/05 publication**. The FRS time series in this publication are presented with discontinuities in the years where there is a change from GB to UK.

## Reliability of results

All figures presented in HBAI are estimates taken from sample surveys and, as such, are subject to variation as a result of both sampling error and bias due to non-sampling errors. These areas are covered in more detail in **Appendix 2**, as well as being outlined briefly below:

- **Sampling error** – as mentioned above, HBAI results are derived from a survey and are therefore subject to sampling error. This will vary to a greater or lesser extent depending on the level of disaggregation at which results are presented. Estimates of income growth between years are vulnerable to sampling error.

- **Non-response** – as with any survey, HBAI results are also at risk from systematic bias due to non-response by households selected for interview in the FRS. In an attempt to correct for differential non-response, estimates are weighted using population totals. Further information on the weighting methodology is included in **Appendix 2**.
- **Comparison with the Labour Force Survey:** Investigations in 2002 into differences between FRS estimates of worklessness and estimates from the Labour Force Survey (LFS) suggested that the FRS overstates the proportion of children living in workless households. A report on findings is at the following URL: [http://research.dwp.gov.uk/asd/frs/reports/children\\_in\\_workless\\_households.pdf](http://research.dwp.gov.uk/asd/frs/reports/children_in_workless_households.pdf)
- **Equivalence scales** – the results presented in HBAI are calculated using the modified OECD equivalence scale. Please refer to **Appendix 2** for a table showing the equivalence scale values.
- **Income components** – as previously mentioned, there are particular problems with the collection and quality of data relating to the incomes of the self-employed. The FRS also records a shortfall in investment income when compared with National Accounts totals. This may lead to an understatement of total income for some groups for whom this is a major income component, such as pensioners, although this is likely to be more important for those at the top of the income distribution.
- **High incomes** – comparisons with Her Majesty’s Revenue and Customs’ Survey of Personal Incomes (SPI), which is drawn from tax records, suggest that the FRS under-reports the number of individuals with very high incomes and also understates the level of their incomes. There is also some volatility in the number of high income households surveyed. Since any estimate of mean income is very sensitive to fluctuations in incomes at the top of the distribution, an adjustment to correct for this is made to ‘very rich’ households in FRS-based results using SPI data. The median-based low-income statistics are not affected.
- **Incomes as a guide to living standards** – comparisons of household income and expenditure suggest that those households reporting the lowest incomes may not have the lowest living standards. The bottom 10 per cent of the income distribution should not, therefore, be interpreted as having the bottom 10 per cent of living standards. For HBAI tables, this will have a relatively greater effect on results where incomes are compared against low thresholds of median income. For this reason, compositional and percentage tables using the 50 per cent of median thresholds have been italicised to highlight the greater uncertainty. We have also presented money value quintile medians in **Table 2.3ts** on three-year averages to reflect this uncertainty.
- **Comparisons with National Accounts** – **Table 2.1db** shows comparisons between growth in Real Household Disposable Income and real growth in HBAI mean BHC unequivalised income. For some years, income growth in the HBAI-based series appears lower than the National Accounts estimates. The implication of this is that absolute real income growth could be understated in the HBAI series. Comparisons over a longer time period are believed to be more robust.

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- **Back payments** – it is possible that at the time of an FRS interview, a person will not be in receipt of a benefit, but will be subsequently awarded the benefit which is backdated to the time of interview. In this situation, HBAI methodology does not adjust for the ‘retrospectively’ increased income. This is relevant for benefits where there are significant backlogs in processing claims or where it is possible for families to submit backdated claims. The size of this effect will be larger in years with a relatively large volume of back payments, such as in 2003/04, when Child and Working Tax Credits and Pension Credit were introduced. Further details of possible effects of the introductions of these benefits were described in the 2004/05 HBAI publication.
- **Geographical disaggregation** – the sample size of the FRS is large enough to allow analysis at regional level within the UK for some results. However, in general, estimates of changes over time at a regional level are unlikely to yield a reliable picture of how different regions have experienced different changes. To address this issue, **Chapters 3 to 6** of the publication present data to the level of region (see **Appendix 1** for definition) and country as three-year averages.
- **Ethnicity breakdowns** – where results are presented for households headed by a person reporting their ethnic status as Mixed, Black Caribbean or Black non-Caribbean and Chinese or other ethnic group, caution should be applied when interpreting results due to the small sample sizes of these groups. Smaller ethnic minority groups exhibit year-on-year variation which limits comparisons over time. For this reason, analysis by ethnicity is presented as three-year averages.

### Assessment of compliance with the Code of Practice for Official Statistics

In December 2011, the UK Statistics Authority published a report on whether it was appropriate for HBAI to be designated as a National Statistic. See: <http://www.statisticsauthority.gov.uk/assessment/assessment/assessment-reports/assessment-report-161---statistics-on-household-resources.pdf>) for details

Subject to specific requirements, it was agreed that this was the case. To meet these requirements, we have introduced commentary to the start of **Chapters 2 to 6** to aid user interpretation of the statistics into the report. We have also published a document looking at the balance between users’ needs for accuracy and timeliness (see [http://research.dwp.gov.uk/asd/frs/reports/production\\_process\\_frs\\_based\\_statistics.pdf](http://research.dwp.gov.uk/asd/frs/reports/production_process_frs_based_statistics.pdf) ). Finally, a comparison how the methods used for measuring income differ from other European measures of income is included in **Appendix 2**.

### National Statistics Quality Review of Income Statistics

In 2004, as part of the National Statistics Quality Review of Income Statistics, the DWP published a joint review of the HBAI and Pensioners’ Incomes (PI) reports. The purpose was to establish whether the HBAI and PI series continue to meet the needs of their users. Details of the review and its conclusions are available at <http://research.dwp.gov.uk/asd/index.php?page=hbai>.

## Uses of the Households Below Average Income Data

This publication is used to monitor DWP Impact Indicators on pensioner poverty and disability poverty. The full list of Impact Indicators is available at:

<http://www.dwp.gov.uk/publications/corporate-publications/dwp-business-plan-2011-2015/business-plan-transparency>

The Coalition Government's child poverty strategy, published on 5 April 2011, presents a suite of indicators that will be used to monitor progress made over the life course of the strategy. There are fifteen indicators across three themes: family resources, supporting families' circumstances, and children's life chances. As well as income-based measures, they include, for example, measures of educational attainment and of the transition from childhood to higher education, training or work. This report updates six of these indicators.

<http://www.education.gov.uk/childrenandyoungpeople/families/childpoverty/a0076385/child-poverty-strategy>

The HBAI report is released alongside a number of other National Statistics publications focused on income and low-income statistics for countries within the United Kingdom:

Poverty and income inequality in Scotland

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

An analysis of the income distribution in Northern Ireland

[http://www.dsdni.gov.uk/index/stats\\_and\\_research/stats-publications/stats-family-resource/households.htm](http://www.dsdni.gov.uk/index/stats_and_research/stats-publications/stats-family-resource/households.htm)

Low-income statistics for Eurostat were produced by the Office for National Statistics (ONS) using the General Lifestyle Survey. A brief description of how levels of low-income in the UK compare with other EU countries is available at:

<http://ons.gov.uk/ons/taxonomy/index.html?nscl=Living+Conditions>

Details of the differences between the EU and HBAI methodology are given in **Appendix 2**.

ONS also produce an annual article on the effects of taxes and benefits on household income, which is due to be published in June 2012. The article provides estimates of income, taxes and benefits (in cash and in kind) in decile groups ranked by equivalised disposable income. This will be available at:

<http://ons.gov.uk/ons/taxonomy/index.html?nscl=Effects+of+Taxes+and+Benefits+on+Households>

The Pensioners' Incomes series, which gives more a more detailed analysis of pensioners' incomes will be published in July 2012 and will be available at:

[http://research.dwp.gov.uk/asd/index.php?page=pensioners\\_income](http://research.dwp.gov.uk/asd/index.php?page=pensioners_income)

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Other publications covering similar themes include:

Family Resources Survey

<http://research.dwp.gov.uk/asd/frs/>

Low Income Dynamics

<http://research.dwp.gov.uk/asd/index.php?page=lid>

In addition, the Office for Disability Issue's disability poverty Indicators are updated at:

<http://odi.dwp.gov.uk/roadmap-to-disability-equality/indicators.php>

### Estimates of income and low-income levels for small areas

Households Below Average Income (HBAI) data cannot be broken down below the level of region, due to sample size and coverage issues. However there are some data sources that present information at smaller geographies:

#### **The revised local child poverty measure**

The revised local child poverty measure published by HM Revenue and Customs gives the proportion of children living in families in receipt of out of work (means-tested) benefits or in receipt of tax credits where their reported income is less than 60 per cent of median income. The means-tested out of work benefits are Income Support, Income Based Jobseekers Allowance, Employment and Support Allowance and Pension Credit. The median income used is based on the HBAI publication, but as income on tax credit records is at family not household level, a series of manipulations have to be made to calculate this. The 2009 data, which is the most recent published, is available for England, Wales, Scotland and Northern Ireland at the following geographic levels: region, county, local authority, ward, parliamentary constituency and Lower Layer Super Output Area (LSOA)/Data Zone/SOA. Statistics for 2006-2008 only include local child poverty figures for England. Data is available here:

[http://www.hmrc.gov.uk/stats/personal-tax-credits/child\\_poverty.htm](http://www.hmrc.gov.uk/stats/personal-tax-credits/child_poverty.htm).

#### **The local child proxy poverty measure**

The local child poverty proxy measure estimates the proportion of children living in families in receipt of out of work benefits. The out of work benefits are Income Support, Jobseekers Allowance, Incapacity Benefit/Severe Disablement Allowance, Pension Credit and Employment Support Allowance. The proportion of children in poverty is calculated using the out of work benefits data and ONS mid-year population estimates. Data is published to Lower Layer Super Output Area (LSOA) level. Data is available from 2004 to 2010 and can be accessed via the following link:

<http://www.education.gov.uk/childrenandyoungpeople/families/childpoverty/b0066347/child-poverty-data>

#### **Neighbourhood Statistics model-based poverty levels for England and Wales**

The Neighbourhood Statistics website has model-based estimates of average income and proportions of households in low income at Middle Layer Super Output Area (MSOA) level for 2007/08. This is available at:

See <http://neighbourhood.statistics.gov.uk/dissemination/Download1.do>.

## English Indices of Deprivation

The English Indices of Deprivation, produced by the Department for Communities and Local Government is a measure of relative levels of deprivation in small areas of England called Lower Layer Super Output Areas and is available at:

<http://www.communities.gov.uk/publications/corporate/statistics/indices2010>.

## Acknowledgements

As in previous years, the DWP would like to thank the Institute for Fiscal Studies (IFS) for the substantial assistance that they have provided in checking and verifying the income data and grossing factors underlying the main results in this edition.

We are also grateful to Her Majesty's Revenue and Customs for the provision of aggregated data from the Survey of Personal Incomes.

The British Household Panel Survey data was made available through the UK Data Archive at the University of Essex. Responsibility for the accuracy and interpretation of the results lies solely with the DWP.

## Registration

If you have any comments or questions, or are interested in receiving information about this publication, such as consultations, planned changes, and advance notice of future releases, please email [team.hbai@dwp.gsi.gov.uk](mailto:team.hbai@dwp.gsi.gov.uk), contact the DWP statistician responsible for HBAI by telephone on 020 7449 7337, or write to Surveys Branch, Department for Work and Pensions, 2nd Floor, Caxton House, Tothill Street, London, SW1H 9NA.

# Summary of key findings

This chapter provides a summary of the chapters within the report, focussing on headline trends.

**Relative measures.** Changes in relative low-income indicators depend on how changing incomes at the lower end of the distribution compare with income growth for the rest of the population. Relative low-income statistics fall if income growth at the lower end outstrips overall income growth. Where reductions are reported for relative low-income indicators, these tend to be on a smaller scale to those seen for the absolute indicators discussed below, as a large part of the income growth at the bottom of the distribution is usually absorbed in keeping pace with the population as a whole.

**Absolute measures.** Absolute incomes in this publication are assessed against the median in 1998/99 adjusted for inflation, and the indicator falls if poorer households are seeing their income rise in real terms.

**Measurement against indicators.** The figures included in the annual Households Below Average Income report and the related report Low Income Dynamics are used to monitor progress against a variety of indicators. These indicators are described in this section in the chapter summaries.

Comparisons are conventionally made between the latest year and either 1998/99 (the first year when UK data is available) or with the previous year. Frequently both percentage point changes in the percentage of a group in low income and changes in the overall numbers in low income are presented. These do not necessarily move in the same direction, for instance the percentage of a group in low income may be flat, but the actual number might rise or fall slightly, due to changes in the group's population.

## The income distribution

Between 2009/10 and 2010/11, incomes fell, in real terms, across each quintile of the income distribution on a Before Housing Costs basis and on an After Housing Costs basis. However, between 1998/99 and 2010/11, there was income growth, in real terms, across each quintile of the income distribution.

Income inequality, as measured by the Gini Coefficient, fell by two percentage points on both a Before Housing Costs and After Housing Costs basis (see **Chapter 2** for a definition of the Gini coefficient).

## Whole population

**Relative** – In 2010/11, 16 per cent of people (9.8 million) were in households in the UK with incomes below 60 per cent of contemporary median net disposable household income Before Housing Costs (BHC), and 21 per cent (13.0 million) After Housing Costs (AHC).

Compared to 2009/10, this represents a fall of 1 percentage point (0.5m) on a BHC basis and a fall of 1 percentage point (0.5m) AHC.

Compared to 1998/99, this represents a fall of 3 percentage points (1.3m) on a BHC basis and a fall of 3 percentage points (1.0m) AHC.

**Absolute** – In 2010/11, 11 per cent of people (6.5 million) were in households in the UK with incomes below 60 per cent of 1998/99 median net disposable household income held constant in real terms Before Housing Costs (BHC), and 15 per cent (9.1 million) After Housing Costs (AHC).

Compared to 2009/10, this was flat in percentage point terms (a rise of 0.3m) on a BHC basis and was flat in percentage point terms (a rise of 0.3m) AHC.

Compared to 1998/99, this represents a fall of 9 percentage points (4.7m) on a BHC basis and a fall of 9 percentage points (4.9m) AHC.

## Children

**Relative low income** – The proportion of children living in households where income is less than 60 per cent of median household income Before Housing Costs for the financial year (2020 target is less than 10 per cent).

In 2010/11, 18 per cent of children (2.3 million) were in households in the UK with incomes below 60 per cent of contemporary median net disposable household income Before Housing Costs (BHC), and 27 per cent (3.6 million) After Housing Costs (AHC).

Compared to 2009/10, this represents a fall of 2 percentage points (0.3m) on a BHC basis and a fall of 2 percentage points (0.2m) AHC.

Compared to 1998/99, this represents a fall of 9 percentage points (1.1m) on a BHC basis and a fall of 7 percentage points (0.9m) AHC.

**Absolute low income** – The proportion of children living in households where income is less than 60 per cent of median household income Before Housing Costs in 2010/11 adjusted for prices (2020 target is less than 5 per cent). For this year, this continues to be measured against median incomes in 1998/99.

In 2010/11, 11 per cent of children (1.4 million) were in households in the UK with incomes below 60 per cent of 1998/99 median net disposable household income held constant in real terms Before Housing Costs (BHC), and 18 per cent (2.3 million) After Housing Costs (AHC).

Compared to 2009/10, this was flat in percentage point terms and numbers on a BHC basis and was flat in percentage point terms and numbers AHC.

## 1 Summary of key findings

Compared to 1998/99, this represents a fall of 16 percentage points (2.1m) on a BHC basis and a fall of 16 percentage points (2.1m) AHC.

**Low income and material deprivation** – The proportion of children who experience material deprivation and live in households where income is less than 70 per cent of median household income Before Housing Costs for the financial year (2020 target is less than 5 per cent).

This is an additional indicator of child poverty complementing the Before Housing Costs based relative and absolute low-income indicators above. In 2010/11, 14 per cent of children (1.9 million) were living in UK households in low income and material deprivation. This represents a fall of 1 percentage point (0.2m) since 2009/10.

**Severe low income and material deprivation** – The proportion of children who experience material deprivation and live in households where income is less than 50 per cent of median household income Before Housing Costs for the financial year. This is also referred to elsewhere as severe child poverty.

This is also an additional indicator of child poverty complementing the Before Housing Costs based relative and absolute low-income indicators above. In 2010/11, 4 per cent of children (0.6 million) were living in UK households in severe low income and material deprivation. This represents a fall of 1 percentage point (0.1m) since 2009/10.

The first three measures here are statutory targets in the Child Poverty Act, the fourth measure in the Act, **persistent poverty** based on a 60 per cent of median income threshold Before Housing Costs, is published in the National Statistics publication Low-Income Dynamics which is summarised in **Chapter 7**, and shows:

In 2005 - 2008, there were 12 per cent of children living in GB households in persistent low income Before Housing Costs (BHC). The AHC figure is 17 per cent.

Compared to 2004 - 2007, this represents a rise of 2 percentage points on a BHC basis. The AHC change is a rise of 2 percentage points.

Compared to 1991 - 1994, this represents a fall of 7 percentage points on a BHC basis. The AHC change is a fall of 8 percentage points.

### Working-age adults

**Relative** – In 2010/11, 15 per cent of working-age adults (5.5 million) were in households in the UK with incomes below 60 per cent of contemporary median net disposable household income Before Housing Costs (BHC), and 21 per cent (7.8 million) After Housing Costs (AHC).

Compared to 2009/10, this represents a fall of 1 percentage point (0.2m) on a BHC basis and a fall of 1 percentage point (0.1m) AHC.

Compared to 1998/99, this represents a rise of 1 percentage point (0.5m) on a BHC basis and a rise of 2 percentage points (1.1m) AHC.

**Absolute** – In 2010/11, 10 per cent of working-age adults (3.8 million) were in households in the UK with incomes below 60 per cent of contemporary median net disposable household income Before Housing Costs (BHC), and 16 per cent (5.8 million) After Housing Costs (AHC).

Compared to 2009/10, this was flat in percentage point terms (a rise of 0.1m) on a BHC basis and flat in percentage point terms (a rise of 0.2m in terms of numbers) AHC.

Compared to 1998/99, this represents a fall of 4 percentage points (1.2m) on a BHC basis and a fall of 4 percentage points (0.8m) AHC.

## Pensioners

**Relative** – The relative 60 per cent of median measure After Housing Costs is used to monitor the Department for Work and Pensions Impact Indicator: Rate of pensioner poverty.

In 2010/11, 17 per cent of pensioners (2.0 million) were in households in the UK with incomes below 60 per cent of contemporary median net disposable household income Before Housing Costs (BHC), and 14 per cent (1.7 million) After Housing Costs (AHC).

Compared to 2009/10, this represents a fall of 1 percentage point (no change in numbers) on a BHC basis and a fall of 1 percentage point (0.1m) AHC.

Compared to 1998/99, this represents a fall of 9 percentage points (0.7m) on a BHC basis and a fall of 14 percentage points (1.3m) AHC.

**Absolute** – In 2010/11, 11 per cent of pensioners (1.3 million) were in households in the UK with incomes below 60 per cent of 1998/99 median net disposable household income held constant in real terms Before Housing Costs (BHC), and 9 per cent (1.0 million) After Housing Costs (AHC).

Compared to 2009/10, this represents a rise of 1 percentage point (0.1m) on a BHC basis and a rise of 1 percentage point (0.1m) AHC.

Compared to 1998/99, this represents a fall of 16 percentage points (1.5m) on a BHC basis and a fall of 20 percentage points (1.9m) AHC.

**Material Deprivation** – This is an additional indicator of pensioner poverty complementing the After Housing Costs based relative and absolute low-income indicators above. In 2010/11, 9 per cent of pensioners aged 65 or over (0.8 million) were materially deprived. This represents a fall of 1 percentage point (0.1m) since 2009/10.

## Disability

The Office for Disability Issues (ODI) maintains a disability indicator set. The indicators were developed in consultation with disabled people, to monitor progress in tackling

## 1 Summary of key findings

barriers and improving outcomes. These indicators include measures of disability poverty.

Disability Poverty Indicators C1, C2 and C3 are based on the Households Below Average Incomes data, C4 covers fuel poverty and C5 is based on persistent poverty, and is currently published in the National Statistics publication Low-Income Dynamics available at the following URL:

<http://research.dwp.gov.uk/asd/index.php?page=lid>.

The Households Below Average Income sourced indicators cover a comparison of the disabled and non-disabled population for:

Indicator C1 - Children living in households with incomes below 60 per cent of median equivalised household income (baseline year 2004/05)

Indicator C2 - Children living in low income and material deprivation (baseline year 2004/05)

Indicator C3 - Individuals living in households with incomes below 60 per cent of median equivalised household income (baseline year 2004/05)

These are available at the following URL:

<http://odi.dwp.gov.uk/roadmap-to-disability-equality/indicators.php>

Indicator C3 is used to monitor the Department for Work and Pensions Impact Indicator: Rate of disability poverty.

**Individuals living in families with a disabled member** - In 2010/11, 20 per cent of individuals in families where someone is disabled were living in households with incomes below 60 per cent of contemporary median net disposable household income Before Housing Costs (BHC), and 24 per cent After Housing Costs (AHC).

Compared to 2009/10, this represents a fall of 1 percentage point on a BHC basis and a fall of 1 percentage point AHC.

Compared to 2004/05, this represents a fall of 3 percentage points on a BHC basis and a fall of 1 percentage point AHC.

**Individuals living in families with no disabled member** - In 2010/11, 15 per cent of individuals in families where no one is disabled were living in households with incomes below 60 per cent of contemporary median net disposable household income Before Housing Costs (BHC), and 20 per cent After Housing Costs (AHC).

Compared to 2009/10, this represents a fall of 1 percentage point on a BHC basis and a fall of 1 percentage point AHC.

Compared to 2004/05, this represents no change on a BHC basis and a rise of 1 percentage point AHC.

**Affect of disability** - In 2010/11 individuals in families where someone was disabled were 5 percentage points Before Housing Costs, and 4 percentage points After Housing Costs, more likely to be living in UK households with below 60 per cent of contemporary median net disposable household than individuals in families where no one was disabled.

### Trend Charts

Figure 1.1: All individuals, main measures, 1998/99 to 2010/11, United Kingdom (see Chapter 3 trends tables for figures)

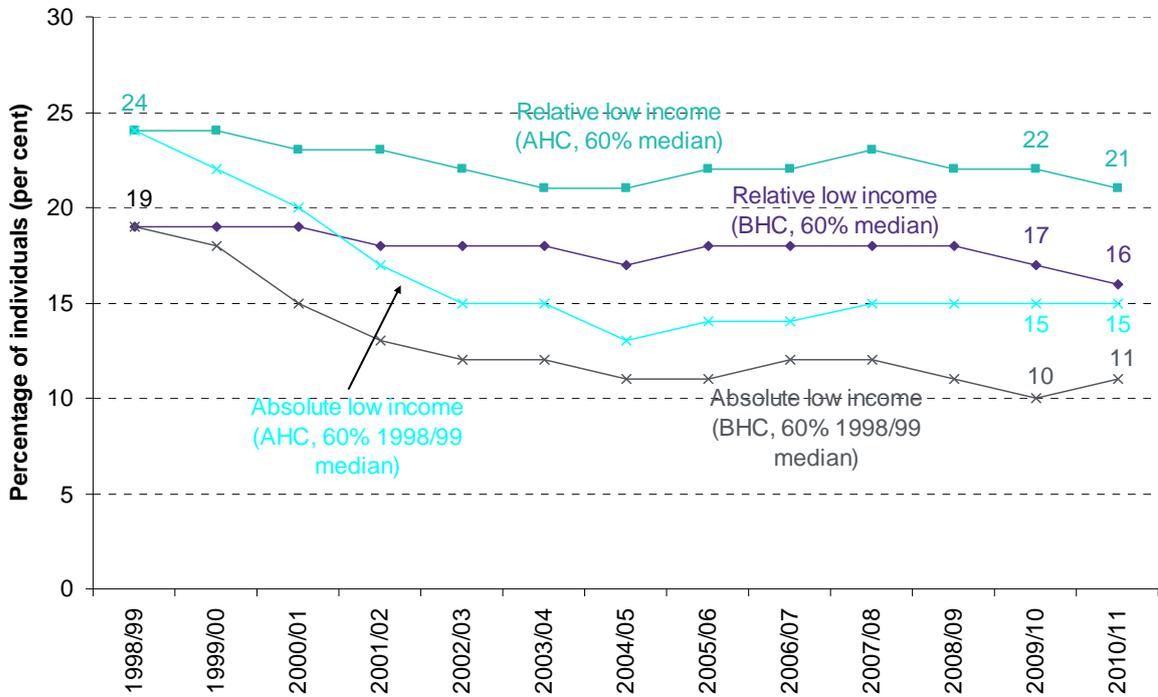
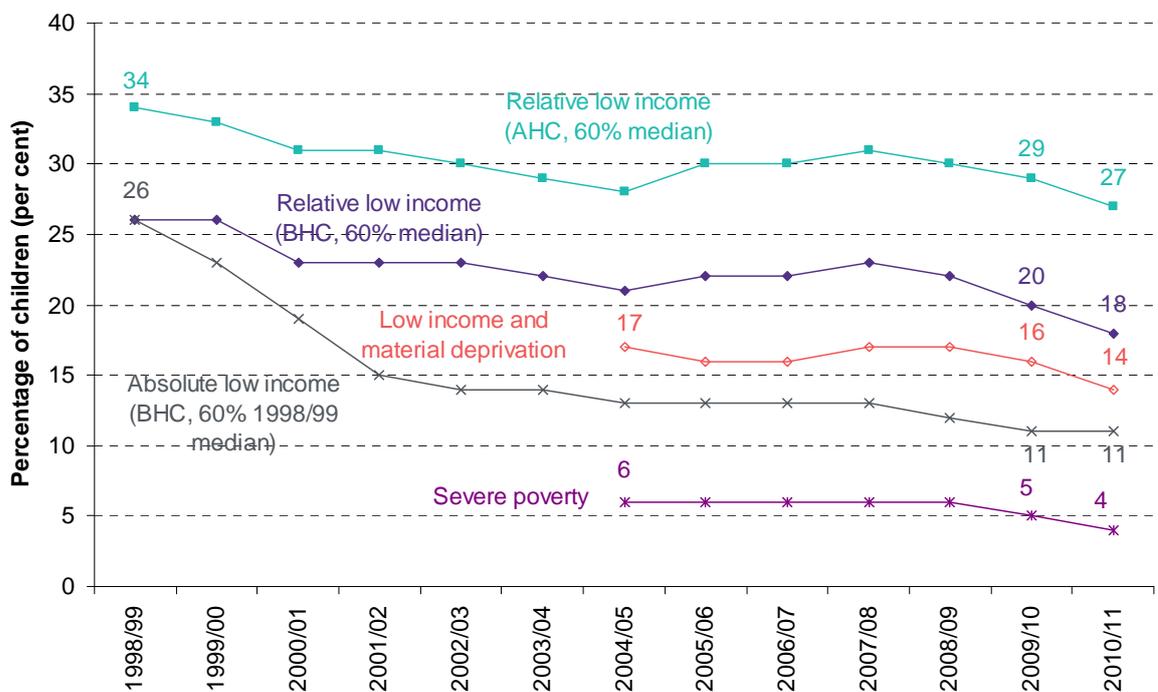


Figure 1.2: Children, main measures, 1998/99 to 2010/11, United Kingdom (see Chapter 4 trends tables for figures)



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Figure 1.3: Working-age adults, main measures, 1998/99 to 2010/11, United Kingdom (see Chapter 5 trends tables for figures)

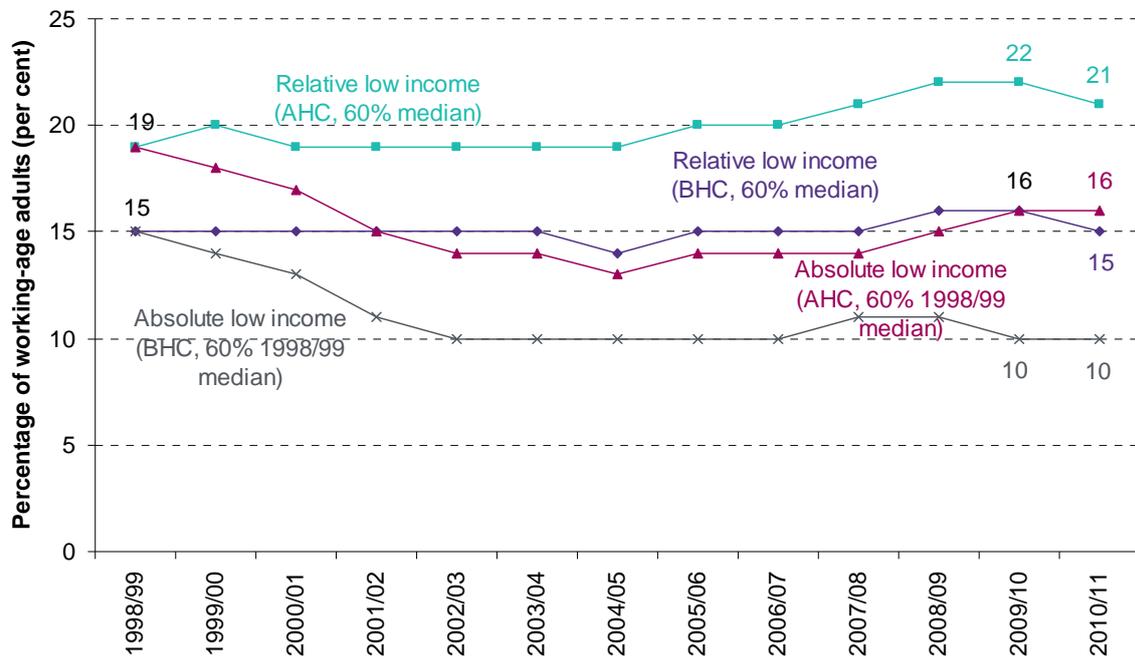


Figure 1.4: Pensioners, main measures, 1998/99 to 2010/11, United Kingdom (see Chapter 6 trends tables for figures)

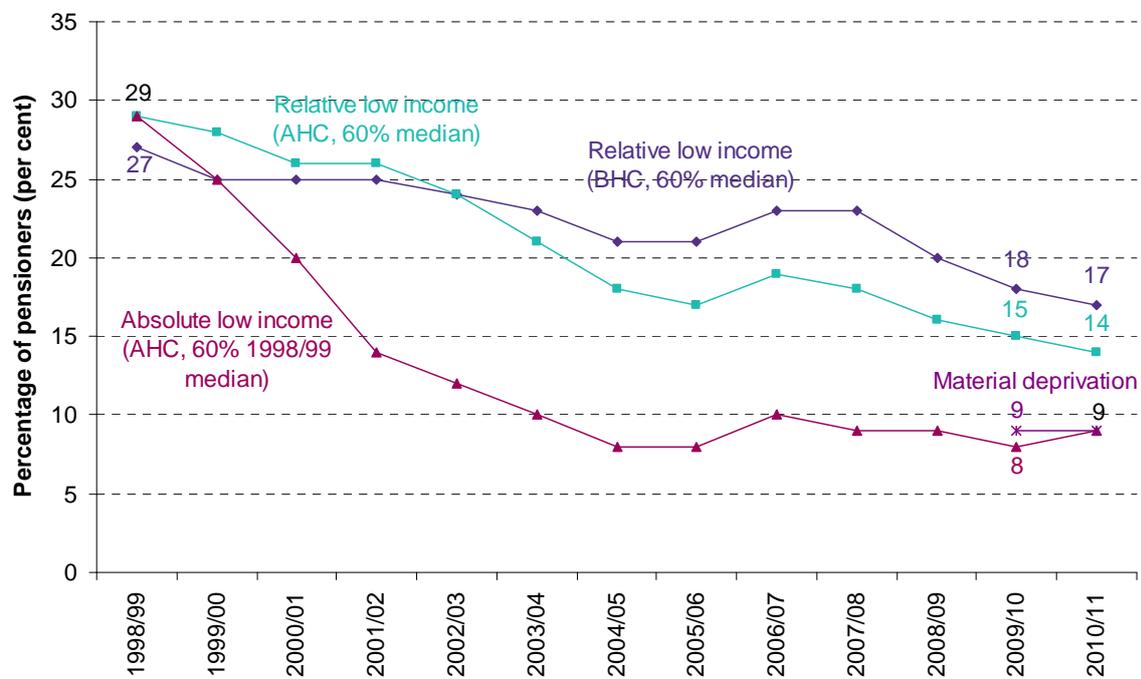
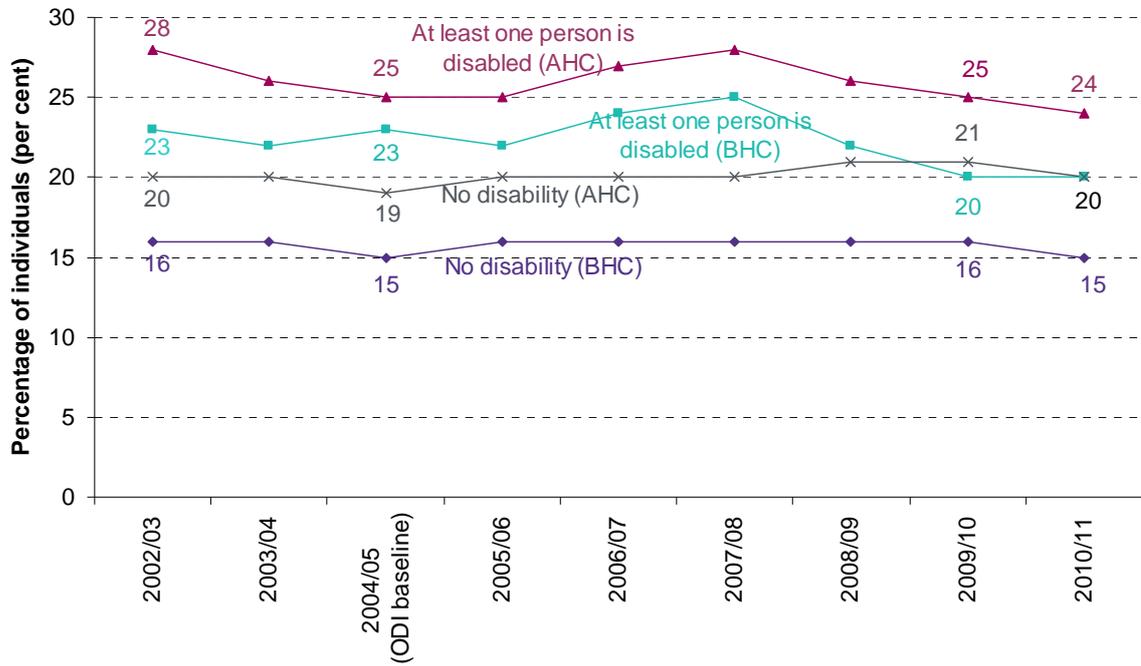


Figure 1.5: Individuals by family disability status, main measures, 2002/03 to 2010/11, United Kingdom





## The income distribution

### Commentary

#### 1. Key findings

- *Median equivalised net household income*<sup>1</sup> in 2010/11 was £419 per week, *Before Housing Costs* and £359 per week, *After Housing Costs*. This meant that the most commonly used threshold to determine if someone is in *relative low income*, 60 per cent of *median income*, was £251 per week, *Before Housing Costs* and £215 per week, *After Housing Costs*. *Mean incomes* were £511 per week, *Before Housing Costs* and £443 per week, *After Housing Costs*.
- The *income* distribution was *skewed* towards the lower end, showing a relatively high concentration of individuals close to the 60 per cent of *median relative low-income* threshold and, particularly *Before Housing Costs*, a long ‘tail’ for higher *incomes*.
- Overall there were *real terms* increases in *income* across the *income distribution* in the period from 1998/99 to 2010/11<sup>2</sup>. *Before Housing Costs*, *income* grew fastest over the period in the lowest two *quintiles*, while *After Housing Costs*, *incomes* grew fastest in the second lowest *quintile*. Following a large reduction in *income inequality* between 2009/10 and 2010/11, *income inequality* in 2010/11 was around its 1998/99 level, *After Housing Costs* and below its 1998/99 level, *Before Housing Costs*<sup>3</sup>.
- Between 2009/10 and 2010/11, there were large reductions in *mean* and *median incomes*, both *Before* and *After Housing Costs*, with those with higher incomes seeing larger reductions, resulting in *incomes* in 2010/11 being around the same levels as in 2004/05. This is likely to be mainly because following the recession of 2008 and 2009, *income* from earnings rose by less than inflation.

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<sup>1</sup> Technical terms in the key findings in italics are explained immediately before the tables.

<sup>2</sup> Figures from the Institute for Fiscal Studies (IFS,) which present data since 1961 (see <http://www.ifs.org.uk/fiscalFacts/povertyStats>) show, broadly speaking, real terms incomes rising in the following periods: between 1961 and 1973, between 1977 and 1980, between 1982 and 1990 and between 1995/96 and 2009/10. Incomes stayed at around the same level between 1990 and 1995/96, and fell between 1973 and 1977, between 1980 and 1982 and between 2009/10 and 2010/11.

<sup>3</sup> Inequality figures since 1961 are available from IFS at <http://www.ifs.org.uk/fiscalFacts/povertyStats>.

## 2 The income distribution

### 2. How is this information used?

Household disposable incomes, adjusted for household size and composition can be used as a proxy for material living standards or, more precisely, the level of consumption of goods and services that people could attain given the disposable income of the household in which they live. Therefore, looking at income movements gives an idea of the evolution of overall living standards. While well-being extends well beyond income, the personal finance element of the Office for National Statistics' Measuring Well-being Discussion paper<sup>4</sup> includes income measures, while the influential Stiglitz-Sen-Fittoussi report on the Measurement of Economic Performance and Social Progress<sup>5</sup> recommends looking at the distribution of income at a household level when considering well-being.

Discussion of the use of low-income statistics specifically is given in subsequent chapters.

### 3. Drivers

**Table 2.1tr**, key economic indicators over time, shows:

- Sustained growth in GDP between 1994/95 and 2007/08. After a contraction in both 2008/09 and 2009/10, there was an expansion of 2.2 per cent in 2010/11.
- Growth in average earnings for 2010/11 was similar to 2007/08 to 2009/10 at 1.8 per cent. Between 1996/97 and 2007/08, earnings growth was generally above both the Retail Price Index (RPI) and Consumer Price Index (CPI) inflation, but it was lower than both indices in 2008/09 and 2010/11. This meant that in 2010/11, average earnings fell in real terms.
- There was a large fall in the real disposable household income series sourced from the National Accounts of 2.1 per cent in 2010/11, the first decrease since 1981, and the largest reduction in the series.
- Broadly stable employment rates (as a result of falling or generally stable unemployment during the period) between 1994/95 and 2007/08. Following a reduction in the employment rate for males and females between 2007/08 and 2009/10, employment has remained fairly flat in 2010/11.
- While interest rates in 2010/11 have remained at the same very low level as 2009/10, the inflation rate has been high at 5.0 per cent for the Retail Price Index (RPI) and 3.5 per cent for the Consumer Price Index (CPI)<sup>6</sup>.

The reduction in earnings combined with the high inflation rate was the key driver of the large reduction in median and mean incomes<sup>7</sup> in 2010/11, with the reduction in

<sup>4</sup> See <http://www.ons.gov.uk/ons/rel/wellbeing/measuring-national-well-being/discussion-paper-on-domains-and-measures/measuring-national-well-being---discussion-paper-on-domains-and-measures.html>

<sup>5</sup> See <http://www.stiglitz-sen-fitoussi.fr/en/index.htm>.

<sup>6</sup> All Before Housing Costs incomes in this publication have been adjusted for inflation using a bespoke index supplied by the Office for National Statistics, consisting of the Retail Price Index excluding Council Tax, while all After Housing Costs incomes in this publication have been adjusted for inflation using the Retail Price Index excluding housing.

<sup>7</sup> Such a reduction was widely predicted. For instance, in their 2011 commentary, available at <http://www.ifs.org.uk/publications/5584>, IFS stated "a fall of 3% or more in median income in 2010–11 is entirely possible".

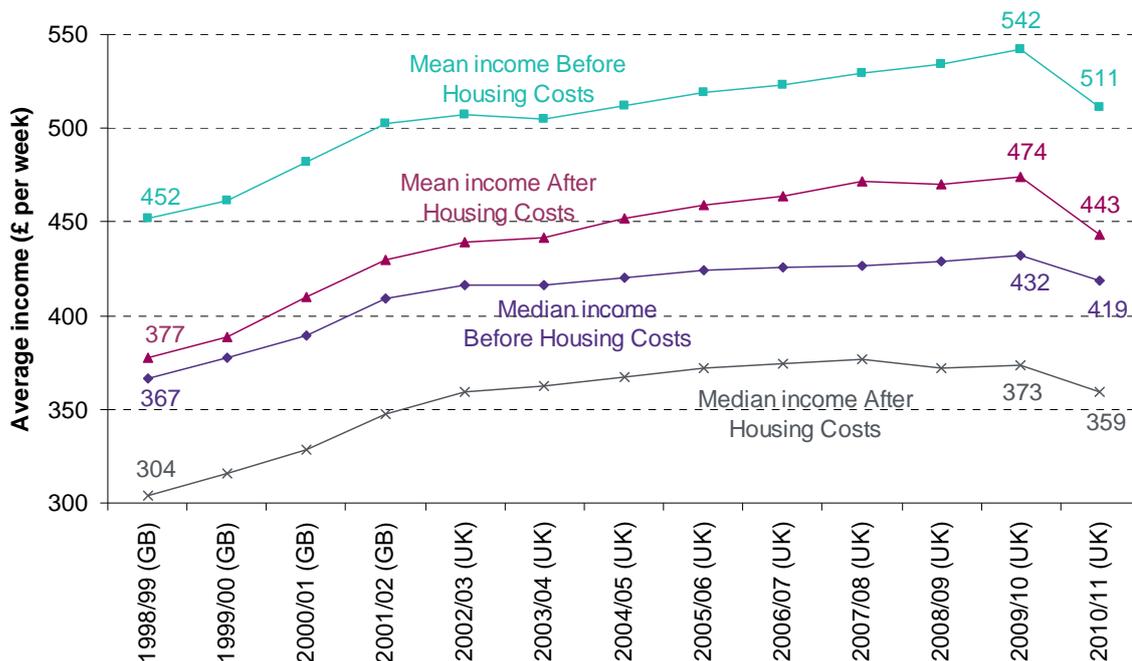
mean income also partly due to reductions in the income of individuals with very high incomes<sup>8</sup>.

Lower-income households saw smaller decreases in income, as such households are typically less dependent on earned income, with more of their income from benefits and tax credits. Benefit and tax credit income grew in cash terms and fell only slightly in real terms. This meant that households in the bottom quintile saw their income fall less in 2010/11 than households at the middle quintile, and that households at the middle quintile saw their income fall by less than households in the top quintile (see **Chart 1.1**).

#### 4. What the figures show

**Trends in average income:** As shown in **Chart 2.1** and **Table 2.1ts**, there were decreases in average incomes on all bases between 2009/10 and 2010/11. Median incomes fell by around £15 a week (3 per cent, Before Housing Costs and 4 per cent After Housing Costs) and mean incomes fell by around £30 per week (around 6 per cent both Before and After Housing Costs) in real terms. This has been widely predicted, and means that incomes in 2010/11 are around 2004/05 levels, but are still higher than in 1998/99<sup>9</sup>.

**Chart 2.1: Average incomes, 1998/99 to 2010/11, United Kingdom<sup>10</sup>**



<sup>8</sup> Part of the reduction in the numbers of individuals reporting high incomes is likely to be due to high income individuals moving income into 2009/10 to avoid the 50p tax rate. See <http://www.hmrc.gov.uk/budget2012/excheq-income-tax-2042.pdf> for analysis of this effect.

<sup>9</sup> Comparisons are often made to 1998/99, as this is the first year where some results are available for the United Kingdom.

<sup>10</sup> Data are only available for the United Kingdom from 2002/03.

## 2 The income distribution

**Income inequality:** Income inequality fell between 2009/10 and 2010/11. This is because the income of higher income households fell by a larger percentage than lower income households. **Chart 2.2** and **Table 2.1ts** show the percentage reductions in income. The equivalised household income of individuals in the top quintile fell by over 5 per cent, both Before and After Housing Costs, while individuals with household incomes in the bottom quintile saw reductions of around 1 per cent.

Chart 2.2: Reduction in incomes, 2009/10 to 2010/11, United Kingdom

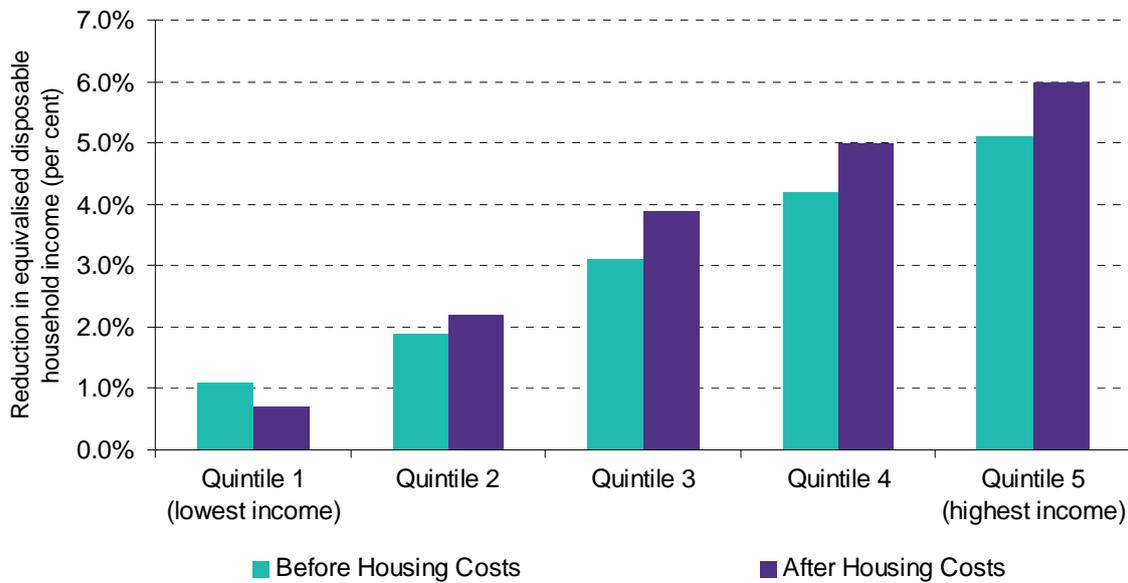
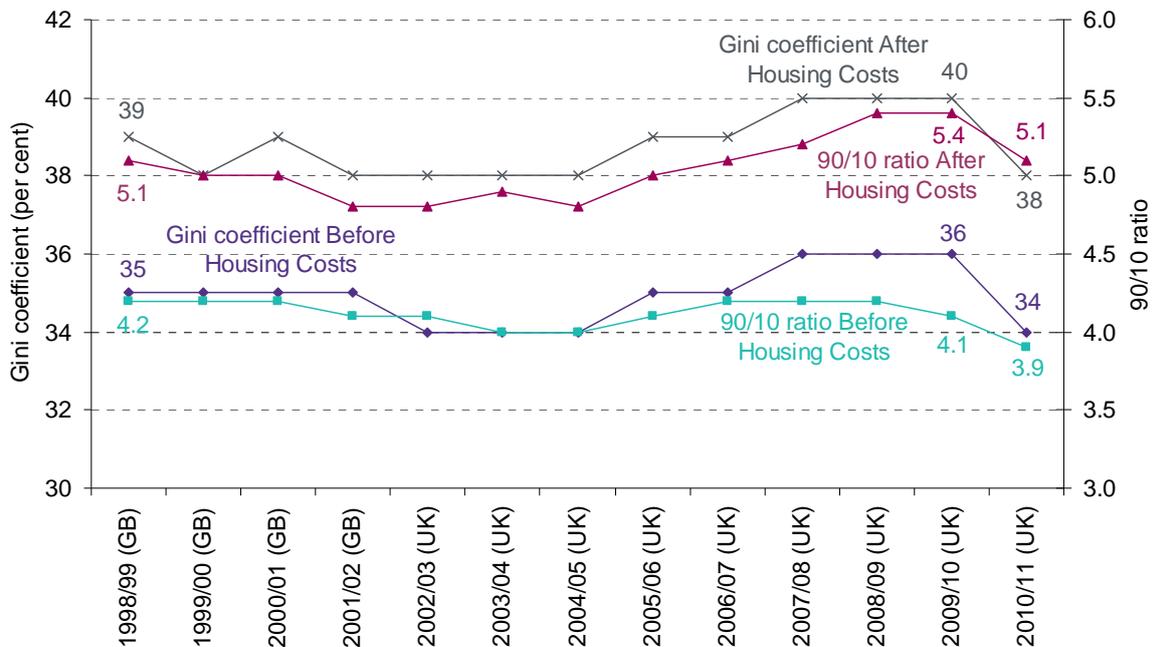


Chart 2.3: Measures of income inequality, 1998/99 to 2010/11, United Kingdom<sup>11</sup>



<sup>11</sup> Data are only available for the United Kingdom from 2002/03.

This reduces the Gini coefficient<sup>12</sup> by 2 percentage points, Before and After Housing Costs. The Gini coefficient Before Housing Costs was 34 per cent in 2010/11 while After Housing Costs it was 38 per cent. There were also reductions in the 90/10 ratio<sup>13</sup>, Before and After Housing Costs. Income inequality in 2010/11 is around its 1998/99 level, After Housing Costs and below its 1998/99 level, Before Housing Costs. Nevertheless, in 2010/11, individuals in the top quintile accounted for over 40 per cent of total income both Before and After Housing Costs, whilst those in the bottom quintile accounted for less than 10 per cent. See **Chart 2.3** and **Table 2.3ts** for details.

**Income components:** Households receive income from a variety of sources. The main ones are earnings, self employment, state support (i.e. benefits and tax credits), interest on investments and occupational pensions. **Figure 2.2** and **Table 2.1db** below looks at the distribution of gross income sources for each fifth, or quintile, of the population, ranked by net disposable household income, and by the various sources of income as a percentage of the total gross income of the quintile. Successive quintiles, from the bottom to the top, show a steadily diminishing share of state support income and an increasing share of income from employment. Earnings and state support were the main sources of income overall, accounting for around 90 per cent of combined income.

Before Housing Costs, earnings made up around 32 per cent of the gross income of the bottom quintile while state support made up 56 per cent. In the top quintile, 83 per cent of income was derived from earnings. After Housing Costs, earnings made up around 39 per cent of the gross income of the bottom quintile while state support made up 51 per cent. In the top quintile, 81 per cent of income was derived from earnings.

**Low income thresholds:** **Table 2.4ts** gives the mean, median and 60 per cent of median threshold since 1994/95. This shows that the most commonly used threshold to determine if someone is in relative low income, 60 per cent of median income in 2010/11, was £251 per week, Before Housing Costs and £215 per week, After Housing Costs. The absolute low-income threshold is based on 60 per cent of the median income in 1998/99, which was £220 per week, Before Housing Costs and £182 per week, After Housing Costs in 2010/11 prices.

<sup>12</sup> The Gini coefficient is a widely-used measure of inequality, which can take values from zero to 100. A value of zero would indicate complete equality, while a value of 100 per cent would indicate total inequality (i.e. all income held by a single household).

<sup>13</sup> A further measure of inequality, defined as the ratio of the top quintile median (90<sup>th</sup> percentile) to the bottom quintile median (10<sup>th</sup> percentile).

## 2 The income distribution

### Background information

#### Introduction

This chapter looks at the overall income distribution and, in order to place the findings presented in this report in a wider context, it considers the prevailing social and economic conditions between 1994/95 and 2010/11.

#### The overall income distribution

**Figure 2.1** shows the income distribution for the United Kingdom in 2010/11 both Before Housing Costs (BHC) and After Housing Costs (AHC). The shaded areas numbered 1 to 10 show each successive tenth, or decile, of the population.

Households Below Average Income presents analyses of disposable income on two measures: Before Housing Costs (BHC) and After Housing Costs (AHC). This is principally to take into account variations in housing costs that do not correspond to comparable variations in the quality of housing. An explanation of how negative incomes can occur After Housing Costs and zero incomes Before Housing Costs is given in **Appendix 1**.

Figure 2.1 (BHC): Income distribution for the total population, 2010/11

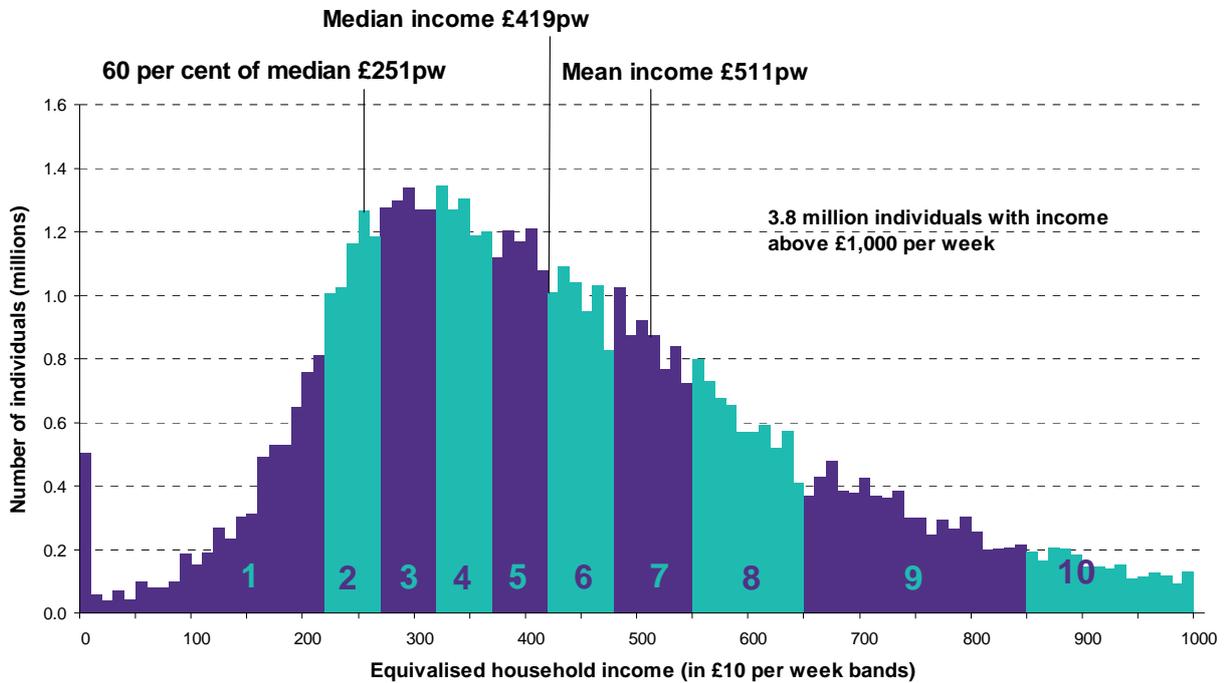
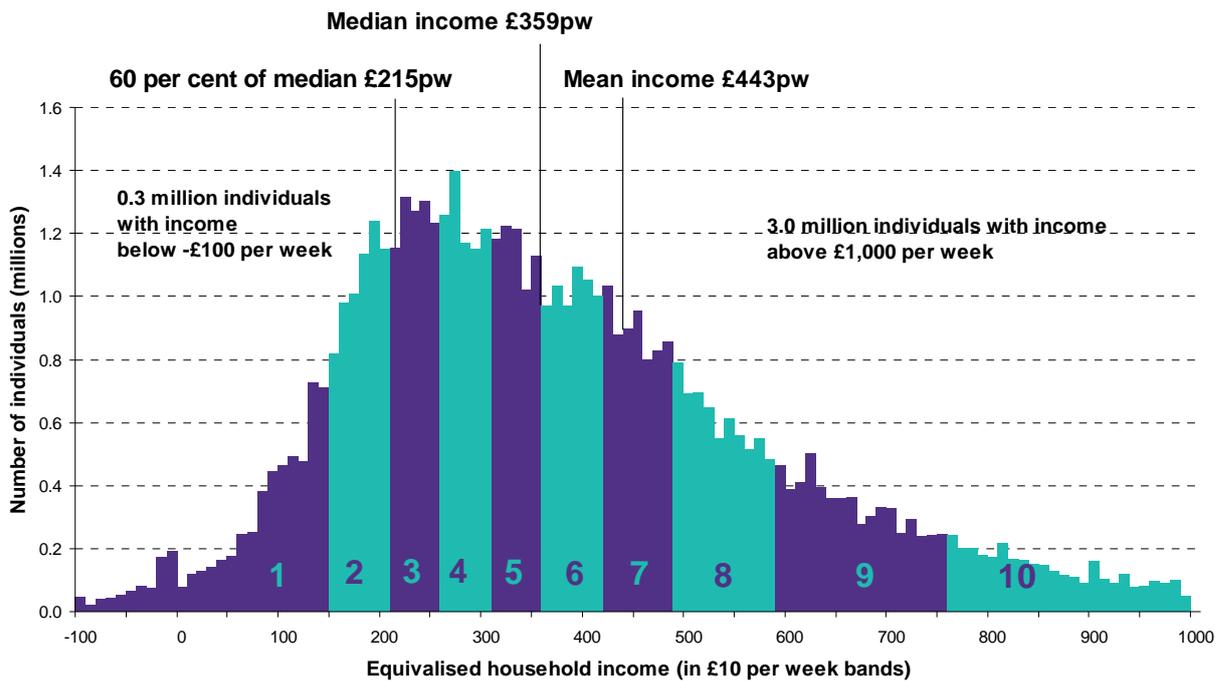


Figure 2.1 (AHC): Income distribution for the total population, 2010/11



The income distribution for 2010/11 is clearly skewed towards the lower end and has a long tail at the upper end. On a Before Housing Costs basis, around two-thirds of individuals had an equivalised household income that was less than the national mean. There was a large concentration of individuals around the 60 per cent of median income mark. The distribution showed similar characteristics on an After Housing Costs basis.

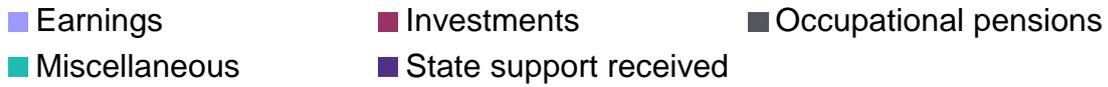
The presence of substantial numbers of individuals with relatively high incomes results in a skewed distribution and a large difference between the overall mean and the median.

**Income components:** Households receive income from a variety of sources. The main ones are earnings, self employment, state support (i.e. benefits and tax credits), interest on investments and occupational pensions. **Figure 2.2** below shows the distribution of gross income sources for each fifth, or quintile, of the population, ranked by net disposable household income, and by the various sources of income as a percentage of the total gross income of the quintile.

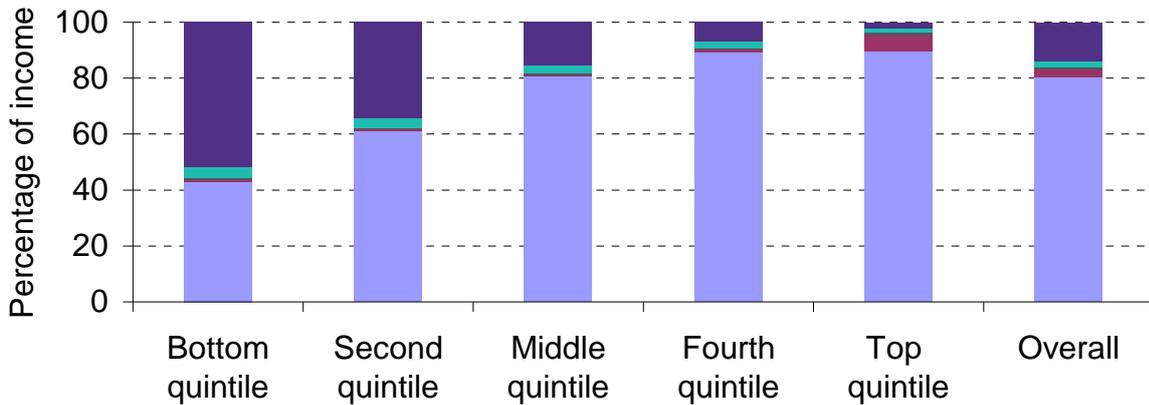
For households containing pensioners and no children in the bottom three quintiles, over half of gross income is made up of state support. Over half of gross income of households containing children in the bottom quintile is made up of state support. For households just containing working-age adults, just under half of gross income of households containing children in the bottom quintile was made up of state support. For both households containing children and households containing just working-age adults, most of the gross income in the top quintile was made up of earnings. Earnings made up around 40 per cent of gross income for pensioner households in the top quintile.

## 2 The income distribution

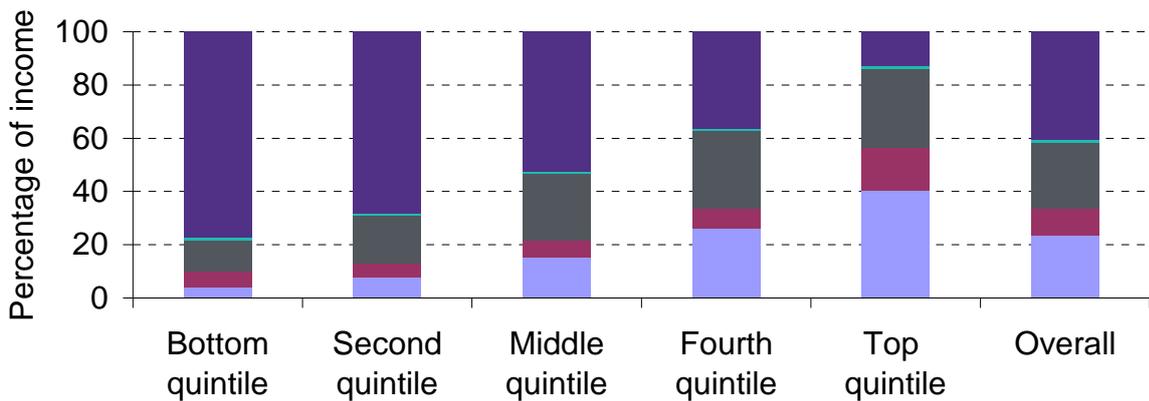
Figure 2.2 (BHC): Income sources as a proportion of gross income by quintile and household type, 2010/11



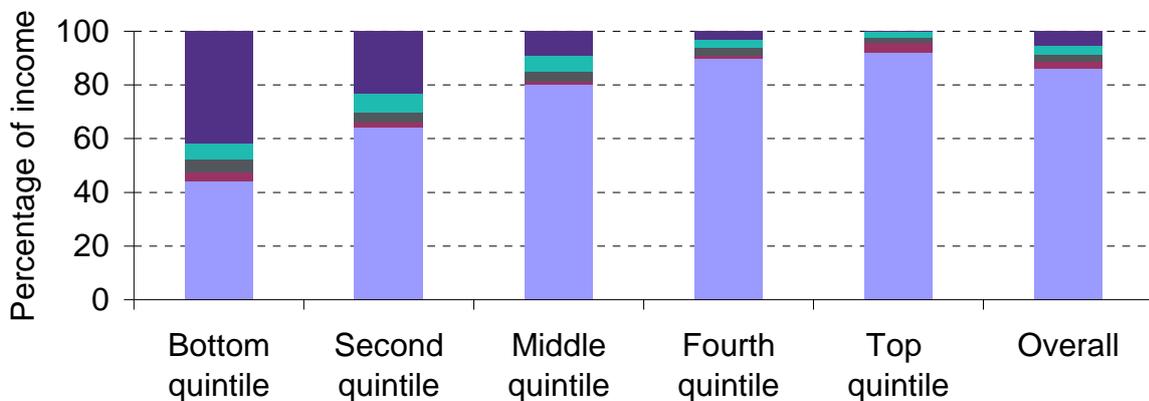
### Households containing children



### Households containing pensioners and no children



### Households containing working-age adults only



## Revisions

Results for 2008/09 and 2009/10 have been revised following incorporation of changes to the direct tax system in Northern Ireland and new tenure data from the Department of Communities and Local Government (CLG). More information can be found at: [http://research.dwp.gov.uk/asd/hbai/hbai\\_revision\\_due\\_to\\_ni\\_tax\\_changes.pdf](http://research.dwp.gov.uk/asd/hbai/hbai_revision_due_to_ni_tax_changes.pdf).

Revised tables for earlier years are available on request. The grossing issue will particularly affect analysis by tenure.

## Tables in this chapter are:

**2.1tr Key economic indicators.** **Table 2.1tr** shows key economic indicators, including Gross Domestic Product (GDP) growth, the Bank of England base interest rate, the headline Consumer Price and Retail Price Index inflation rates, male and female employment rates, average earnings growth and National Accounts Real Household Disposable Income series growth. It also includes changes in HBAI mean net disposable unequivalised income, which allows comparisons between growth in the National Accounts Real Household Disposable Income series and real terms growth in HBAI mean BHC unequivalised income.

**2.1db Income sources as a proportion of gross household income by quintile.** Distribution of gross income sources for each fifth, or quintile, of the population, ranked by net disposable household income. The various sources of income are shown as a percentage of the total gross income of the quintile.

**2.2db Equivalised net disposable income distribution for different family types.** This shows how the equivalised values of different statistics relating to the overall income distribution can be translated into actual household incomes for different family types.

**2.1ts Money values of decile and quintile medians and overall population mean.** This shows the evolution of the income distribution since 1994/95. One way of measuring inequality is to determine the ratio of the top quintile median (90<sup>th</sup> percentile) to the bottom quintile median (10<sup>th</sup> percentile), often called the 90/10 ratio, shown in **Table 2.1ts**, which also shows the ratio of the top to middle quintile medians, and middle to bottom quintile medians.

**2.2ts Income shares and Gini coefficient.** This shows the share of total income received by individuals in different quantiles of the income distribution. **Table 2.2ts** also shows the value of the Gini coefficient since 1994/95.

**2.3ts Values of quintile medians and population means** for family type and economic status groups.

**2.4ts Equivalent money values** of overall distribution mean, median and 60 per cent of median incomes. This shows how the equivalised values of different statistics relating to the overall income distribution can be translated into actual household incomes for different family types for historic years.

## 2 The income distribution

### Equivalisation

Income measures used in HBAI take into account variations in the size and composition of the households in which people live. This process is called equivalisation.

Equivalisation reflects the fact that a family of several people needs a higher income than a single individual in order for them to enjoy a comparable standard of living.

Equivalence scales conventionally take a couple with no children as the reference point. Consider a single person, a couple with no children, and a couple with two children aged fourteen and ten, all having unadjusted weekly household incomes of £200 (Before Housing Costs). The process of equivalisation, as conducted in HBAI, gives an equivalised income of £299 to the single person, £200 to the couple with no children, but only £131 to the couple with children. **Appendix 2** gives more detail.

### Sources of income

Households receive income from a variety of sources. The main ones are earnings, self-employment, state support (i.e. benefits and tax credits), interest on investments and occupational pensions.

It should be noted that comparisons with National Accounts data would suggest that surveys such as the Family Resources Survey (FRS) understate investment income. It is also the case that the FRS underestimates receipt of most types of State Support. See the FRS publication at <http://research.dwp.gov.uk/asd/frs/> for further details.

### Statistics relating to the overall equivalised income distribution and their equivalent money values for different family types.

As explained above, household incomes in HBAI are adjusted, or equivalised, in order to facilitate comparisons between different family types. The majority of monetary amounts presented in HBAI are on this equivalised basis and do not reflect actual monetary amounts or incomes for any family type other than a couple with no children. This 'couple' family type is the reference point for the equivalisation process.

### Income growth in real terms

For some years, income growth in the HBAI-based series appears slightly lower than the National Accounts estimates. The implication of this is that absolute real income growth could be understated in the HBAI series. Comparisons over a longer time period are believed to be more robust.

## Income shares

Looking at the ratio of the total income received by equivalent quantile groups at the top and bottom of the income distribution over time is another way of measuring and tracking inequality in the income distribution. These results, however, are quite sensitive to data at the extremes of the income distribution that may be less reliable than other data.

## Gini coefficient

The Gini coefficient is a widely-used measure of inequality, which can take values from zero to 100. A value of zero would indicate complete equality, while a value of 100 would indicate total inequality.

## Results for the top and bottom decile

When considering changes in the top and bottom deciles, users should be aware that results for the bottom decile are particularly vulnerable to income measurement problems, and have no validity as a guide to the consumption capabilities of the poorest 10 per cent of individuals. Results for the top 10 per cent are also particularly susceptible to sampling errors and income measurement problems.

## 2 The income distribution

### Technical terms used in this chapter

For more information on these and other terms, see **Appendix 1**. For a detailed discussion of the methodology used throughout the publication, see **Appendix 2**.

#### *Income*

The income measure used in HBAI is weekly net (disposable) equivalised household income. This comprises total income from all sources<sup>14</sup> of all household members including dependants. For *Before Housing Costs*, housing costs<sup>15</sup> are not deducted from income, while for *After Housing Costs* they are.

#### *Equivalisation*

Equivalisation adjusts incomes for household size and composition, taking an adult couple with no children as the reference point. For example, the process of equivalisation would adjust the income of a single person upwards, so their income can be compared directly to the standard of living for a couple.

#### *Median*

Median household income divides the population, when ranked by equivalised household income, into two equal-sized groups. *Contemporary median income* refers to the median income in the survey year being considered.

#### *Mean*

*Mean equivalised household income* of individuals is the “average”, found by adding up *equivalised household incomes* for each individual in a population and dividing the result by the number of people.

#### *Low income*

Individuals are said to be in *relative low income* if they live in a household with an equivalised income below a percentage of contemporary median income, Before or After Housing Costs. Relative low-income statistics fall if income growth at the lower end of the income distribution outstrips overall income growth.

Individuals are said to be in *absolute low income* if they live in a household with an equivalised income below a threshold of median income (for example 60 per cent of median income) in a specific year adjusted for inflation, Before or After Housing Costs. The year 1998/99 is used in this report as this is the first year where some information is available for the United Kingdom. Absolute low-income statistics fall if low-income households are seeing their incomes rise faster than inflation.

#### *Deciles, Quintiles and Percentiles*

These are income values which divide the population, when ranked by equivalised household income, into equal-sized groups. Deciles are ten equal-sized groups - the lowest decile describes individuals with incomes in the bottom 10 per cent of the income distribution. Quintiles are five equal-sized groups - the lowest quintile

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<sup>14</sup> This includes income from employment, self-employment, investments, occupational pensions, benefits and other sources, and is measured net of taxes and National Insurance. See **Appendix 1** for full details of what is included.

<sup>15</sup> Housing costs include rent, water rates, mortgage interest payments, buildings insurance payments and ground rent and service charges.

describes individuals with incomes in the bottom 20 per cent of the income distribution. Percentiles are 100 equal-sized groups.

### *Skewness*

*Skewness* measures the degree to which a statistical distribution is asymmetrical or lopsided. A perfectly symmetrical distribution is not skewed. A distribution with a long tail to the right such as the income distributions shown in **Figure 1.2** are positively skewed

### *Income inequality*

The extent of disparity between high income and low income households, commonly measured using either the *Gini coefficient* or *90/10 ratio*. The *Gini coefficient* is a widely-used, international standard summary measure of inequality. It can take values from zero to 100, where a value of zero would indicate total equality, with each household having an equal share of income, while higher values indicate greater inequality. The *90/10 ratio* is the ratio of the median income of the top quintile to the median of the bottom quintile.



Table 2.1tr: Recent economic indicators<sup>1,2,3</sup>

Percentages								Source: ONS
	GDP Growth <sup>4</sup>	Base Interest Rate <sup>5</sup>	Inflation Rate (RPI) <sup>6</sup>	Inflation Rate (CPI) <sup>6</sup>	Male Employment rate <sup>7</sup>	Female Employment Rate <sup>7</sup>	Average Earnings Growth <sup>8</sup>	Real Household Disposable Income
1994/95	4.4	5.6	2.7	2.0	75.9	62.3	3.6	1.2
1995/96	2.9	6.5	3.3	2.7	76.5	63.1	3.0	3.0
1996/97	2.8	5.8	2.4	2.3	77.0	63.7	3.8	3.1
1997/98	3.7	6.9	3.3	1.7	78.0	64.3	4.5	3.9
1998/99	3.8	6.8	3.1	1.6	78.5	64.9	5.0	1.9
1999/00	3.9	5.4	1.6	1.1	79.0	65.4	5.1	4.7
2000/01	4.2	6.0	3.0	0.8	79.3	66.0	4.4	4.5
2001/02	2.8	4.7	1.5	1.4	79.1	66.1	4.4	5.0
2002/03	2.8	4.0	2.1	1.2	79.1	66.4	3.2	2.4
2003/04	3.9	3.7	2.8	1.3	79.3	66.6	3.5	2.5
2004/05	2.2	4.6	3.1	1.5	79.2	66.7	4.5	1.3
2005/06	2.6	4.6	2.6	2.1	78.9	66.9	4.7	1.8
2006/07	2.4	4.8	3.7	2.6	78.8	66.7	4.8	1.2
2007/08	3.6	5.5	4.1	2.2	78.9	66.7	4.6	1.2
2008/09	-3.6	3.6	3.0	3.8	78.0	66.6	1.7	0.2
2009/10	-2.4	0.5	0.5	2.2	75.4	65.8	1.7	2.6
2010/11	2.2	0.5	5.0	3.5	75.8	65.5	1.8	-2.0

**Notes:**

1. All growth figures are for the financial year in question compared to the previous financial year.
2. All figures are for the United Kingdom, except Average Earnings Growth which covers Great Britain.
3. Some minor revisions exist since last year due to revisions to underlying ONS data.
4. Gross Domestic Product at market prices, seasonally adjusted, chained volume measures.
5. The base interest rate is the annual average for the relevant financial year.
6. Inflation rate is the annual average change for each financial year as measured by All Items Retail Price Index or Consumer Price Index.
7. Employment Rates are seasonally adjusted figures for the financial year and now cover the age range 16 to 64.
8. Average earnings growth is the actual (as opposed to real terms) annual average for each financial year. This is based on the Average Earnings Index to 2000/01 and Average Weekly Earnings from 2001/02.
9. Real disposable income growth is based on the Real Disposable Income series, seasonally adjusted, financial years, chained volume measures.

Percentages			Source: FRS
	HBAI mean net disposable unequivalised income growth (BHC) <sup>1,2</sup>		
	Real terms	Cash terms	
1995/96	-0.3	2.9	
1996/97	2.4	5.5	
1997/98	4.0	5.5	
1998/99	4.5	6.0	
1999/00	0.5	3.2	
2000/01	7.6	7.0	
2001/02	5.1	6.5	
2002/03	0.5	2.4	
2003/04	-0.3	2.1	
2004/05	1.9	4.9	
2005/06	1.1	3.7	
2006/07	0.1	3.8	
2007/08	0.9	5.1	
2008/09	0.4	3.4	
2009/10	1.8	2.2	
2010/11	-5.7	-0.9	

**Notes:**

1. Growth in unequivalised mean net disposable income is also presented here, in order to allow better comparisons with Real Household Disposable Income growth.
2. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

## 2 The income distribution

Table 2.1db: Income sources as a proportion of gross<sup>1</sup> household income by quintile

Percentage of gross <sup>1</sup> household income						Source: FRS 2010/11
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	Overall
<b>Before Housing Costs</b>						
Earnings	32	45	62	77	83	71
Investments	3	2	2	2	6	4
Occupational pensions	5	7	8	8	6	7
Miscellaneous	4	3	3	2	2	2
State support received	56	42	24	11	3	16
<b>After Housing Costs</b>						
Earnings	39	48	64	76	81	71
Investments	2	2	2	2	7	4
Occupational pensions	2	5	7	8	7	7
Miscellaneous	6	4	3	1	2	2
State support received	51	41	23	12	4	16

**Notes:**

1. Gross household income is not equivalised.
2. Percentages may not sum to 100 per cent due to rounding.

Table 2.2db: Statistics relating to the overall equivalised net disposable income distribution and their equivalent money values for different family types, in 2010/11 prices, United Kingdom<sup>1,2</sup>

£pw equivalised 2010/11 prices								Source: FRS 2010/11
	Mean	Median	60% median	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile
<b>Before Housing Costs</b>								
Couple with no children								
(equivalised income benchmark)	511	419	251	< 272	272 - 365	366 - 480	481 - 654	655 +
Single with no children	342	281	168	< 182	182 - 245	246 - 321	322 - 438	439 +
Couple with two children aged 5 and 14	782	641	384	< 415	415 - 559	560 - 734	735 - 1,000	1,001 +
Single with two children aged 5 and 14	613	502	301	< 326	326 - 439	440 - 576	577 - 784	785 +
<b>After Housing Costs</b>								
Couple with no children								
(equivalised income benchmark)	443	359	215	< 208	208 - 306	307 - 418	419 - 585	586 +
Single with no children	257	208	125	< 121	121 - 177	178 - 242	243 - 339	340 +
Couple with two children aged 5 and 14	718	582	349	< 337	337 - 496	497 - 678	679 - 948	949 +
Single with two children aged 5 and 14	532	431	258	< 250	250 - 367	368 - 502	503 - 702	703 +

**Note:**

1. This table takes levels of equivalised income for the population as a whole and translates them into cash equivalents for a selection of family types. For example, for results Before Housing Costs, it shows that 60 per cent of median equivalised income in 2010/11 for a couple (the equivalised income reference) was £251 per week. This translates to a reference income of £168 for a single person with no children. This implies that a single person with no children with a cash income of £168 or less is below 60 per cent of median equivalised income for the population as a whole.

Table 2.1ts: Money values of decile medians and overall population mean in average 2010/11 prices, United Kingdom<sup>1</sup>

£pw equivalised 2010/11 prices											Source: FRS	
	Decile group medians										Population median	Population mean
	Decile 1	Decile 2	Decile 3	Decile 4	Decile 5	Decile 6	Decile 7	Decile 8	Decile 9	Decile 10		
<b>Income Before Housing Costs</b>												
1994/95	144	190	227	268	314	367	429	502	608	867	340	410
1995/96	144	193	229	269	315	367	426	498	616	879	340	411
1996/97	147	196	235	279	328	382	442	518	631	897	355	426
1997/98	146	198	240	285	336	388	450	528	642	916	361	437
1998/99	149	202	244	290	341	396	463	544	664	968	367	452
1999/00	151	209	251	297	350	405	471	556	674	979	378	461
2000/01	155	219	263	310	362	419	484	571	697	1,012	390	482
2001/02	166	230	276	327	381	438	503	591	728	1,054	409	503
2002/03	166	235	283	333	387	446	514	598	729	1,064	416	507
2003/04	165	236	285	335	388	446	515	602	731	1,057	416	505
2004/05	169	242	290	340	392	448	517	605	738	1,072	420	512
2005/06	166	242	291	340	393	455	524	613	747	1,101	424	519
2006/07	160	240	292	343	397	454	523	615	754	1,099	426	523
2007/08	159	238	291	343	396	458	527	618	757	1,121	427	529
2008/09	159	241	295	346	401	460	533	623	769	1,129	429	534
2009/10	168	248	301	350	403	462	535	625	770	1,153	432	542
2010/11	166	246	294	341	392	448	513	595	730	1,076	419	511
<b>Income After Housing Costs</b>												
1994/95	84	138	168	210	254	302	355	420	514	742	277	335
1995/96	91	140	169	211	255	301	353	418	516	753	278	337
1996/97	93	140	174	220	268	317	370	438	539	780	292	352
1997/98	92	143	181	229	274	322	377	447	549	793	297	363
1998/99	99	147	185	233	279	330	390	461	568	843	304	377
1999/00	99	154	194	242	290	342	398	476	581	860	316	389
2000/01	100	163	206	255	304	356	414	495	609	891	329	410
2001/02	110	175	219	273	322	375	433	511	634	936	348	429
2002/03	110	182	228	280	332	387	447	527	646	945	359	440
2003/04	107	185	233	284	335	390	452	533	654	962	362	442
2004/05	109	192	241	289	341	395	458	539	664	986	367	452
2005/06	107	189	240	291	343	402	466	551	678	1,012	372	459
2006/07	100	186	239	292	346	403	466	551	682	1,015	374	464
2007/08	99	185	239	292	348	407	473	557	690	1,043	377	472
2008/09	91	183	237	290	344	402	474	563	696	1,042	372	470
2009/10	96	186	238	289	343	403	473	559	697	1,064	373	474
2010/11	96	183	233	280	332	390	451	530	659	990	359	443

Notes:

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

Table 2.1ts (continued): Money values of quintile medians and overall population mean in average 2010/11 prices, United Kingdom<sup>1</sup>

£pw equivalised 2010/11 prices										Source: FRS
	Quintile group medians					Population mean	Ratio of top to bottom quintile medians	Ratio of top to middle quintile medians	Ratio of middle to bottom quintile medians	
	Quintile 1	Quintile 2	Quintile 3 (median)	Quintile 4	Quintile 5					
<b>Income Before Housing Costs</b>										
1994/95	171	246	340	463	698	410	4.1	2.1	2.0	
1995/96	173	248	340	459	702	411	4.1	2.1	2.0	
1996/97	175	256	355	477	723	426	4.1	2.0	2.0	
1997/98	177	261	361	486	735	437	4.2	2.0	2.0	
1998/99	180	266	367	500	763	452	4.2	2.1	2.0	
1999/00	186	274	378	511	774	461	4.2	2.0	2.0	
2000/01	193	285	390	526	803	482	4.2	2.1	2.0	
2001/02	204	302	409	544	840	503	4.1	2.1	2.0	
2002/03	207	307	416	551	844	507	4.1	2.0	2.0	
2003/04	208	309	416	554	837	505	4.0	2.0	2.0	
2004/05	213	314	420	559	847	512	4.0	2.0	2.0	
2005/06	212	316	424	565	860	519	4.1	2.0	2.0	
2006/07	209	316	426	565	867	523	4.2	2.0	2.0	
2007/08	208	316	427	568	875	529	4.2	2.1	2.1	
2008/09	212	320	429	574	890	534	4.2	2.1	2.0	
2009/10	218	324	432	576	891	542	4.1	2.1	2.0	
2010/11	216	318	419	551	846	511	3.9	2.0	1.9	
<b>Income After Housing Costs</b>										
1994/95	118	188	277	386	589	335	5.0	2.1	2.3	
1995/96	122	189	278	383	596	337	4.9	2.1	2.3	
1996/97	123	196	292	401	620	352	5.1	2.1	2.4	
1997/98	125	204	297	409	632	363	5.1	2.1	2.4	
1998/99	130	209	304	422	659	377	5.1	2.2	2.3	
1999/00	134	218	316	435	672	389	5.0	2.1	2.4	
2000/01	141	230	329	450	705	410	5.0	2.1	2.3	
2001/02	152	246	348	470	735	429	4.8	2.1	2.3	
2002/03	156	253	359	485	749	440	4.8	2.1	2.3	
2003/04	155	258	362	489	754	442	4.9	2.1	2.3	
2004/05	161	265	367	496	770	452	4.8	2.1	2.3	
2005/06	158	265	372	505	786	459	5.0	2.1	2.4	
2006/07	155	265	374	505	794	464	5.1	2.1	2.4	
2007/08	153	265	377	513	804	472	5.2	2.1	2.5	
2008/09	150	264	372	514	810	470	5.4	2.2	2.5	
2009/10	151	263	373	512	813	474	5.4	2.2	2.5	
2010/11	150	257	359	487	764	443	5.1	2.1	2.4	

Notes:

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

Table 2.2ts (BHC): Income shares and Gini coefficient, United Kingdom<sup>1,2,3,4</sup>

	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Quintile shares of total income (%)</b>																	
Bottom 20% of the income distribution	8	8	8	7	7	7	7	7	7	7	8	7	7	7	7	7	8
Second quintile	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Middle quintile	17	17	17	17	16	16	16	16	16	17	16	16	16	16	16	16	16
Fourth quintile	23	23	23	22	22	22	22	22	22	22	22	22	22	22	22	21	22
Top 20% of the income distribution	41	41	41	41	42	42	43	42	42	42	42	42	43	43	43	43	42
<b>Share ratios</b>																	
Ratio top quintile share to middle quintile share	2.5	2.5	2.5	2.5	2.6	2.6	2.6	2.6	2.6	2.5	2.5	2.6	2.6	2.7	2.7	2.7	2.5
Ratio middle quintile share to bottom quintile share	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.2	2.2
Ratio top quintile share to bottom quintile share	5.3	5.3	5.3	5.5	5.7	5.7	5.9	5.7	5.6	5.6	5.5	5.7	5.9	6.1	6.0	5.9	5.5
<b>Other comparisons</b>																	
<i>Bottom 10% of the income distribution.<sup>2</sup></i>	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Bottom 30% of the income distribution	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
Bottom 40% of the income distribution	20	20	20	19	19	19	19	19	20	20	20	20	19	19	19	19	20
Bottom 50% of the income distribution	27	28	27	27	27	27	27	27	27	27	28	27	27	27	27	27	28
<i>Top 10% of the income distribution.<sup>3</sup></i>	26	26	26	27	27	27	28	28	28	27	27	28	28	29	29	29	27
Top 30% of the income distribution	53	53	53	54	54	54	55	54	54	54	54	54	54	55	55	55	53
Top 40% of the income distribution	64	64	64	64	64	64	65	64	64	64	64	64	64	65	65	65	63
Top 50% of the income distribution	73	72	73	73	73	73	73	73	73	73	72	73	73	73	73	73	72
Ratio top 30% share to bottom 30% share	4.0	4.0	4.0	4.1	4.2	4.2	4.3	4.2	4.1	4.1	4.1	4.1	4.2	4.3	4.3	4.3	4.0
Ratio top 40% share to bottom 40% share	3.2	3.2	3.2	3.3	3.4	3.3	3.4	3.3	3.3	3.2	3.2	3.3	3.3	3.4	3.4	3.4	3.2
Ratio top 50% share to bottom 50% share	2.6	2.6	2.6	2.7	2.7	2.7	2.7	2.7	2.7	2.6	2.6	2.7	2.7	2.8	2.8	2.7	2.6
<b>Gini coefficient (per cent)</b>	33	33	33	34	35	35	35	35	34	34	34	35	35	36	36	36	34

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Results for the bottom 10 per cent of reported incomes (italicised in the above table) are particularly vulnerable to income measurement problems. They have no validity as a guide to the consumption capabilities of the poorest 10 per cent of individuals.
3. Results for the top 10 per cent of reported incomes (italicised in the above table) are particularly vulnerable to sampling errors and income measurement problems. HMRC statistics are likely to provide a better guide to incomes at the top end of the income distribution.
4. Percentages may not sum to 100 per cent due to rounding.

Table 2.2ts (AHC): Income shares and Gini coefficient, United Kingdom<sup>1,2,3,4</sup>

	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
Source: FRS																	
<b>Quintile shares of total income (%)</b>																	
Bottom 20% of the income distribution	6	6	6	6	6	6	6	6	6	6	6	6	6	5	5	5	6
Second quintile	11	11	11	11	11	11	11	11	12	12	12	12	11	11	11	11	12
Middle quintile	17	17	17	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Fourth quintile	23	23	23	23	23	23	22	22	22	22	22	22	22	22	22	22	22
Top 20% of the income distribution	43	43	43	44	44	44	45	44	44	44	44	44	45	46	46	46	44
<b>Share ratios</b>																	
Ratio top quintile share to middle quintile share	2.6	2.6	2.6	2.7	2.8	2.7	2.8	2.7	2.7	2.7	2.7	2.7	2.8	2.8	2.9	2.9	2.7
Ratio middle quintile share to bottom quintile share	2.8	2.7	2.8	2.8	2.8	2.8	2.8	2.7	2.7	2.8	2.7	2.9	2.9	3.0	3.1	3.0	2.9
Ratio top quintile share to bottom quintile share	7.4	7.1	7.3	7.5	7.6	7.6	7.9	7.5	7.3	7.4	7.3	7.8	8.1	8.7	9.0	8.7	7.8
<b>Other comparisons</b>																	
<i>Bottom 10% of the income distribution.<sup>2</sup></i>	2	2	2	2	2	2	2	2	2	2	2	2	2	1	1	1	2
Bottom 30% of the income distribution	11	11	11	11	11	11	11	11	11	11	11	11	11	10	10	10	11
Bottom 40% of the income distribution	17	17	17	17	17	17	17	17	18	18	18	17	17	17	16	16	17
Bottom 50% of the income distribution	25	25	25	25	24	24	24	25	25	25	25	25	24	24	24	24	25
<i>Top 10% of the income distribution.<sup>3</sup></i>	28	28	28	28	29	29	30	29	29	29	29	29	30	31	31	31	29
Top 30% of the income distribution	56	56	56	56	57	56	57	56	56	56	56	56	57	57	58	58	56
Top 40% of the income distribution	66	66	66	66	67	67	67	66	66	66	66	67	67	67	68	68	66
Top 50% of the income distribution	75	75	75	75	76	76	76	75	75	75	75	75	76	76	76	76	75
Ratio top 30% share to bottom 30% share	5.1	5.0	5.1	5.2	5.3	5.2	5.3	5.1	5.0	5.0	4.9	5.2	5.3	5.6	5.7	5.6	5.2
Ratio top 40% share to bottom 40% share	3.9	3.8	3.9	3.9	4.0	3.9	4.0	3.8	3.8	3.7	3.7	3.9	3.9	4.1	4.2	4.1	3.9
Ratio top 50% share to bottom 50% share	3.0	3.0	3.0	3.1	3.1	3.1	3.1	3.0	3.0	3.0	3.0	3.1	3.1	3.2	3.2	3.2	3.0
<b>Gini coefficient (per cent)</b>	37	37	37	38	39	38	39	38	38	38	38	39	39	40	40	40	38

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Results for the bottom 10 per cent of reported incomes (italicised in the above table) are particularly vulnerable to income measurement problems. They have no validity as a guide to the consumption capabilities of the poorest 10 per cent of individuals.
3. Results for the top 10 per cent of reported incomes (italicised in the above table) are particularly vulnerable to sampling errors and income measurement problems. HMRC statistics are likely to provide a better guide to incomes at the top end of the income distribution.
4. Percentages may not sum to 100 per cent due to rounding.

## 2 The income distribution

**Table 2.3ts (BHC): Money values of quintile medians and population mean for family type and economic status groups in average 2010/11 prices<sup>1,2,3</sup>**

	Income Before Housing Costs (Epw equivalised 2010/11 prices)					Source: FRS
	Bottom quintile	Second quintile	Middle quintile (median)	Fourth quintile	Top quintile		Whole Group (mean)
<b>1996/97 - 1998/99 (Great Britain)<sup>4</sup></b>						
Pensioner couple	180	241	309	414	660	391
Single male pensioner	165	228	275	355	545	335
Single female pensioner	152	213	256	328	481	302
Couple with children	178	272	360	466	689	429
Couple without children	237	398	514	652	947	585
Single with children	163	195	224	271	400	265
Single male without children	180	297	410	539	775	473
Single female without children	186	292	395	514	743	450
One or more full-time self-employed	141	279	398	556	1,010	550
Single/couple all in full-time work	310	426	524	646	893	587
Couple, one full-time, one part-time work	261	340	413	508	711	475
Couple, one full-time work, one not working	189	263	343	445	674	425
No full-time, one or more part-time work	162	227	287	389	615	362
Workless, one or more aged 60 or over	162	220	270	347	523	323
Workless, one or more unemployed	114	164	190	228	349	218
Workless, other inactive	150	189	220	271	402	256
<b>All individuals</b>	<b>177</b>	<b>261</b>	<b>361</b>	<b>488</b>	<b>740</b>	<b>438</b>
<b>2008/09 - 2010/11 (United Kingdom)</b>						
Pensioner couple	225	316	406	532	813	500
Single male pensioner	223	306	371	465	672	441
Single female pensioner	196	278	345	433	602	390
Couple with children	220	325	427	556	861	538
Couple without children	257	447	582	746	1,114	687
Single with children	206	261	311	378	523	353
Single male without children	184	317	431	571	852	513
Single female without children	199	324	434	563	832	496
One or more full-time self-employed	173	316	442	617	1,113	643
Single/couple all in full-time work	344	473	581	727	1,047	678
Couple, one full-time, one part-time work	310	407	498	619	905	581
Couple, one full-time work, one not working	230	302	384	509	821	539
No full-time, one or more part-time work	192	281	353	461	695	431
Workless, one or more aged 60 or over	204	285	351	442	634	406
Workless, one or more unemployed	110	197	239	287	444	266
Workless, other inactive	151	231	277	341	493	316
<b>All individuals</b>	<b>215</b>	<b>321</b>	<b>427</b>	<b>567</b>	<b>876</b>	<b>529</b>

**Notes:**

1. The 1996/97-1998/99 information is for Great Britain and 2008/09-2010/11 is for the United Kingdom. However, means and medians for Great Britain and the United Kingdom were found to be very similar (see Appendix 4 of HBAI 2004/05), so allowing comparisons of the type shown in this table.

2. From one year to the next, certain results may be volatile. Therefore, results have been presented as three-year averages to overcome this.

3. Results for the bottom quintile median are particularly vulnerable to income measurement problems.

**Table 2.3ts (AHC): Money values of quintile medians and population mean for family type and economic status groups in average 2010/11 prices<sup>1,2,3</sup>**

	Quintiles of family type and economic status					Whole Group (mean)
	Bottom quintile	Second quintile	Middle quintile (median)	Fourth quintile	Top quintile	
<b>Income After Housing Costs (£pw equivalised 2010/11 prices)</b>						
<b>Source: FRS</b>						
<b>1996/97 - 1998/99 (Great Britain)<sup>4</sup></b>						
Pensioner couple	145	204	273	376	614	351
Single male pensioner	141	174	238	331	545	307
Single female pensioner	133	166	213	305	462	272
Couple with children	123	209	288	378	569	346
Couple without children	177	329	434	553	809	493
Single with children	106	134	152	201	330	197
Single male without children	106	226	337	456	675	392
Single female without children	109	219	321	433	640	367
One or more full-time self-employed	80	213	323	466	884	460
Single/couple all in full-time work	243	349	436	543	767	493
Couple, one full-time, one part-time work	203	274	338	423	604	394
Couple, one full-time work, one not working	137	199	273	366	570	347
No full-time, one or more part-time work	110	167	230	331	546	303
Workless, one or more aged 60 or over	137	173	233	318	494	287
Workless, one or more unemployed	53	103	122	150	265	143
Workless, other inactive	90	130	149	193	325	185
<b>All individuals</b>	<b>126</b>	<b>203</b>	<b>298</b>	<b>411</b>	<b>637</b>	<b>364</b>
<b>2008/09 - 2010/11 (United Kingdom)</b>						
Pensioner couple	199	292	382	510	790	475
Single male pensioner	195	274	358	473	722	440
Single female pensioner	174	253	327	434	623	383
Couple with children	150	258	357	480	764	457
Couple without children	190	373	506	662	1,010	603
Single with children	130	188	232	306	462	279
Single male without children	96	236	358	502	778	437
Single female without children	108	242	356	495	755	416
One or more full-time self-employed	100	251	372	546	1,030	566
Single/couple all in full-time work	269	398	505	644	945	595
Couple, one full-time, one part-time work	244	341	427	546	820	508
Couple, one full-time work, one not working	158	237	317	440	740	463
No full-time, one or more part-time work	128	218	293	405	663	373
Workless, one or more aged 60 or over	179	258	330	429	634	388
Workless, one or more unemployed	30	112	163	206	362	183
Workless, other inactive	71	155	199	256	411	232
<b>All individuals</b>	<b>151</b>	<b>261</b>	<b>368</b>	<b>505</b>	<b>796</b>	<b>462</b>

**Notes:**

1. The 1996/97-1998/99 information is for Great Britain and 2008/09-2010/11 is for the United Kingdom. However, means and medians for Great Britain and the United Kingdom were found to be very similar (see Appendix 4 of HBAI 2004/05), so allowing comparisons of the type shown in this table.

2. From one year to the next, certain results may be volatile. Therefore, results have been presented as three-year averages to overcome this.

3. Results for the bottom quintile median are particularly vulnerable to income measurement problems. They are also affected by the presence of negative incomes on the After Housing Cost measure.

Table 2.4ts: Equivalent money values of overall distribution mean, median, and 60 per cent of median income for different family types in 2010/11 prices, United Kingdom<sup>1,2</sup>

£pw equivalised 2010/11 prices	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Income Before Housing Costs</b>																	
<b>Median</b>																	
Couple no children	340	340	355	361	367	378	390	409	416	416	420	424	426	427	429	432	419
Single no children	228	228	238	242	246	253	261	274	279	279	282	284	285	286	287	289	281
Couple with two children aged 5 and 14	520	520	543	553	561	578	596	625	637	637	643	649	652	653	656	661	641
Single with two children aged 5 and 14	408	408	426	433	440	453	468	491	499	499	504	509	511	512	515	518	502
<b>60% of median</b>																	
Couple no children	204	204	213	217	220	227	234	245	250	250	252	254	256	256	257	259	251
Single no children	137	137	143	145	147	152	157	164	167	167	169	170	171	171	172	174	168
Couple with two children aged 5 and 14	312	312	326	332	337	347	358	375	382	382	386	389	391	392	394	397	384
Single with two children aged 5 and 14	245	245	255	260	264	272	281	294	300	300	303	305	307	307	309	311	301
<b>Mean</b>																	
Couple no children	410	411	426	437	452	461	482	503	507	505	512	519	523	529	534	542	511
Single no children	275	276	285	293	303	309	323	337	340	339	343	348	351	355	358	363	342
Couple with two children aged 5 and 14	627	630	651	668	691	706	737	769	776	773	784	795	801	810	817	829	782
Single with two children aged 5 and 14	492	494	511	524	542	553	578	603	608	606	615	623	628	635	641	650	613
<b>Income After Housing Costs</b>																	
<b>Median</b>																	
Couple no children	277	278	292	297	304	316	329	348	359	362	367	372	374	377	372	373	359
Single no children	161	161	169	172	176	183	191	202	208	210	213	216	217	218	216	217	208
Couple with two children aged 5 and 14	448	450	473	482	493	512	533	563	582	587	595	603	607	610	602	605	582
Single with two children aged 5 and 14	332	333	350	357	365	379	395	417	431	435	440	447	449	452	446	448	431
<b>60% of median</b>																	
Couple no children	166	167	175	178	182	190	197	209	216	217	220	223	225	226	223	224	215
Single no children	96	97	102	103	106	110	114	121	125	126	128	129	130	131	129	130	125
Couple with two children aged 5 and 14	269	270	284	289	296	307	320	338	349	352	357	362	364	366	361	363	349
Single with two children aged 5 and 14	199	200	210	214	219	228	237	250	259	261	264	268	270	271	268	269	258
<b>Mean</b>																	
Couple no children	335	337	352	363	377	389	410	429	440	442	452	459	464	472	470	474	443
Single no children	194	196	204	211	219	225	238	249	255	256	262	266	269	274	273	275	257
Couple with two children aged 5 and 14	543	546	570	588	612	630	664	696	712	715	732	744	751	764	761	767	718
Single with two children aged 5 and 14	402	405	422	436	453	467	492	515	527	530	542	551	556	566	564	568	532

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. This table takes levels of equivalised income for the population as a whole and translates them into cash equivalents for a selection of family types. For example, for results Before Housing Costs, it shows that 60 per cent of median equivalised income in 2010/11 for a couple (the equivalised income reference) was £251 per week. This translates to a reference income of £168 for a single person with no children. This implies that a single person with no children with a cash income of £168 or less is below 60 per cent of median (equivalised) income for the population as a whole.

## Whole population

### Commentary

#### 1. Key findings

- In general, there was a decrease<sup>1</sup> in the percentage of individuals in *relative low income*<sup>2</sup> between 1998/99 and 2010/11. The percentage of individuals in *relative low income, Before Housing Costs* in 2010/11 was at its lowest level since the late 1980s and *After Housing Costs*, was at its lowest level since 2004/05<sup>3</sup>.
- Between 2009/10 and 2010/11, there was a mixture of reductions<sup>4</sup> and no change in the percentage of individuals in *relative low income*. These reductions were driven primarily by *incomes* for individuals in families containing children and pensioners at the lower end of the income distribution falling less than *incomes* around the *median*. There was no change in the proportion of individuals in *absolute low income*.
- *Before Housing Costs*, pensioners and children have higher rates of *relative low income* than working-age adults, while all groups have similar rates of *absolute low income*. *After Housing Costs*, children have the highest rates of *relative* and *absolute low income*, followed by working-age adults then pensioners.
- Levels of *relative low income*, both *Before* and *After Housing Costs* were lowest in the South East. *Before Housing Costs*, levels were highest in the West Midlands, while *After Housing Costs*, levels were highest in Inner London.
- Of all family types, lone parents were most likely to be in *relative low income*, while couples without children had the lowest rates of relative low income. Social rented sector tenants and individuals living in a household with a head from an ethnic minority and individuals in workless families all had higher rates of *relative low income*.

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<sup>1</sup> The statistical significance of movements based on the relative and absolute low-income threshold of 60 per cent of median, Before and After Housing Costs, have been tested. The reductions between 1998/99 and 2010/11 are statistically significant.

<sup>2</sup> Technical terms in the key findings in italics are explained immediately before the tables.

<sup>3</sup> Figures from the Institute for Fiscal Studies (IFS) which present data since 1961 show, broadly speaking, relative low income to have been relatively stable between 1961 and 1984, to have risen between 1984 and 1992, before falling since then (see <http://www.ifs.org.uk/fiscalFacts/povertyStats>).

<sup>4</sup> Based on a threshold of 60 per cent of median income, Before and After Housing Costs, this reduction is statistically significant.

### 3 Whole population

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#### 2. How is this information used?

Rates of low income are mainly considered separately for children, working-age adults and pensioners, and more details on the key uses for each group are given in subsequent chapters. In summary:

- For children, low-income and low income and material deprivation statistics are important as measures in the Coalition Government's child poverty strategy<sup>5</sup>.
- For working-age adults, low-income statistics are important contextual information for the strategy for Social Justice<sup>6</sup> and the Social Mobility Strategy<sup>7</sup>.
- For pensioners, the Department for Work and Pensions (DWP) has an Impact Indicator<sup>8</sup> focussing on the rate of pensioner low income.
- For individuals in families containing disabled individuals, the rate of low income is one of the Office for Disability Issues' Disability Equality indicators<sup>9</sup>, as well as a further DWP Impact Indicator. For children in families containing disabled individuals, rates of low income, and low income and material deprivation are further indicators.

#### 3. Drivers

As described in **Chapter 2**, median equivalised household income fell between 2009/10 and 2010/11, which in turn reduced the relative poverty thresholds. Individual median earnings as shown in the FRS in 2010/11 were about the same as in 2009/10 in cash terms, and fell by around 4 per cent in real terms over this period because of a higher inflation rate than most past years (see **Table 2.1tr**). This was one of the main factors leading to the reduction in median incomes.

Benefit and tax credit income grew in cash terms and fell only slightly in real terms. This meant that low-income households in receipt of benefits and tax credits saw their income fall less in 2010/11 than households at the median, tending to decrease the overall rate of relative low income, Before and After Housing Costs. In turn, the groups that saw reductions in rates of relative low income were those more likely to be in households in receipt of state support, such as children, working-age adults with children and pensioners. Above indexation increases in the child element of Child Tax Credit and increases in the Basic State Pension also helped these groups<sup>10</sup>. See the relevant chapter for more details of the drivers behind changes in rates of child, working-age adult or pensioner low income.

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<sup>5</sup> Available at <http://www.education.gov.uk/childrenandyoungpeople/families/childpoverty/a0076385/child-poverty-strategy>.

<sup>6</sup> Available at <http://www.dwp.gov.uk/policy/social-justice/>.

<sup>7</sup> Available at <https://update.cabinetoffice.gov.uk/resource-library/opening-doors-breaking-barriers-strategy-social-mobility>.

<sup>8</sup> See <http://www.dwp.gov.uk/publications/corporate-publications/dwp-business-plan-2011-2015/business-plan-transparency> for details of DWP Impact Indicators.

<sup>9</sup> ODI Disability Equality indicators are available at <http://odi.dwp.gov.uk/roadmap-to-disability-equality/indicators.php>. The indicators using data in this publication are indicators C1, C2 and C3.

<sup>10</sup> See the DWP Abstract of Statistics at <http://research.dwp.gov.uk/asd/index.php?page=abstract> for benefit rates and details of the various uprating series used.

In contrast to relative low income, levels of absolute low income for all individuals were about the same in 2010/11 as in 2009/10<sup>11</sup>. For a reduction in absolute low income over the period, incomes in 2010/11 would have had to increase by more than inflation. Instead household incomes of individuals in low-income households increased by about the same level as inflation, meaning levels of absolute low income stayed at the same level.

#### 4. What the figures show<sup>12</sup>

**Trends in relative low income:** As shown in **Figure 1.1** in **Chapter 1** and **Table 3.1tr**, there was a decrease in the proportion of individuals in relative low income between the years 1998/99<sup>13</sup> and 2004/05 both Before and After Housing Costs. The figures then rose between 2004/05 and 2007/08, and have fallen since then<sup>14</sup>.

At 16 per cent for 2010/11, relative low income Before Housing Costs was at its lowest rate since the late 1980s, with much of the decrease since 1998/99 driven by higher increases in state support for pensioners and families containing children<sup>15</sup>. There was a 1 percentage point decrease between 2009/10 and 2010/11<sup>16</sup>, with this reduction driven primarily by groups who receive a larger proportion of their incomes from state support, the above indexation increases in the child element of Child Tax Credit income and increases to the Basic State Pension, and the reduction in median incomes, as described above. After Housing Costs, relative low income also fell by 1 percentage point to 21 per cent between 2009/10 and 2010/11<sup>17</sup>.

**Trends in absolute low income:** Looking at **Table 3.2tr**, over the period 1998/99 to 2010/11, there was a marked fall in the proportion of individuals in absolute low income both Before and After Housing Costs<sup>18</sup>. Most of this reduction occurred between 1998/99 and 2004/05 with levels broadly unchanged since then.

In 2010/11, the proportion of individuals in absolute low income, Before Housing Costs, was 11 per cent, unchanged from the levels seen in 2009/10<sup>19</sup>. After Housing Costs, the proportion of individuals in absolute low income remained at 15 per cent. This is because, as noted above, individuals in low-income households did not see their income rise in real terms.

<sup>11</sup> Looking at a threshold of 60 per cent of median, Before and After Housing Costs, there are no statistically significant changes.

<sup>12</sup> This analysis is based on a 60 per cent of median income threshold.

<sup>13</sup> 1998/99 is the first year where results are available for the United Kingdom.

<sup>14</sup> All changes referred to here are statistically significant, both Before and After Housing Costs.

<sup>15</sup> See Table 4.3 of the 2011 IFS commentary available at <http://www.ifs.org.uk/publications/5584>.

<sup>16</sup> This reduction is statistically significant.

<sup>17</sup> This reduction is statistically significant.

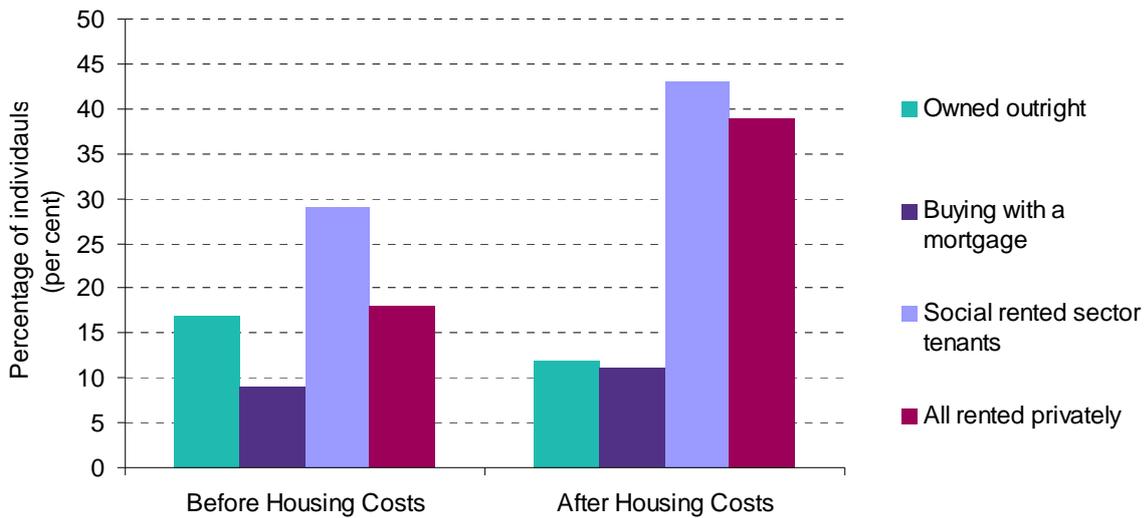
<sup>18</sup> This reduction is statistically significant.

<sup>19</sup> Table 3.2tr shows a change from 10 per cent in 2009/10 to 11 per cent in 2010/11, and no change between the two years. This apparent inconsistency is due to rounding. To ensure that the figures produced from the survey can provide reliable estimates, we round the figures to the nearest percentage point at the final point of any calculation. This can mean that figures may not sum due to this rounding. Only rounding figures at the final point of calculation of a statistic produces the best estimate.

### 3 Whole population

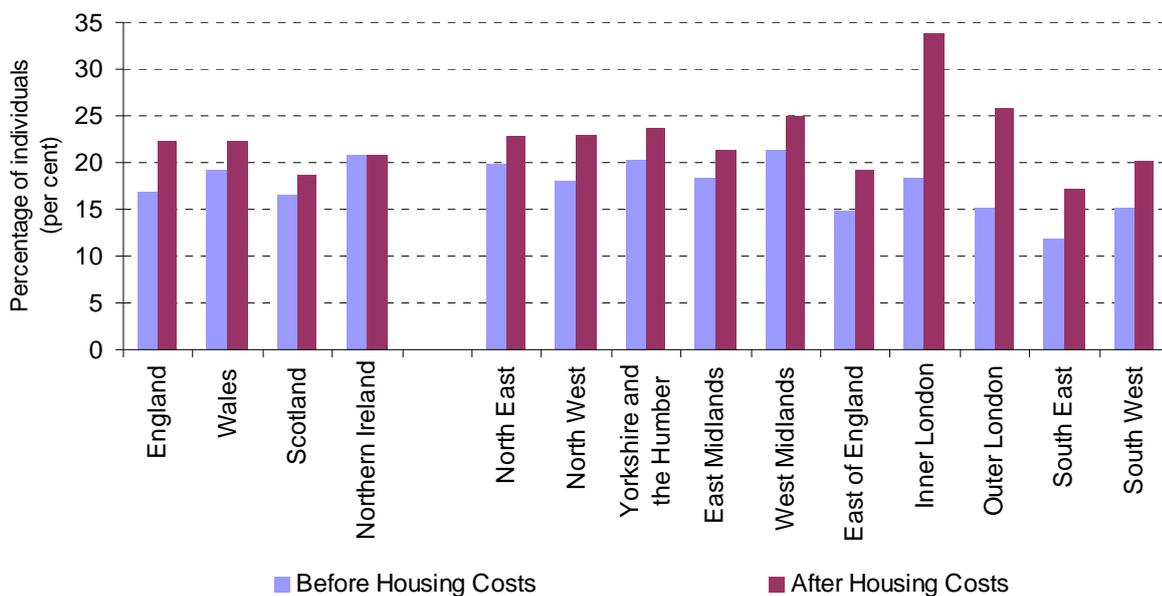
**Tenure:** Individuals in the social rented sector had the highest rate of low income, Before Housing Costs. After Housing Costs, individuals in the social and private rented sector had the highest rates (see **Chart 3.1** and **Table 3.6db**). Those in the rented sector accounted for about half of all individuals in relative low income, Before Housing Costs and about two thirds, After Housing Costs (see **Table 3.4db**).

**Chart 3.1: Percentage of individuals in relative low-income by tenure, United Kingdom**



**Region:** **Chart 3.2** shows that individuals in the West Midlands and Northern Ireland had the highest rates of relative low income, Before Housing Costs. After Housing Costs, Inner London had the highest rates of relative low income, reflecting the higher housing costs in that region (see **Table 3.6db**).

**Chart 3.2: Percentage of individuals in relative low-income by region, United Kingdom**



**Disability:** The Office for Disability Issues (ODI) has an indicator<sup>20</sup> looking at the percentage of individuals living in families containing one or more disabled individuals in low income with a baseline of 2004/05 (see **Figure 1.5** in **Chapter 1**).

Since the baseline of 2004/05, Before Housing Costs, there has been a decrease in the percentage of individuals living in low income in families where at least one member is disabled of 3 percentage points to 20 per cent, while After Housing Costs, there has been a decrease of 1 percentage point to 24 per cent<sup>21</sup> (see **Table 3.12ts**). There has been an increase in the percentage of individuals living in low income in families where no-one is disabled After Housing Costs by 1 percentage point to 20 per cent<sup>22</sup>, while the level Before Housing Costs has stayed at the same level.

Between 2009/10 and 2010/11, Before Housing Costs, there has been a decrease in the percentage of individuals living in low income in families where at least one member is disabled by 1 percentage point to 20 per cent<sup>23</sup>, while After Housing Costs, the reduction was 1 percentage point to 24 per cent<sup>24</sup>. There has been a 1 percentage point reduction in the percentage of individuals living in low income in families where no member is disabled over the period both Before and After Housing Costs<sup>25</sup>.

Both Before and After Housing Costs, a higher proportion of individuals living in families with at least one disabled member live in low income, compared to individuals living in families with no disabled members. This is particularly the case for individuals living in families containing one or more disabled individuals and not receiving disability benefits<sup>26</sup>.

**Ethnicity:** Individuals living in households headed by someone from an ethnic minority were more likely to live in low income households. This was particularly the case for households headed by someone of Pakistani or Bangladeshi ethnic origin. (see **Table 3.5db**). It is likely that this is because individuals in workless households face very high risks of living in poverty and employment rates vary by ethnicity, with high rates of worklessness among individuals of Pakistani and Bangladeshi origin<sup>27</sup>.

<sup>20</sup> ODI Disability Equality indicators are available at <http://odi.dwp.gov.uk/roadmap-to-disability-equality/indicators.php>. Indicator C3 looks at individuals in low income by whether they live in a family containing someone who is disabled.

<sup>21</sup> Only the Before Housing Costs change is statistically significant.

<sup>22</sup> This change is statistically significant.

<sup>23</sup> Table 3.12ts shows a constant level of 20 per cent. This apparent inconsistency is due to rounding.

<sup>24</sup> Neither the Before or After Housing Costs change is statistically significant.

<sup>25</sup> Neither the Before or After Housing Costs change is statistically significant.

<sup>26</sup> Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.

<sup>27</sup> See Table A09 of Labour Market Statistics, March 2012, available at <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcM%3A77-222482> which shows economic activity by ethnic group.

## 3 Whole population

### Background information

#### Introduction

This chapter examines the position of groups making up the whole population of the United Kingdom in the income distribution in 2010/11 and looks in more detail into how this might be linked to their family or household characteristics. High-level trends over time from 1994/95 onwards are also examined, with data for Great Britain from 1994/95 to 1997/98 and for the United Kingdom for some groups from 1998/99 to 2001/02 and all groups from 2002/03 onwards.

#### Revisions

Results for 2008/09 and 2009/10 have been revised following incorporation of changes to the direct tax system in Northern Ireland and new tenure data from the Department of Communities and Local Government (CLG). More information can be found at:

[http://research.dwp.gov.uk/asd/hbai/hbai\\_revision\\_due\\_to\\_ni\\_tax\\_changes.pdf](http://research.dwp.gov.uk/asd/hbai/hbai_revision_due_to_ni_tax_changes.pdf).

Revised tables for earlier years are available on request. The grossing issue will particularly affect analysis by tenure.

#### Tables in this chapter are:

**3.1tr – 3.4tr Trends over time** for headline figures for years covered by the Family Expenditure Survey (FES) and the Family Resources Survey (FRS). **Tables 3.1tr** and **3.2tr** show the percentage falling below various thresholds of contemporary median income and 1998/99 median income held constant in real terms respectively. **Tables 3.3tr** and **3.4tr** show numbers for the same measures as outlined for **Tables 3.1tr** and **3.2tr**.

**3.1db Quintile distribution** of income by: economic status of adults in the family; family type; gender and adulthood; marital status; disability; ethnic group (three-year average).

**3.2db Quintile distribution** of income by: disability and receipt of disability benefits; tenure; direct payment accounts; savings and investments; region and country (three-year average).

**3.3db – 3.4db Composition** of low-income groups of individuals with categories as outlined for **Tables 3.1db – 3.2db**.

**3.5db – 3.6db Percentage** of individuals falling into low-income groups with categories as outlined for **Tables 3.1db – 3.2db**.

**3.1ts – 3.3ts Populations over time** **Tables 3.1ts** to **3.3ts** present populations over time by: family type, and gender and adulthood; economic status of the family; disability and receipt of disability benefits respectively.

**3.4ts – 3.6ts** **Composition** of individuals in households with incomes below 60 per cent of contemporary median income over time by: family type, and gender and adulthood; economic status of the family; disability and receipt of disability benefits respectively.

**3.7ts – 3.9ts** **Composition** of individuals in households with incomes below 60 per cent of 1998/99 median income held constant in real terms over time by the categories outlined for **Tables 3.4ts – 3.6ts**.

**3.10ts – 3.12ts** **Percentage** of individuals in households with incomes below 60 per cent of contemporary median income over time by the categories outlined for **Tables 3.4ts – 3.6ts**.

**3.13ts – 3.15ts** **Percentage** of individuals in households with incomes below 60 per cent of 1998/99 median income held constant in real terms over time by the categories outlined for **Tables 3.4ts – 3.6ts**.

### Definition of low income

'Low income' is defined using thresholds derived from percentages of median income for the whole population. Households reporting the lowest incomes may not have the lowest living standards. The bottom 10 per cent of the income distribution should not, therefore, be interpreted as having the bottom 10 per cent of living standards. This is a particular issue for lower thresholds of median income. To reflect this uncertainty in these tables, results for the 50 per cent of median threshold are presented in italics.

### Definition of 'benefit units' and 'households'

A family, or benefit unit, is a single adult or a couple living as married, together with any dependent children. An adult living in the same household as his or her parents, for example, is a separate benefit unit from the parents.

A household is a single person or group of people living at the same address as their only or main residence, who either share one meal a day together, or share the living accommodation (i.e. the living room). A household will consist of one or more benefit units.

### Pensioner classifications in this chapter

This chapter classifies all individuals according to the status of their family unit. For the purposes of this chapter, the classification *pensioner couple* includes individuals in a family unit where one member is above State Pension age, and one is below. This differs from **Chapter 6**, where only individuals above State Pension age are included. Thus, if a pensioner above State Pension age has a working-age partner,

### 3 Whole population

they will both be included under results for *pensioner couple* in **Chapter 3**, but in **Chapter 6** the (working-age) partner will be excluded as they will appear in **Chapter 5**.

#### Trends over time for headline figures

All time trends are based on thresholds of median income, are presented for the UK and based on the modified OECD equivalisation scales (see **Appendix 2** for a discussion of the modified OECD scales). Trends tables consist of:

- A **relative** low-income indicator – the proportions of individuals that are below thresholds of **contemporary** median income.
- An **'absolute'** low-income indicator – the proportions of individuals that are below thresholds of 1998/99 median income that have been **held constant in real terms**.

Caution should be exercised when interpreting results over short time periods, as changes are often small in relation to sampling variation and other sources of measurement error.

#### Economic status of the family

The economic status of the family classification is in line with the International Labour Organisation economic status classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years. This also means the economic status of the family and economic status of the household classifications are aligned.

#### Gender

In any analysis of gender, it must be remembered that HBAI attempts to measure the living standards of an individual as determined by household income. This assumes that both partners in a couple benefit equally from the household's income, and will therefore appear at the same position in the income distribution. Any differences in figures can only be driven by gender differences for single adults, which will themselves be diluted by the figures for couples. The lower level gender disaggregation in the family type classification is therefore likely to be more informative.

Research<sup>28</sup> has suggested that, particularly in low-income households, the above assumption with regard to income sharing is not always valid as men sometimes benefit at the expense of women from shared household income. This means that it is possible that HBAI results broken down by gender could understate differences between the two groups.

## Disability

For this analysis, disability is defined as having any long-standing illness, disability or impairment that leads to a substantial difficulty with one or more areas of the individual's life. Everyone classified as disabled under this definition would also be classified as disabled under the Equality Act 2010. However, some individuals classified as disabled under the Equality Act 2010 would not be captured by this definition.

No adjustment is made to disposable household income to take into account any additional costs that may be incurred due to the illness or disability in question. This means that the position in the income distribution of these groups, as shown here, may be somewhat upwardly biased.

## Ethnicity

Individuals have been classified according to the ethnic group of the household reference person (see **Appendix 1** for definition of household reference person), which means that information about households of mixed composition is lost.

Estimates showing ethnic breakdowns are presented as three-year averages because of small sample sizes. However, the figures must still be treated with some caution, as the sample sizes are still small for certain ethnic minority groups, especially in the case of households headed by a person of mixed or Black Caribbean ethnicity.

## Direct payment accounts

For the purposes of this analysis, direct payment accounts are accounts that accept Automatic Credit Transfers (ACT) such as Basic Bank accounts, current accounts, Post Office accounts, or savings accounts with any other bank or building society.

## Savings and investments

The data relating to investments and savings should be treated with caution. Questions relating to investments are a sensitive section of the questionnaire and have a low response rate. A high proportion of respondents do not know the interest

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<sup>28</sup> See, for instance, Goode, J., Callender, C. and Lister, R. (1998) *Purse or Wallet? Gender Inequalities and the Distribution of Income in Families on Benefits*. JRF/Policy Studies Institute.

### 3 Whole population

received on their investments. It is likely that there is some under-reporting of capital by respondents, in terms of both the actual values of the savings and the investment income.

#### Region and country

Disaggregation by geographical regions is presented as three-year averages. This presentation has been used as single-year regional estimates are considered too volatile. Estimates for the UK, however, are shown as single-year estimates for the latest available year.

The three-year average approach employed for the presentation of smaller geographic areas is consistent with the approach used for time series. It reduces year-on-year variation by smoothing out differences.

This issue was further discussed in **Appendix 5 of the 2004/05 HBAI publication**, where regional time series using three-year averages were presented.

Although the FRS sample is large enough to allow some analysis to be performed at a regional level, it should be noted that no adjustment has been made for regional cost of living differences, as the necessary data are not available. In the analysis here it is therefore assumed that there is no difference in the cost of living between regions, although the After Housing Costs measure will partly take into account differences in housing costs

## Technical terms used in this chapter

For more information on these and other terms, see **Appendix 1**. For a detailed discussion of the methodology used throughout the publication, see **Appendix 2**.

### *Income*

The income measure used in HBAI is weekly net (disposable) equivalised household income. This comprises total income from all sources<sup>29</sup> of all household members including dependants. For *Before Housing Costs*, housing costs<sup>30</sup> are not deducted from income, while for *After Housing Costs* they are.

### *Equivalisation*

Equivalisation adjusts incomes for household size and composition, taking an adult couple with no children as the reference point. For example, the process of equivalisation would adjust the income of a single person upwards, so their income can be compared directly to the standard of living for a couple.

### *Median*

Median household income divides the population, when ranked by equivalised household income, into two equal-sized groups. *Contemporary median income* refers to the median income in the survey year being considered.

### *Low income*

Individuals are said to be in *relative low income* if they live in a household with an equivalised income below a percentage of contemporary median income, Before or After Housing Costs. Relative low-income statistics fall if income growth at the lower end of the income distribution outstrips overall income growth.

Individuals are said to be in *absolute low income* if they live in a household with an equivalised income below a threshold of median income (for example 60 per cent of median income) in a specific year adjusted for inflation, Before or After Housing Costs. The year 1998/99 is used in this report, as this is the first year where some information is available for the United Kingdom. Absolute low-income statistics fall if low-income households are seeing their incomes rise faster than inflation.

### *Deciles, Quintiles and Percentiles*

These are income values which divide the population, when ranked by equivalised household income, into equal-sized groups. Deciles are ten equal-sized groups - the lowest decile describes individuals with incomes in the bottom 10 per cent of the income distribution. Quintiles are five equal-sized groups - the lowest quintile

<sup>29</sup> This includes income from employment, self-employment, investments, occupational pensions, benefits and other sources, and is measured net of taxes and National Insurance. See **Appendix 1** for full details of what is included.

<sup>30</sup> Housing costs include rent, water rates, mortgage interest payments, buildings insurance payments and ground rent and service charges.

### **3** Whole population

describes individuals with incomes in the bottom 20 per cent of the income distribution. Percentiles are 100 equal-sized groups.

Please see overleaf for tables

### 3 Whole population

Table 3.1tr: Percentage of individuals falling below various thresholds of contemporary median income, United Kingdom <sup>1,2</sup>

Percentage of individuals		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
<b>FES (UK)<sup>4</sup></b>	1979	5	13	22	6	13	23
	1981	5	14	24	7	15	25
	1987	8	18	28	11	21	29
	1988 and 1989	12	21	29	14	23	30
	1990 and 1991	13	22	29	16	24	31
	1991 and 1992	13	22	29	17	25	31
	1992 and 1993	12	21	30	16	25	32
	1993/94 to 1994/95	11	20	28	16	24	31
	1994/95 to 1995/96	10	19	28	15	24	30
	1995/96 to 1996/97	11	20	28	17	25	31
<b>FRS (GB)</b>	1994/95	10	19	28	15	24	31
	1995/96	9	18	27	15	24	31
	1996/97	11	19	28	17	25	32
	1997/98	11	20	28	17	24	31
<b>FRS (UK)</b>	1998/99	11	19	28	16	24	31
	1999/00	10	19	28	16	24	31
	2000/01	10	19	27	15	23	30
	2001/02	10	18	27	15	23	30
	2002/03	10	18	27	15	22	30
	2003/04	10	18	26	14	21	29
	2004/05	10	17	26	13	21	28
	2005/06	10	18	26	15	22	29
	2006/07	11	18	26	15	22	29
	2007/08	11	18	27	16	23	30
	2008/09	10	18	26	16	22	29
	2009/10	10	17	25	15	22	30
2010/11	9	16	25	15	21	29	
<b>Change</b>	1998/99-2010/11 <sup>2,3</sup>	-1	-3	-3	-2	-3	-2
	2009/10-2010/11 <sup>2,3</sup>	0	-1	0	-1	-1	-1

**Notes:**

1. FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.

2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.

3. Due to rounding, the estimates of change in percentages of individuals below low-income thresholds may not equal the difference between the total percentage of individuals below thresholds for any pair of years shown.

4. FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

Table 3.2tr: Percentage of individuals falling below various thresholds of 1998/99 median income held constant in real terms, United Kingdom <sup>1,2</sup>

Percentage of individuals		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
<b>FES (UK)<sup>4</sup></b>	1979	20	33	46	22	35	47
	1981	22	35	47	25	36	48
	1987	18	29	38	22	32	40
	1988 and 1989	17	27	35	20	28	36
	1990 and 1991	17	26	33	20	28	35
	1991 and 1992	16	26	34	21	29	35
	1992 and 1993	16	25	33	21	29	35
	1993/94 to 1994/95	14	23	32	19	27	34
	1994/95 to 1995/96	12	21	30	18	26	33
1995/96 to 1996/97	12	21	30	18	26	32	
<b>FRS (GB)</b>	1994/95	13	23	32	20	29	36
	1995/96	12	23	32	19	28	36
	1996/97	12	21	30	19	27	34
	1997/98	11	20	29	18	25	32
<b>FRS (UK)</b>	1998/99	11	19	28	16	24	31
	1999/00	9	18	26	14	22	29
	2000/01	9	15	24	12	20	26
	2001/02	7	13	21	10	17	24
	2002/03	7	12	20	9	15	22
	2003/04	7	12	19	9	15	21
	2004/05	6	11	18	9	13	19
	2005/06	7	11	18	9	14	20
	2006/07	7	12	18	10	14	20
	2007/08	7	12	18	10	15	20
	2008/09	7	11	18	10	15	20
<b>Change</b>	1998/99-2010/11 <sup>2,3</sup>	-4	-9	-11	-6	-9	-10
	2009/10-2010/11 <sup>2,3</sup>	0	0	1	0	0	1

**Notes:**

- FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.
- Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.
- Due to rounding, the estimates of change in percentages of individuals below low-income thresholds may not equal the difference between the total percentage of individuals below thresholds for any pair of years shown.
- FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

### 3 Whole population

Table 3.3tr: Number of individuals falling below various thresholds of contemporary median income, United Kingdom <sup>1,2</sup>

Number of individuals (millions)		Source: FES/FRS						All individuals
		Before Housing Costs			After Housing Costs			
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
FES (UK) <sup>4</sup>	1979	3.0	7.1	11.9	3.1	7.3	12.2	54.0
	1981	3.0	7.6	12.9	3.8	8.1	13.5	54.7
	1987	4.6	10.0	15.4	6.2	11.5	16.1	55.4
	1988 and 1989	6.5	11.8	16.0	7.9	12.9	16.7	56.0
	1990 and 1991	7.3	12.2	16.3	9.1	13.5	17.1	56.1
	1991 and 1992	7.1	12.4	16.7	9.5	14.0	17.7	56.6
	1992 and 1993	6.9	12.2	16.9	9.4	14.3	18.1	57.1
	1993/94 to 1994/95	6.4	11.3	16.2	8.9	13.9	17.5	57.3
	1994/95 to 1995/96	5.9	10.9	15.9	8.8	13.8	17.3	57.5
	1995/96 to 1996/97	6.1	11.6	16.4	9.7	14.4	17.9	57.7
FRS (GB)	1994/95	5.3	10.4	15.5	8.5	13.5	17.3	55.3
	1995/96	5.2	9.9	15.2	8.2	13.5	17.3	55.5
	1996/97	5.9	10.8	15.6	9.4	14.0	17.7	55.6
	1997/98	6.0	10.9	15.7	9.2	13.6	17.1	55.7
FRS (UK)	1998/99	6.1	11.2	16.1	9.3	14.0	17.8	57.5
	1999/00	6.1	11.1	16.2	9.3	13.8	17.7	57.7
	2000/01	6.1	10.7	15.9	8.8	13.4	17.4	57.9
	2001/02	5.9	10.7	15.8	8.5	13.2	17.2	58.1
	2002/03	5.9	10.6	15.7	8.5	13.1	17.3	58.3
	2003/04	5.8	10.4	15.4	8.4	12.6	17.0	58.5
	2004/05	5.6	10.0	15.2	7.9	12.1	16.6	58.8
	2005/06	5.9	10.4	15.5	8.6	12.8	17.2	59.1
	2006/07	6.3	10.7	15.7	9.0	13.2	17.5	59.5
	2007/08	6.5	11.0	15.9	9.3	13.5	17.8	59.9
	2008/09	6.2	10.8	15.6	9.5	13.5	17.7	60.3
	2009/10	5.9	10.3	15.3	9.2	13.5	18.0	60.7
2010/11	5.6	9.8	15.2	8.9	13.0	17.6	61.1	
Change	1998/99-2010/11 <sup>2,3</sup>	-0.5	-1.3	-1.0	-0.4	-1.0	-0.1	3.6
	2009/10-2010/11 <sup>2,3</sup>	-0.2	-0.5	-0.2	-0.3	-0.5	-0.4	0.5

**Notes:**

1. FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.

2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.

3. Due to rounding, the estimates of change in percentages of individuals below low-income thresholds may not equal the difference between the total percentage of individuals below thresholds for any pair of years shown.

4. FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

**Table 3.4tr: Number of individuals falling below various thresholds of 1998/99 median income held constant in real terms, United Kingdom <sup>1,2</sup>**

Number of individuals (millions)		Source: FES/FRS						All individuals
		Before Housing Costs			After Housing Costs			
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
<b>FES (UK)<sup>4</sup></b>	1979	10.9	17.7	24.6	11.9	18.8	25.7	54.0
	1981	12.2	19.0	25.6	13.5	19.9	26.4	54.7
	1987	9.9	15.9	20.8	12.1	17.5	22.1	55.4
	1988 and 1989	9.6	14.9	19.4	11.4	15.9	20.1	56.0
	1990 and 1991	9.6	14.6	18.7	11.5	15.8	19.8	56.1
	1991 and 1992	9.2	14.6	19.1	11.8	16.2	20.1	56.6
	1992 and 1993	8.9	14.5	19.1	11.8	16.4	20.3	57.1
	1993/94 to 1994/95	7.9	13.2	18.2	10.9	15.5	19.4	57.3
	1994/95 to 1995/96	7.1	12.3	17.3	10.3	15.0	18.8	57.5
1995/96 to 1996/97	6.8	12.4	17.3	10.6	15.1	18.6	57.7	
<b>FRS (GB)</b>	1994/95	7.2	12.9	18.0	11.2	15.8	19.7	55.3
	1995/96	6.9	12.5	17.8	10.8	15.7	19.7	55.5
	1996/97	6.6	11.9	16.7	10.4	15.0	18.6	55.6
	1997/98	6.3	11.4	16.2	9.8	14.1	17.7	55.7
<b>FRS (UK)</b>	1998/99	6.1	11.2	16.1	9.3	14.0	17.8	57.5
	1999/00	5.4	10.2	15.3	8.3	12.9	16.7	57.7
	2000/01	4.9	8.9	13.7	7.0	11.5	15.3	57.9
	2001/02	4.0	7.5	12.2	5.8	9.7	13.7	58.1
	2002/03	3.9	7.1	11.5	5.4	8.8	12.7	58.3
	2003/04	3.9	7.0	11.2	5.5	8.6	12.0	58.5
	2004/05	3.6	6.6	10.6	5.2	7.8	11.2	58.8
	2005/06	3.9	6.6	10.7	5.4	8.2	11.6	59.1
	2006/07	4.1	6.9	10.8	5.8	8.6	11.8	59.5
	2007/08	4.2	7.1	11.1	5.9	8.7	12.1	59.9
2008/09	4.1	6.7	10.7	6.1	9.0	12.2	60.3	
2009/10	3.7	6.2	10.0	6.1	8.8	12.1	60.7	
2010/11	3.9	6.5	10.5	6.3	9.1	12.7	61.1	
<b>Change</b>	1998/99-2010/11 <sup>2,3</sup>	-2.2	-4.7	-5.6	-3.0	-4.9	-5.1	3.6
	2009/10-2010/11 <sup>2,3</sup>	0.2	0.3	0.5	0.2	0.3	0.6	0.5

**Notes:**

- FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.
- Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.
- Due to rounding, the estimates of change in percentages of individuals below low-income thresholds may not equal the difference between the total percentage of individuals below thresholds for any pair of years shown.
- FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

### 3 Whole population

**Table 3.1db (BHC): Quintile distribution of income for individuals by various family and household characteristics, United Kingdom**

Percentage of individuals	Net equivalised disposable household income					All individuals (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Economic status of adults in the family</b>						
One or more full-time self-employed	24	17	17	17	25	6.1
Single/couple all in full-time work	4	9	20	31	36	16.2
Couple, one full-time, one part-time work	6	16	26	28	24	8.1
Couple, one full-time work, one not working	20	27	20	17	16	6.6
No full-time, one or more in part-time work	27	27	22	15	10	5.6
Workless, one or more aged 60 or over	27	28	23	14	9	10.6
Workless, one or more unemployed	64	19	8	6	3	2.2
Workless, other inactive	45	29	14	7	4	5.7
<b>Family type</b>						
Pensioner couple	19	23	23	17	17	8.3
Single pensioner	27	27	23	15	8	4.6
Male	22	27	23	17	11	1.2
Female	29	27	23	15	6	3.4
Couple with children	19	20	21	21	19	21.6
Couple without children	12	9	16	26	37	10.9
Single with children	31	36	19	9	4	4.9
Single without children	23	18	19	22	19	10.8
Male	24	17	19	21	18	6.6
Female	21	18	19	22	20	4.2
<b>Gender and adulthood</b>						
Adult male	19	17	20	21	23	23.4
Adult female	20	20	20	20	20	24.6
Children	23	25	20	17	15	13.0
<b>Marital status</b>						
Couple	17	18	20	21	24	40.9
Married or Civil Partnered	16	18	20	21	24	33.0
Cohabiting	20	19	18	22	21	7.9
Single	26	24	20	17	13	20.2
<b>Disability</b>						
Disabled individuals	25	26	22	17	10	11.5
Disabled children	23	31	21	15	9	0.8
Disabled working-age adults	29	23	19	17	12	5.4
Disabled pensioners	21	28	26	17	7	5.3
Non-disabled individuals	19	19	19	21	22	49.6
Non-disabled children	23	25	20	17	15	12.2
Non-disabled working-age adults	16	15	19	23	26	30.9
Non-disabled pensioners	23	23	21	16	17	6.4
<b>Ethnic group of head (3-year average)</b>						
White	19	20	20	21	21	54.4
Mixed	24	22	19	19	17	0.6
Asian or Asian British	36	21	15	13	14	3.3
Indian	26	19	18	16	21	1.5
Pakistani and Bangladeshi	51	24	11	8	5	1.3
Black or Black British	32	24	17	16	12	1.6
Black Caribbean	27	23	19	16	16	0.6
Black Non-Caribbean	35	24	16	15	10	1.0
Chinese or other ethnic group	29	20	18	13	21	0.8
<b>All individuals<sup>2</sup></b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>61.1</b>

1. Percentages may not sum to 100 per cent due to rounding.

2. The totals for all individuals are shown for the United Kingdom for the latest year and are not three-year averages.

**Table 3.1db (AHC): Quintile distribution of income for individuals by various family and household characteristics, United Kingdom**

Percentage of individuals	Net equivalised disposable household income					All individuals (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Economic status of adults in the family</b>						
One or more full-time self-employed	25	17	18	16	25	6.1
Single/couple all in full-time work	5	10	20	30	35	16.2
Couple, one full-time, one part-time work	7	16	27	27	23	8.1
Couple, one full-time work, one not working	22	27	19	17	15	6.6
No full-time, one or more in part-time work	28	26	20	14	11	5.6
Workless, one or more aged 60 or over	16	29	25	18	12	10.6
Workless, one or more unemployed	70	15	7	5	3	2.2
Workless, other inactive	53	27	11	5	4	5.7
<b>Family type</b>						
Pensioner couple	12	23	25	20	20	8.3
Single pensioner	15	29	23	20	13	4.6
Male	12	25	24	22	17	1.2
Female	16	31	23	19	12	3.4
Couple with children	21	20	21	20	18	21.6
Couple without children	12	10	16	26	35	10.9
Single with children	38	33	17	8	4	4.9
Single without children	26	17	18	19	19	10.8
Male	27	17	18	19	19	6.6
Female	25	18	19	19	19	4.2
<b>Gender and adulthood</b>						
Adult male	18	18	20	21	23	23.4
Adult female	19	20	20	21	21	24.6
Children	25	24	20	17	14	13.0
<b>Marital status</b>						
Couple	17	18	20	22	23	40.9
Married or Civil Partnered	15	18	21	22	24	33.0
Cohabiting	23	19	18	22	19	7.9
Single	26	24	19	17	14	20.2
<b>Disability</b>						
Disabled individuals	21	26	23	19	11	11.5
Disabled children	25	29	21	16	8	0.8
Disabled working-age adults	30	23	19	16	12	5.4
Disabled pensioners	12	29	27	21	10	5.3
Non-disabled individuals	20	19	19	20	22	49.6
Non-disabled children	25	24	20	17	14	12.2
Non-disabled working-age adults	19	15	18	22	25	30.9
Non-disabled pensioners	13	24	22	19	22	6.4
<b>Ethnic group of head (3-year average)</b>						
White	18	20	21	21	21	54.4
Mixed	34	19	15	18	15	0.6
Asian or Asian British	39	23	13	12	13	3.3
Indian	29	21	16	15	19	1.5
Pakistani and Bangladeshi	51	28	9	7	5	1.3
Black or Black British	38	23	14	14	10	1.6
Black Caribbean	29	24	16	16	14	0.6
Black Non-Caribbean	44	22	13	13	8	1.0
Chinese or other ethnic group	36	19	14	13	19	0.8
<b>All individuals<sup>2</sup></b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>61.1</b>

1. Percentages may not sum to 100 per cent due to rounding.

2. The totals for all individuals are shown for the United Kingdom for the latest year and are not three-year averages.

### 3 Whole population

**Table 3.2db (BHC): Quintile distribution of income for individuals by various family and household characteristics, United Kingdom**

Percentage of individuals	Net equivalised disposable household income					Source: FRS 2010/11
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All individuals (millions)
<b>Disability and receipt of disability benefits<sup>1</sup></b>						
Those living in families where no-one is disabled	18	18	19	21	24	43.2
Those living in families where someone is disabled	25	26	22	17	11	17.9
1 or more disabled adult, no disabled child	25	25	22	17	11	15.2
Those living in families with disabled children	24	31	22	14	9	2.7
With no disabled adult	22	27	23	16	12	1.6
With 1 or more disabled adult	27	38	20	11	5	1.1
In receipt of disability benefits	15	30	30	18	7	6.1
Not in receipt of disability benefits	30	24	18	16	13	11.8
<b>Tenure</b>						
Owners	15	16	20	23	26	41.2
Owned outright	21	19	20	19	21	17.0
Buying with a mortgage	11	13	21	26	29	24.1
Social rented sector tenants	37	33	18	9	2	9.7
All rented privately	23	25	21	18	14	10.3
<b>Direct payment account<sup>2</sup></b>						
No accounts	33	16	20	19	13	1.4
With one or more accounts	20	20	20	20	20	59.7
<b>Savings and investments</b>						
No savings	30	27	19	15	9	22.7
Less than £1,500	18	21	23	23	15	9.4
£1,500 but less than £3,000	15	18	24	22	21	4.3
£3,000 but less than £8,000	15	17	20	24	24	7.6
£8,000 but less than £10,000	14	15	22	25	25	1.8
£10,000 but less than £16,000	13	14	21	23	29	3.7
£16,000 but less than £20,000	14	12	18	26	30	1.5
£20,000 or more	10	11	17	21	41	10.1
<b>Region/Country (3-year average)</b>						
England	20	20	20	20	21	50.9
North East	23	23	21	18	15	2.5
North West	22	22	22	19	15	6.8
Yorkshire and the Humber	24	23	20	18	15	5.2
East Midlands	22	21	22	20	15	4.4
West Midlands	25	22	19	20	14	5.3
East of England	17	18	19	21	24	5.7
London	19	17	15	18	30	7.6
Inner	22	17	14	16	31	2.7
Outer	17	17	16	19	30	4.9
South East	14	16	20	22	28	8.3
South West	18	21	22	21	18	5.1
Wales	22	22	21	20	14	2.9
Scotland	19	20	21	21	19	5.1
Northern Ireland	24	21	23	19	13	1.8
<b>All individuals<sup>3</sup></b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>61.1</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.

2. A household is said to have a direct payment accounts if a household member has an account accepting Automatic Credit Transfers (ACT). Accounts included are Basic Bank accounts, Current accounts, Post Office accounts, or savings accounts with any other bank or building society.

3. The totals for all individuals are shown for the United Kingdom for the latest year and are not three-year averages.

4. Percentages may not sum to 100 per cent due to rounding.

**Table 3.2db (AHC): Quintile distribution of income for individuals by various family and household characteristics, United Kingdom**

Percentage of individuals	Net equivalised disposable household income					Source: FRS 2010/11
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All individuals (millions)
<b>Disability and receipt of disability benefits<sup>1</sup></b>						
Those living in families where no-one is disabled	19	18	19	21	24	43.2
Those living in families where someone is disabled	23	25	22	18	11	17.9
1 or more disabled adult, no disabled child	22	25	22	19	12	15.2
Those living in families with disabled children	26	30	21	15	8	2.7
With no disabled adult	23	26	22	17	11	1.6
With 1 or more disabled adult	29	35	20	12	4	1.1
In receipt of disability benefits	13	29	29	20	8	6.1
Not in receipt of disability benefits	27	23	19	17	13	11.8
<b>Tenure</b>						
Owners	11	16	22	24	27	41.2
Owned outright	11	19	22	23	25	17.0
Buying with a mortgage	11	14	22	25	28	24.1
Social rented sector tenants	40	34	16	8	2	9.7
All rented privately	38	23	17	13	9	10.3
<b>Direct payment account<sup>2</sup></b>						
No accounts	31	15	19	21	14	1.4
With one or more accounts	20	20	20	20	20	59.7
<b>Savings and investments</b>						
No savings	34	26	18	14	8	22.7
Less than £1,500	17	23	24	22	14	9.4
£1,500 but less than £3,000	14	19	25	22	20	4.3
£3,000 but less than £8,000	11	19	21	25	24	7.6
£8,000 but less than £10,000	11	15	23	26	25	1.8
£10,000 but less than £16,000	9	15	22	25	28	3.7
£16,000 but less than £20,000	9	14	18	27	31	1.5
£20,000 or more	7	9	17	23	44	10.1
<b>Region/Country (3-year average)</b>						
England	20	20	20	20	20	50.9
North East	20	23	23	19	15	2.5
North West	21	21	22	20	16	6.8
Yorkshire and the Humber	22	23	20	19	16	5.2
East Midlands	19	21	22	21	16	4.4
West Midlands	23	22	20	20	15	5.3
East of England	18	19	19	21	24	5.7
London	27	16	14	16	28	7.6
Inner	32	16	11	14	27	2.7
Outer	24	16	15	17	28	4.9
South East	16	17	19	21	27	8.3
South West	18	22	22	21	18	5.1
Wales	20	21	22	21	16	2.9
Scotland	17	19	21	23	20	5.1
Northern Ireland	19	23	24	20	14	1.8
<b>All individuals<sup>3</sup></b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>61.1</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.
2. A household is said to have a direct payment accounts if a household member has an account accepting Automatic Credit Transfers (ACT). Accounts included are Basic Bank accounts, Current accounts, Post Office accounts, or savings accounts with any other bank or building society.
3. The totals for all individuals are shown for the United Kingdom for the latest year and are not three-year averages.
4. Percentages may not sum to 100 per cent due to rounding.

### 3 Whole population

**Table 3.3db: Composition of low-income groups of individuals by various family and household characteristics, United Kingdom**

Percentage of individuals	Source: FRS 2010/11						All individuals
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
<b>Economic status of adults in the family</b>							
One or more full-time self-employed	16	13	11	13	12	11	10
Single/couple all in full-time work	4	5	6	6	7	8	26
Couple, one full-time, one part-time work	2	3	5	4	4	6	13
Couple, one full-time work, one not working	8	10	12	11	12	13	11
No full-time, one or more in part-time work	13	12	12	13	13	13	9
Workless, one or more aged 60 or over	21	23	23	13	15	18	17
Workless, one or more unemployed	14	13	10	15	12	10	4
Workless, other inactive	21	21	21	26	24	22	9
<b>Family type</b>							
Pensioner couple	11	13	14	7	8	10	14
Single pensioner	10	10	10	5	6	7	7
Male	2	2	2	1	1	2	2
Female	8	8	8	4	5	6	5
Couple with children	33	34	34	36	37	36	35
Couple without children	14	11	10	12	11	10	18
Single with children	8	11	14	14	16	15	8
Single without children	25	21	18	26	22	20	18
Male	16	14	12	16	14	13	11
Female	8	7	7	9	8	7	7
<b>Gender and adulthood</b>							
Adult male	40	37	35	37	35	34	38
Adult female	39	40	40	38	38	38	40
Children	21	23	25	25	27	27	21
<b>Marital status</b>							
Couple	58	58	58	55	56	57	67
Married or Civil Partnered	45	44	45	40	42	43	54
Cohabiting	13	13	13	15	15	14	13
Single	42	42	42	45	44	43	33
<b>Disability</b>							
Disabled individuals	21	23	24	20	20	22	19
Disabled children	1	1	2	1	2	2	1
Disabled working-age adults	13	13	12	14	13	13	9
Disabled pensioners	8	9	10	5	6	7	9
Non-disabled individuals	79	77	76	80	80	78	81
Non-disabled children	20	22	24	24	26	25	20
Non-disabled working-age adults	48	43	40	49	47	44	51
Non-disabled pensioners	11	12	12	6	7	9	11
<b>Ethnic group of head (3-year average)</b>							
White	80	82	84	79	81	83	90
Mixed	1	1	1	2	2	1	1
Asian or Asian British	12	10	9	11	10	9	5
Indian	4	3	3	3	3	3	2
Pakistani and Bangladeshi	7	6	5	6	5	5	2
Black or Black British	4	4	4	5	5	4	3
Black Caribbean	1	1	1	1	1	1	1
Black Non-Caribbean	3	3	3	4	3	3	2
Chinese or other ethnic group	2	2	2	3	2	2	1
<b>All individuals (millions=100%)<sup>2</sup></b>	<b>5.6</b>	<b>9.8</b>	<b>15.2</b>	<b>8.9</b>	<b>13.0</b>	<b>17.6</b>	<b>61.1</b>

1. Percentages may not sum to 100 per cent due to rounding.

2. The totals for all individuals are shown for the United Kingdom for the latest year and are not three-year averages.

**Table 3.4db: Composition of low-income groups of individuals by various family and household characteristics, United Kingdom**

Percentage of individuals	Source: FRS 2010/11						All individuals
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
<b>Disability and receipt of disability benefits<sup>1</sup></b>							
Those living in families where no-one is disabled	67	64	63	67	67	65	71
Those living in families where someone is disabled	33	36	37	33	33	35	29
1 or more disabled adult, no disabled child	30	32	31	28	28	29	25
Those living in families with disabled children	4	5	5	5	6	6	4
With no disabled adult	2	3	3	3	3	3	3
With 1 or more disabled adult	1	2	2	2	3	3	2
In receipt of disability benefits	5	6	8	5	7	8	10
Not in receipt of disability benefits	29	30	28	27	26	26	19
<b>Tenure</b>							
Owners	56	52	51	36	37	40	67
Owned outright	32	30	29	15	16	18	28
Buying with a mortgage	24	22	22	21	21	22	39
Social rented sector tenants	25	29	30	32	32	32	16
All rented privately	20	19	19	33	31	28	17
<b>Direct payment account<sup>2</sup></b>							
No accounts	5	4	3	4	3	3	2
With one or more accounts	95	96	97	96	97	97	98
<b>Savings and investments</b>							
No savings	56	56	56	63	63	60	37
Less than £1,500	12	13	14	13	13	14	15
£1,500 but less than £3,000	6	5	5	5	5	5	7
£3,000 but less than £8,000	9	9	9	7	7	8	12
£8,000 but less than £10,000	2	2	2	1	2	2	3
£10,000 but less than £16,000	4	4	4	3	3	3	6
£16,000 but less than £20,000	2	2	2	1	1	1	2
£20,000 or more	10	9	8	7	6	6	17
<b>Region/Country (3-year average)</b>							
England	83	83	83	86	85	85	84
North East	4	5	5	4	4	5	4
North West	11	12	12	11	12	12	11
Yorkshire and the Humber	10	10	10	9	9	9	9
East Midlands	8	8	8	7	7	7	7
West Midlands	11	11	11	10	10	10	9
East of England	8	8	8	8	8	8	9
London	14	12	12	18	16	15	13
Inner	5	5	4	8	7	6	4
Outer	8	7	7	10	10	9	8
South East	9	10	10	11	11	11	14
South West	8	8	8	8	8	8	8
Wales	5	5	6	5	5	5	5
Scotland	8	8	8	7	7	7	8
Northern Ireland	4	4	3	3	3	3	3
<b>All individuals (millions=100%)<sup>3</sup></b>	<b>5.6</b>	<b>9.8</b>	<b>15.2</b>	<b>8.9</b>	<b>13.0</b>	<b>17.6</b>	<b>61.1</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.
2. A household is said to have a direct payment accounts if a household member has an account accepting Automatic Credit Transfers (ACT). Accounts included are Basic Bank accounts, Current accounts, Post Office accounts, or savings accounts with any other bank or building society.
3. The totals for all individuals are shown for the United Kingdom for the latest year and are not three-year averages.
4. Percentages may not sum to 100 per cent due to rounding.

### 3 Whole population

**Table 3.5db: Percentage of individuals in low-income groups by various family and household characteristics, United Kingdom**

Percentage of individuals	Source: FRS 2010/11						All individuals (millions)
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
<b>Economic status of adults in the family</b>							
One or more full-time self-employed	14	20	27	19	26	31	6.1
Single/couple all in full-time work	1	3	6	3	6	9	16.2
Couple, one full-time, one part-time work	2	4	8	4	7	13	8.1
Couple, one full-time work, one not working	7	15	28	15	24	35	6.6
No full-time, one or more in part-time work	13	21	33	20	30	40	5.6
Workless, one or more aged 60 or over	11	21	33	11	18	29	10.6
Workless, one or more unemployed	35	55	70	58	72	78	2.2
Workless, other inactive	21	37	55	40	56	69	5.7
<b>Family type</b>							
Pensioner couple	7	15	25	8	13	22	8.3
Single pensioner	12	21	33	11	17	28	4.6
Male	9	16	27	8	14	23	1.2
Female	13	23	35	11	18	31	3.4
Couple with children	9	15	24	15	22	30	21.6
Couple without children	7	10	14	10	13	17	10.9
Single with children	9	22	42	24	41	55	4.9
Single without children	13	20	26	21	27	33	10.8
Male	14	21	27	22	28	34	6.6
Female	11	17	25	20	26	32	4.2
<b>Gender and adulthood</b>							
Adult male	10	16	22	14	19	26	23.4
Adult female	9	16	25	14	20	27	24.6
Children	9	18	29	17	27	37	13.0
<b>Marital status</b>							
Couple	8	14	21	12	18	25	40.9
Married or Civil Partnered	8	13	21	11	16	23	33.0
Cohabiting	9	17	25	17	24	31	7.9
Single	12	21	31	20	28	38	20.2
<b>Disability</b>							
Disabled individuals	11	20	31	16	23	33	11.5
Disabled children	7	17	30	16	27	39	0.8
Disabled working-age adults	13	24	35	23	31	41	5.4
Disabled pensioners	8	17	28	8	14	24	5.3
Non-disabled individuals	9	15	23	14	21	28	49.6
Non-disabled children	9	18	29	17	27	37	12.2
Non-disabled working-age adults	9	14	20	14	20	25	30.9
Non-disabled pensioners	10	18	29	9	14	24	6.4
<b>Ethnic group of head (3-year average)</b>							
White	9	16	24	13	20	27	54.4
Mixed	13	21	29	28	36	44	0.6
Asian or Asian British	22	32	43	30	42	50	3.3
Indian	16	23	31	21	30	37	1.5
Pakistani and Bangladeshi	32	46	61	41	55	66	1.3
Black or Black British	17	28	39	32	41	50	1.6
Black Caribbean	15	23	34	23	32	42	0.6
Black Non-Caribbean	18	31	42	37	47	55	1.0
Chinese or Other Ethnic Group	18	27	35	30	38	45	0.8
<b>All individuals<sup>1</sup></b>	<b>9</b>	<b>16</b>	<b>25</b>	<b>15</b>	<b>21</b>	<b>29</b>	<b>61.1</b>

1. The totals for all individuals are shown for the United Kingdom for the latest year and are not three-year averages.

**Table 3.6db: Percentage of individuals in low-income groups by various family and household characteristics, United Kingdom**

Percentage of individuals	Source: FRS 2010/11						All individuals (millions)
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
<b>Disability and receipt of disability benefits<sup>1</sup></b>							
Those living in families where no-one is disabled	9	15	22	14	20	27	43.2
Those living in families where someone is disabled	11	20	31	16	24	34	17.9
1 or more disabled adult, no disabled child	11	20	31	16	24	33	15.2
Those living in families with disabled children	8	17	31	16	27	39	2.7
With no disabled adult	9	16	28	17	24	35	1.6
With 1 or more disabled adult	7	19	35	15	32	46	1.1
In receipt of disability benefits	5	11	21	8	14	24	6.1
Not in receipt of disability benefits	14	25	36	21	29	39	11.8
<b>Tenure</b>							
Owners	8	12	19	8	12	17	41.2
Owned outright	11	17	26	8	12	19	17.0
Buying with a mortgage	6	9	14	8	11	16	24.1
Social rented sector tenants	14	29	47	29	43	58	9.7
All rented privately	11	18	28	28	39	48	10.3
<b>Direct payment account<sup>2</sup></b>							
No accounts	20	28	36	27	32	36	1.4
With one or more accounts	9	16	25	14	21	29	59.7
<b>Savings and investments</b>							
No savings	14	24	38	25	36	47	22.7
Less than £1,500	7	14	22	12	19	27	9.4
£1,500 but less than £3,000	8	12	19	10	15	23	4.3
£3,000 but less than £8,000	6	11	18	8	12	19	7.6
£8,000 but less than £10,000	7	12	17	7	12	17	1.8
£10,000 but less than £16,000	5	10	16	7	10	15	3.7
£16,000 but less than £20,000	7	11	17	7	10	14	1.5
£20,000 or more	6	8	12	6	8	11	10.1
<b>Region/Country (3-year average)</b>							
England	10	17	25	15	22	30	50.9
North East	10	20	29	15	23	32	2.5
North West	10	18	28	15	23	30	6.8
Yorkshire and the Humber	11	20	30	16	24	32	5.2
East Midlands	10	18	27	15	21	28	4.4
West Midlands	12	21	31	17	25	33	5.3
East of England	9	15	21	14	19	26	5.7
London	11	16	23	22	29	35	7.6
Inner	12	18	26	26	34	40	2.7
Outer	10	15	22	19	26	32	4.9
South East	7	12	18	12	17	23	8.3
South West	9	15	23	13	20	28	5.1
Wales	10	19	29	15	22	30	2.9
Scotland	9	16	25	13	19	26	5.1
Northern Ireland	12	21	30	13	21	29	1.8
<b>All individuals<sup>3</sup></b>	<b>9</b>	<b>16</b>	<b>25</b>	<b>15</b>	<b>21</b>	<b>29</b>	<b>61.1</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.

2. A household is said to have a direct payment accounts if a household member has an account accepting Automatic Credit Transfers (ACT). Accounts included are Basic Bank accounts, Current accounts, Post Office accounts, or savings accounts with any other bank or building society.

3. The totals for all individuals are shown for the United Kingdom for the latest year and are not three-year averages.

Table 3.1ts: Population of individuals by family type, gender and adulthood, United Kingdom<sup>1</sup>

	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
	Source: FRS																
<b>Number of individuals whose family type is: (millions)</b>																	
Pensioner couple	6.5	6.5	6.5	6.4	6.5	6.6	6.7	6.9	7.2	7.2	7.3	7.4	7.5	7.7	7.9	8.4	8.3
Single male pensioner	0.9	1.0	1.0	1.0	1.0	1.1	1.0	1.0	1.0	1.1	1.1	1.1	1.2	1.2	1.2	1.1	1.2
Single female pensioner	3.3	3.4	3.3	3.4	3.4	3.3	3.3	3.2	3.3	3.3	3.3	3.3	3.3	3.4	3.5	3.3	3.4
Couple with children	20.8	20.8	20.7	20.5	20.3	20.0	19.9	19.7	20.3	20.3	20.3	20.2	20.4	20.7	20.7	21.4	21.6
Couple without children	10.7	10.7	10.6	10.9	10.8	10.9	11.1	11.1	11.6	11.5	11.5	11.4	11.6	11.4	11.3	10.9	10.9
Single with children	4.1	4.2	4.3	4.4	4.6	4.8	4.9	4.9	5.1	5.1	5.1	5.1	5.1	4.9	5.0	4.9	4.9
Single male without children	5.4	5.5	5.5	5.6	5.7	5.7	5.8	5.9	6.0	6.1	6.2	6.4	6.4	6.4	6.6	6.5	6.6
Single female without children	3.5	3.5	3.5	3.5	3.6	3.6	3.6	3.7	3.8	3.9	4.0	4.1	4.1	4.1	4.1	4.1	4.2
<b>Gender and adulthood: (millions)</b>																	
Adult male	20.5	20.5	20.6	20.7	20.7	20.8	21.0	21.1	21.8	22.0	22.2	22.4	22.6	22.8	23.1	23.2	23.4
Adult female	22.2	22.2	22.3	22.4	22.4	22.5	22.6	22.7	23.5	23.6	23.7	23.9	24.0	24.2	24.4	24.5	24.6
Children	12.6	12.7	12.7	12.7	12.7	12.7	12.7	12.6	13.0	13.0	12.9	12.8	12.8	12.8	12.8	13.0	13.0
<b>All individuals (millions)</b>	55.3	55.5	55.6	55.7	55.9	56.1	56.2	56.4	58.3	58.5	58.8	59.1	59.5	59.9	60.3	60.7	61.1
<b>Percentage of individuals whose family type is:</b>																	
Pensioner couple	12	12	12	12	12	12	12	12	12	12	12	12	13	13	13	14	14
Single male pensioner	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Single female pensioner	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	5	5
Couple with children	38	37	37	37	36	36	35	35	35	35	35	34	34	35	34	35	35
Couple without children	19	19	19	20	19	20	20	20	20	20	20	19	19	19	19	18	18
Single with children	7	8	8	8	8	9	9	9	9	9	9	9	9	8	8	8	8
Single male without children	10	10	10	10	10	10	10	10	10	11	11	11	11	11	11	11	11
Single female without children	6	6	6	6	6	6	6	7	7	7	7	7	7	7	7	7	7
<b>Gender and adulthood</b>																	
Adult male	37	37	37	37	37	37	37	37	37	38	38	38	38	38	38	38	38
Adult female	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Children	23	23	23	23	23	23	23	22	22	22	22	22	22	21	21	21	21
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

Table 3.2ts: Population of individuals by economic status of the family, United Kingdom<sup>1,2</sup>

	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Number of individuals whose economic status is: (millions)</b>																	
One or more full-time self-employed	..	..	5.9	5.6	5.5	5.4	5.3	5.6	5.7	5.5	5.9	6.0	6.0	6.3	5.8	5.8	6.1
Single/couple all in full-time work	..	..	13.5	14.0	14.0	14.5	15.0	15.0	15.7	15.9	15.6	16.0	16.2	16.4	16.7	16.1	16.2
Couple, one full-time, one part-time work	..	..	8.0	8.6	8.8	8.6	8.3	8.3	8.5	8.3	8.5	8.3	8.2	8.2	8.2	7.9	8.1
Couple, one full-time work, one not working	..	..	6.4	6.2	6.3	6.1	6.4	6.2	6.6	6.5	6.5	6.3	6.6	6.6	6.5	6.8	6.6
No full-time, one or more in part-time work	..	..	3.7	4.1	4.1	4.3	4.2	4.4	4.7	4.9	5.0	5.2	5.2	5.0	5.3	5.7	5.6
Workless, one or more aged 60 or over	..	..	9.7	9.6	9.8	9.7	9.8	9.8	9.9	10.0	10.0	10.0	10.0	10.1	10.3	10.3	10.6
Workless, one or more unemployed	..	..	2.8	2.1	1.8	1.7	1.5	1.3	1.4	1.3	1.2	1.4	1.3	1.4	1.7	2.2	2.2
Workless, other inactive	..	..	5.6	5.4	5.6	5.7	5.7	5.8	5.8	6.1	6.1	5.9	5.9	5.8	5.8	5.8	5.7
<b>All individuals (millions)</b>	<b>55.3</b>	<b>55.5</b>	<b>55.6</b>	<b>55.7</b>	<b>55.9</b>	<b>56.1</b>	<b>56.2</b>	<b>56.4</b>	<b>58.3</b>	<b>58.5</b>	<b>58.8</b>	<b>59.1</b>	<b>59.5</b>	<b>59.9</b>	<b>60.3</b>	<b>60.7</b>	<b>61.1</b>
<b>Percentage of individuals whose economic status is:</b>																	
One or more full-time self-employed	..	..	11	10	10	10	9	10	10	9	10	10	10	10	10	10	10
Single/couple all in full-time work	..	..	24	25	25	26	27	27	27	27	27	27	27	27	28	26	26
Couple, one full-time, one part-time work	..	..	14	15	16	15	15	15	15	14	14	14	14	14	14	13	13
Couple, one full-time work, one not working	..	..	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11
No full-time, one or more in part-time work	..	..	7	7	7	8	8	8	8	8	8	9	9	8	9	9	9
Workless, one or more aged 60 or over	..	..	18	17	17	17	17	17	17	17	17	17	17	17	17	17	17
Workless, one or more unemployed	..	..	5	4	3	3	3	2	2	2	2	2	2	2	3	4	4
Workless, other inactive	..	..	10	10	10	10	10	10	10	10	10	10	10	10	10	10	9
<b>All individuals (per cent)</b>	<b>100</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

- Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
- The economic status of the family classification has been revised to be in line with the International Labour Organisation economic status classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for those years.
- Percentages may not sum to 100 per cent due to rounding.

Table 3.3ts: Population of individuals by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>

	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
Source: FRS																	
<b>Number of individuals (millions) who are:</b>																	
Individuals in families where no-one is disabled	..	39.9	40.9	39.4	39.3	40.2	39.6	40.6	41.3	41.8	42.3	41.6	42.8	43.1	43.1	42.9	43.2
Individuals in families where someone is disabled	..	15.6	14.7	16.3	16.6	15.8	16.6	15.8	17.0	16.7	16.5	17.5	16.7	16.8	17.2	17.7	17.9
1 or more disabled adult, no disabled child	..	13.1	12.4	13.8	14.1	13.5	14.1	13.6	14.6	14.3	14.1	15.0	14.4	14.2	14.6	15.1	15.2
Those living in families with disabled children	..	2.4	2.3	2.5	2.5	2.3	2.5	2.2	2.5	2.4	2.4	2.5	2.3	2.5	2.5	2.7	2.7
With no disabled adult	..	1.7	1.6	1.8	1.7	1.5	1.6	1.4	1.6	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.6
With 1 or more disabled adult	..	0.7	0.7	0.8	0.8	0.8	0.9	0.8	0.9	0.9	0.9	1.0	0.9	1.0	1.0	1.0	1.1
In receipt of disability benefits	..	2.9	4.0	4.2	4.4	4.6	4.8	4.5	5.3	5.4	5.5	5.5	5.4	5.6	5.7	5.7	6.1
Not in receipt of disability benefits	..	12.7	10.7	12.1	12.2	11.2	11.8	11.3	11.8	11.3	11.0	12.0	11.3	11.2	11.4	12.0	11.8
<b>All individuals (millions)</b>	55.3	55.5	55.6	55.7	55.9	56.1	56.2	56.4	58.3	58.5	58.8	59.1	59.5	59.9	60.3	60.7	61.1
<b>Percentage of individuals who are:</b>																	
Individuals in families where no-one is disabled	..	72	74	71	70	72	70	72	71	71	72	70	72	72	72	71	71
Individuals in families where someone is disabled	..	28	26	29	30	28	30	28	29	29	28	30	28	28	28	29	29
1 or more disabled adult, no disabled child	..	24	22	25	25	24	25	24	25	24	24	25	24	24	24	25	25
Those living in families with disabled children	..	4	4	5	5	4	4	4	4	4	4	4	4	4	4	4	4
With no disabled adult	..	3	3	3	3	3	3	3	3	3	3	3	2	3	3	3	3
With 1 or more disabled adult	..	1	1	1	1	1	2	1	2	1	2	2	1	2	2	2	2
In receipt of disability benefits	..	5	7	8	8	8	9	8	9	9	9	9	9	9	10	9	10
Not in receipt of disability benefits	..	23	19	22	22	20	21	20	20	19	19	20	19	19	19	20	19
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

Table 3.4ts: Composition of individuals living in households with less than 60 per cent of contemporary median household income, by family type, gender and adulthood, United Kingdom<sup>1</sup>

Percentage of individuals	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
<b>Family type</b>																	
Pensioner couple	12	13	12	13	14	13	14	15	15	14	13	13	14	14	13	13	13
Single male pensioner	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Single female pensioner	10	10	10	10	10	9	10	9	9	9	9	8	9	9	8	8	8
Couple with children	38	38	36	35	34	33	31	30	30	31	30	32	31	32	32	34	34
Couple without children	9	9	8	8	8	9	10	9	9	10	10	10	10	10	10	10	11
Single with children	16	15	18	19	19	20	19	19	19	18	18	17	17	16	16	13	11
Single male without children	9	8	8	8	8	9	9	10	10	10	11	11	11	11	12	13	14
Single female without children	5	5	5	5	5	5	6	6	6	6	6	7	6	7	7	8	7
<b>Gender and adulthood</b>																	
Adult male	30	30	29	29	30	30	31	31	32	32	32	33	33	33	34	36	37
Adult female	39	39	39	39	40	39	41	40	40	41	40	40	40	41	40	40	40
Children	31	30	31	31	31	30	28	28	28	28	27	27	27	26	26	25	23
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
<b>Family type</b>																	
Pensioner couple	10	11	10	10	10	10	10	12	12	11	10	9	10	10	9	9	8
Single male pensioner	2	2	2	3	3	2	2	2	2	1	1	1	2	1	1	1	1
Single female pensioner	10	9	10	10	9	9	9	8	7	6	5	5	6	6	5	4	5
Couple with children	36	36	34	34	34	32	32	31	31	32	33	34	34	35	35	37	37
Couple without children	8	8	8	8	8	8	9	9	9	10	10	10	10	10	11	10	11
Single with children	18	19	20	20	21	22	21	22	21	20	21	20	20	18	18	17	16
Single male without children	10	9	10	9	9	10	10	10	11	11	12	13	12	12	13	14	14
Single female without children	6	6	6	6	6	6	6	6	7	7	7	8	7	8	8	8	8
<b>Gender and adulthood</b>																	
Adult male	30	30	29	29	29	30	30	30	31	32	32	33	33	32	33	35	35
Adult female	39	39	40	40	39	39	40	39	39	39	38	38	38	38	38	37	38
Children	31	31	31	31	32	31	30	30	30	30	30	30	30	30	29	28	27
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

Table 3.5ts: Composition of individuals living in households with less than 60 per cent of contemporary median household income, by economic status of the family, United Kingdom<sup>1,2</sup>

Percentage of individuals	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
One or more full-time self-employed	..	..	10	11	10	11	10	10	9	10	11	12	11	11	11	11	13
Single/couple all in full-time work	..	..	3	3	3	3	4	4	5	5	5	5	5	5	5	5	5
Couple, one full-time, one part-time work	..	..	2	3	3	3	3	3	3	3	3	4	3	3	3	3	3
Couple, one full-time work, one not working	..	..	10	10	10	10	10	8	10	9	9	10	11	10	11	11	10
No full-time, one or more in part-time work	..	..	9	10	10	11	10	12	11	11	11	11	11	12	13	13	12
Workless, one or more aged 60 or over	..	..	24	25	27	25	26	27	26	25	25	23	25	25	22	21	23
Workless, one or more unemployed	..	..	17	13	11	10	10	8	9	8	8	9	8	8	10	13	13
Workless, other inactive	..	..	25	25	25	26	27	28	28	28	28	27	27	26	24	23	21
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
One or more full-time self-employed	..	..	9	10	10	10	10	10	9	10	11	12	11	12	11	11	12
Single/couple all in full-time work	..	..	4	4	4	4	5	5	6	6	7	7	7	8	8	7	7
Couple, one full-time, one part-time work	..	..	3	4	4	4	4	4	4	3	4	5	4	4	5	4	4
Couple, one full-time work, one not working	..	..	10	11	11	10	11	9	11	11	11	12	13	12	13	13	12
No full-time, one or more in part-time work	..	..	9	10	11	11	10	12	12	12	12	12	12	12	13	13	13
Workless, one or more aged 60 or over	..	..	23	23	23	22	22	22	21	19	17	16	17	17	15	14	15
Workless, one or more unemployed	..	..	16	12	11	10	9	8	8	8	7	8	7	8	10	12	12
Workless, other inactive	..	..	26	26	27	28	28	30	29	31	31	29	29	27	26	26	24
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. The economic status of the family classification has been revised to be in line with the International Labour Organisation economic state classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for those years.
3. Percentages may not sum to 100 per cent due to rounding.

Table 3.6ts: Composition of individuals living in households with less than 60 per cent of contemporary median household income, by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>

Percentage of individuals	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Individuals in families where no-one is disabled	..	65	68	62	60	63	61	61	62	64	63	63	62	62	64	65	64
Individuals in families where someone is disabled	..	35	32	38	40	37	39	39	38	36	37	37	38	38	36	35	36
1 or more disabled adult, no disabled child	..	28	26	30	32	30	33	34	32	31	32	32	32	32	29	30	32
Those living in families with disabled children	..	7	6	8	7	6	6	5	6	5	5	5	5	6	6	5	5
With no disabled adult	..	5	4	5	4	3	4	3	3	3	3	3	3	3	3	2	3
With 1 or more disabled adult	..	2	2	3	3	3	3	3	3	2	3	2	2	3	3	3	2
In receipt of disability benefits	..	2	4	5	5	5	6	6	7	6	7	7	8	8	8	7	6
Not in receipt of disability benefits	..	33	29	33	34	31	34	33	31	29	30	30	30	30	28	29	30
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
Individuals in families where no-one is disabled	..	65	68	62	62	64	62	63	64	65	65	65	66	65	67	67	67
Individuals in families where someone is disabled	..	35	32	38	38	36	38	37	36	35	35	35	34	35	33	33	33
1 or more disabled adult, no disabled child	..	28	26	30	31	30	31	31	30	29	29	29	28	28	26	27	28
Those living in families with disabled children	..	7	6	8	7	6	7	6	6	6	6	5	6	7	7	5	6
With no disabled adult	..	5	4	5	4	3	4	3	3	3	3	3	3	4	4	3	3
With 1 or more disabled adult	..	3	2	3	3	3	3	3	3	2	3	3	2	3	3	3	3
In receipt of disability benefits	..	3	4	5	5	5	6	6	7	7	7	7	7	8	7	7	7
Not in receipt of disability benefits	..	32	28	33	33	31	32	32	29	28	28	27	27	27	25	26	26
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

**Table 3.7ts: Composition of individuals living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by family type, gender and adulthood, United Kingdom<sup>1</sup>**

Percentage of individuals	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
<b>Family type</b>																	
Pensioner couple	13	14	13	13	14	13	13	14	14	13	13	11	13	12	12	11	12
Single male pensioner	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	1	2
Single female pensioner	11	10	10	10	10	9	9	10	9	10	9	8	10	10	8	7	8
Couple with children	36	36	35	35	34	33	31	31	30	30	30	33	31	31	33	34	33
Couple without children	9	8	8	8	8	9	10	10	11	12	11	11	11	12	12	12	13
Single with children	16	16	18	19	19	20	18	16	16	15	15	13	13	13	12	10	9
Single male without children	9	8	8	8	8	9	10	10	11	11	12	13	13	12	14	15	16
Single female without children	5	5	5	5	5	5	6	6	7	7	7	7	6	8	8	9	8
<b>Gender and adulthood</b>																	
Adult male	31	30	30	29	30	30	31	33	33	33	34	35	35	35	36	38	39
Adult female	40	40	39	40	40	40	40	41	41	41	41	40	40	41	40	40	40
Children	30	30	31	31	31	30	28	26	26	26	25	25	24	24	23	23	21
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
<b>Family type</b>																	
Pensioner couple	11	11	10	11	10	10	10	10	9	8	7	6	7	7	7	6	7
Single male pensioner	2	2	2	3	3	2	2	1	1	1	1	1	1	1	1	1	1
Single female pensioner	11	10	10	10	9	9	8	5	5	5	4	4	5	5	4	4	4
Couple with children	35	36	34	34	34	32	32	32	31	33	33	35	34	35	35	36	36
Couple without children	8	8	8	8	8	8	10	10	10	12	11	11	11	11	11	11	12
Single with children	17	18	19	20	21	22	23	23	23	21	20	19	18	18	17	15	14
Single male without children	10	9	10	9	9	10	10	11	12	13	14	15	15	14	15	17	16
Single female without children	5	6	6	6	6	6	7	7	8	8	9	9	8	9	9	10	9
<b>Gender and adulthood</b>																	
Adult male	30	30	30	29	29	30	30	31	32	32	33	34	34	33	35	37	37
Adult female	40	40	40	40	39	39	39	38	38	38	38	37	37	38	38	37	38
Children	30	30	31	31	32	31	31	31	30	30	29	29	29	29	27	26	25
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

**Table 3.8ts: Composition of individuals living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by economic status of the family, United Kingdom<sup>1</sup>**

Percentage of individuals	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
One or more full-time self-employed	..	..	10	11	10	11	11	12	11	12	13	14	13	13	14	13	15
Single/couple all in full-time work	..	..	3	3	3	3	4	3	5	5	5	5	5	5	6	5	4
Couple, one full-time, one part-time work	..	..	3	3	3	3	2	3	2	3	3	3	2	2	4	3	3
Couple, one full-time work, one not working	..	..	11	10	10	10	10	7	8	8	7	9	9	9	9	9	8
No full-time, one or more in part-time work	..	..	9	10	10	12	10	12	11	12	11	11	11	12	13	12	13
Workless, one or more aged 60 or over	..	..	25	25	27	25	25	27	25	24	24	22	25	24	22	20	22
Workless, one or more unemployed	..	..	16	12	11	11	11	9	11	10	9	10	9	10	10	14	14
Workless, other inactive	..	..	24	24	25	26	27	26	27	27	27	26	26	25	23	25	21
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
One or more full-time self-employed	..	..	9	10	10	10	10	11	11	11	13	15	12	14	12	12	13
Single/couple all in full-time work	..	..	4	4	4	4	5	4	6	6	6	6	6	7	7	6	6
Couple, one full-time, one part-time work	..	..	3	4	4	3	3	3	3	4	4	4	3	4	4	4	4
Couple, one full-time work, one not working	..	..	11	11	11	10	10	8	9	9	10	10	12	11	12	11	11
No full-time, one or more in part-time work	..	..	9	10	11	11	10	12	12	12	12	11	12	12	13	13	13
Workless, one or more aged 60 or over	..	..	23	23	23	21	20	18	15	14	13	12	14	13	13	11	13
Workless, one or more unemployed	..	..	15	12	11	10	10	10	11	11	9	11	9	10	11	15	14
Workless, other inactive	..	..	26	25	27	29	31	34	34	34	34	31	32	30	27	27	26
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. The economic status of the family classification has been revised to be in line with the International Labour Organisation economic state classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for those years.
3. Percentages may not sum to 100 per cent due to rounding.

**Table 3.9ts: Composition of individuals living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>**

Percentage of individuals	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Individuals in families where no-one is disabled	..	64	67	62	60	64	61	63	63	66	65	65	63	63	67	67	66
Individuals in families where someone is disabled	..	36	33	38	40	36	39	37	37	34	35	35	37	37	33	33	34
1 or more disabled adult, no disabled child	..	29	27	30	32	29	33	33	32	30	31	31	32	31	28	29	31
Those living in families with disabled children	..	7	6	8	7	6	6	4	5	4	5	4	5	6	5	4	4
With no disabled adult	..	5	4	5	4	3	4	2	3	2	2	2	3	3	2	2	2
With 1 or more disabled adult	..	2	2	3	3	3	2	2	2	2	2	2	2	3	3	2	1
In receipt of disability benefits	..	3	4	5	5	5	5	5	6	5	6	6	7	6	6	6	5
Not in receipt of disability benefits	..	33	29	33	34	31	34	32	31	29	29	29	30	30	27	28	29
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
Individuals in families where no-one is disabled	..	65	67	63	62	64	63	64	66	69	68	68	67	67	69	69	67
Individuals in families where someone is disabled	..	35	33	37	38	36	37	36	34	31	32	32	33	33	31	31	33
1 or more disabled adult, no disabled child	..	29	26	30	31	29	31	31	29	26	27	28	28	26	25	27	28
Those living in families with disabled children	..	7	6	7	7	6	7	5	6	5	5	5	5	7	6	5	5
With no disabled adult	..	4	4	5	4	3	4	3	3	3	3	3	3	4	3	2	3
With 1 or more disabled adult	..	2	2	3	3	3	2	2	3	2	3	2	2	3	3	3	2
In receipt of disability benefits	..	3	4	5	5	5	5	4	5	5	6	5	6	6	6	5	5
Not in receipt of disability benefits	..	32	28	33	33	31	32	32	29	26	27	27	27	27	25	26	28
<b>All individuals (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

Table 3.10ts: Percentage of individuals living in households with less than 60 per cent of contemporary median household income, by family type, gender and adulthood, United Kingdom<sup>1</sup>

Percentage of individuals	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
<b>Family type</b>																	
Pensioner couple	19	20	20	21	23	21	21	23	22	20	18	18	20	19	18	16	15
Single male pensioner	23	22	23	24	26	25	24	22	23	21	21	21	21	21	18	15	16
Single female pensioner	31	29	32	32	32	30	30	29	28	29	27	25	29	30	25	24	23
Couple with children	19	18	19	19	18	18	16	16	16	16	15	17	16	17	17	16	15
Couple without children	8	8	8	8	8	8	9	9	8	9	9	9	9	9	10	10	10
Single with children	41	36	46	47	44	44	40	40	39	37	36	34	35	35	34	27	22
Single male without children	16	15	16	16	15	16	17	17	17	17	17	18	18	18	20	21	21
Single female without children	14	15	15	16	14	15	17	16	17	16	16	17	16	19	19	19	17
<b>Gender and adulthood</b>																	
Adult male	15	15	15	15	15	16	15	15	15	15	15	15	16	16	16	16	16
Adult female	18	18	19	19	19	19	19	18	18	18	17	17	18	18	18	17	16
Children	25	24	27	27	26	26	23	23	23	22	21	22	22	23	22	20	18
<b>All individuals (per cent)</b>	19	18	19	20	19	19	18	18	18	18	17	18	18	18	18	17	16
<b>After Housing Costs</b>																	
<b>Family type</b>																	
Pensioner couple	21	22	21	22	21	21	20	22	22	19	17	16	17	17	15	14	13
Single male pensioner	28	29	31	35	34	31	29	24	24	17	16	16	18	15	14	14	14
Single female pensioner	39	36	41	39	38	37	35	32	28	25	20	20	23	23	19	18	18
Couple with children	23	23	23	23	23	22	21	20	20	20	19	22	22	23	23	23	22
Couple without children	11	10	10	10	10	10	11	10	10	11	10	11	12	12	13	12	13
Single with children	61	60	65	62	62	60	56	57	54	51	51	49	51	50	49	46	41
Single male without children	25	23	25	22	22	23	22	22	24	23	23	25	25	25	26	29	28
Single female without children	22	23	25	23	22	23	23	22	23	22	22	24	23	26	27	27	26
<b>Gender and adulthood</b>																	
Adult male	20	20	20	19	19	19	19	18	19	18	17	19	19	19	19	20	19
Adult female	24	24	25	24	24	23	23	22	22	21	19	20	21	21	21	21	20
Children	33	33	34	33	34	33	31	31	30	29	28	30	30	31	30	29	27
<b>All individuals (per cent)</b>	24	24	25	24	24	24	23	23	22	21	21	22	22	23	22	22	21

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

Table 3.11ts: Percentage of individuals living in households with less than 60 per cent of contemporary median household income, by economic status of the family, United Kingdom<sup>1,2</sup>

Percentage of individuals	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
One or more full-time self-employed	..	..	18	22	20	21	19	19	18	19	18	21	19	20	20	20	20
Single/couple all in full-time work	..	..	2	3	2	2	3	3	3	3	3	3	3	3	3	3	3
Couple, one full-time, one part-time work	..	..	3	4	4	4	3	4	3	4	4	5	4	4	5	4	4
Couple, one full-time work, one not working	..	..	17	18	18	18	16	14	15	15	14	16	18	17	19	16	15
No full-time, one or more in part-time work	..	..	27	26	27	28	25	27	25	24	22	22	23	26	26	23	21
Workless, one or more aged 60 or over	..	..	27	28	30	28	28	28	27	26	25	24	27	27	24	21	21
Workless, one or more unemployed	..	..	65	65	66	65	68	67	67	64	63	64	63	66	63	61	55
Workless, other inactive	..	..	48	50	48	50	49	50	51	49	47	48	49	48	45	42	37
<b>All individuals (per cent)</b>	19	18	19	20	19	19	18	18	18	18	17	18	18	18	18	17	16
<b>After Housing Costs</b>																	
One or more full-time self-employed	..	..	23	25	24	25	24	22	21	22	21	25	24	26	26	25	26
Single/couple all in full-time work	..	..	4	4	4	4	5	4	5	5	5	5	5	6	6	6	6
Couple, one full-time, one part-time work	..	..	5	6	6	6	6	7	6	5	6	7	7	7	8	7	7
Couple, one full-time work, one not working	..	..	23	23	24	23	23	19	22	21	21	24	27	25	28	25	24
No full-time, one or more in part-time work	..	..	35	34	35	35	31	34	32	30	29	30	30	31	33	30	30
Workless, one or more aged 60 or over	..	..	32	33	32	31	29	29	28	24	21	20	23	22	19	19	18
Workless, one or more unemployed	..	..	79	77	78	77	78	75	76	76	72	74	73	77	74	75	72
Workless, other inactive	..	..	67	65	65	66	64	67	66	65	62	63	64	63	61	61	56
<b>All individuals (per cent)</b>	24	24	25	24	24	24	23	23	22	21	21	22	22	23	22	22	21

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. The economic status of the family classification has been revised to be in line with the International Labour Organisation economic state classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for those years.

Table 3.12ts: Percentage of individuals living in households with less than 60 per cent of contemporary median household income, by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>

Percentage of individuals	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Individuals in families where no-one is disabled	..	16	18	17	17	17	16	16	16	16	15	16	16	16	16	16	15
Individuals in families where someone is disabled	..	22	24	25	26	25	24	25	23	22	23	22	24	25	22	20	20
1 or more disabled adult, no disabled child	..	21	23	24	25	24	24	26	23	23	23	22	24	25	22	21	20
Those living in families with disabled children	..	29	29	35	31	30	26	24	24	21	23	20	25	26	26	19	17
With no disabled adult	..	27	27	32	28	24	24	19	20	18	18	19	23	23	23	14	16
With 1 or more disabled adult	..	34	32	39	38	41	30	33	29	27	30	23	29	31	32	26	19
In receipt of disability benefits	..	8	10	12	13	13	12	14	14	12	13	14	15	15	14	12	11
Not in receipt of disability benefits	..	25	29	30	30	30	29	30	28	27	27	26	29	30	27	25	25
<b>All individuals (per cent)</b>	19	18	19	20	19	19	18	18	18	18	17	18	18	18	18	17	16
<b>After Housing Costs</b>																	
Individuals in families where no-one is disabled	..	22	23	22	21	21	20	20	20	20	19	20	20	20	21	21	20
Individuals in families where someone is disabled	..	30	31	31	31	31	30	30	28	26	25	25	27	28	26	25	24
1 or more disabled adult, no disabled child	..	29	29	30	30	30	29	30	27	26	25	25	26	27	24	25	24
Those living in families with disabled children	..	39	39	40	40	37	34	33	30	29	29	28	32	36	35	28	27
With no disabled adult	..	36	38	37	36	31	32	27	27	26	23	24	30	31	32	21	24
With 1 or more disabled adult	..	48	42	47	48	49	38	44	37	35	38	35	34	43	40	38	32
In receipt of disability benefits	..	13	13	15	15	16	15	16	17	16	16	17	17	18	17	16	14
Not in receipt of disability benefits	..	34	37	37	37	37	36	36	33	31	30	29	32	33	30	29	29
<b>All individuals (per cent)</b>	24	24	25	24	24	24	23	23	22	21	21	22	22	23	22	22	21

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

Table 3.13ts: Percentage of individuals living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by family type, gender and adulthood, United Kingdom<sup>1</sup>

Percentage of individuals	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
<b>Family type</b>																	
Pensioner couple	26	28	23	23	23	19	17	15	14	13	11	10	12	12	10	8	9
Single male pensioner	33	30	26	25	26	22	18	15	15	13	13	13	13	13	10	8	10
Single female pensioner	41	37	36	33	32	28	25	23	20	20	18	17	20	20	16	14	16
Couple with children	22	22	20	19	18	16	13	11	11	10	10	11	10	11	11	10	10
Couple without children	10	10	9	8	8	8	8	7	6	7	6	7	7	7	7	7	8
Single with children	51	48	50	48	44	40	31	24	22	21	20	17	18	19	16	12	11
Single male without children	20	18	18	16	15	15	15	13	13	13	13	14	14	14	14	15	15
Single female without children	17	18	17	17	14	14	15	11	13	12	12	12	11	14	13	13	12
<b>Gender and adulthood</b>																	
Adult male	19	19	17	16	15	14	13	11	11	11	10	10	11	11	11	10	11
Adult female	23	22	21	20	19	17	15	13	12	12	11	11	12	12	11	10	10
Children	30	29	29	28	26	23	19	15	14	14	13	13	13	13	12	11	11
<b>All individuals (per cent)</b>	23	23	21	20	19	17	15	13	12	12	11	11	12	12	11	10	11
<b>After Housing Costs</b>																	
<b>Family type</b>																	
Pensioner couple	27	27	24	23	21	19	16	14	11	10	8	7	8	8	8	7	8
Single male pensioner	39	39	34	36	34	27	19	12	10	8	8	9	10	8	9	9	9
Single female pensioner	50	46	44	41	38	32	26	16	13	13	10	10	13	13	11	11	12
Couple with children	27	27	25	23	23	20	18	15	14	14	13	14	15	15	15	15	15
Couple without children	12	12	11	11	10	9	10	8	8	9	7	8	8	8	9	9	10
Single with children	67	67	68	64	62	58	52	44	39	35	31	30	31	31	29	27	26
Single male without children	28	26	26	22	22	22	20	18	18	18	18	19	20	19	21	23	22
Single female without children	24	26	26	24	22	22	21	18	19	18	18	18	17	20	20	21	20
<b>Gender and adulthood</b>																	
Adult male	23	23	22	20	19	18	16	14	13	13	12	13	13	13	14	14	14
Adult female	28	28	27	25	24	22	19	16	14	14	12	13	13	14	14	13	14
Children	37	37	36	34	34	31	27	23	21	20	18	19	19	19	19	18	18
<b>All individuals (per cent)</b>	29	28	27	25	24	22	20	17	15	15	13	14	14	15	15	15	15

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

**Table 3.14ts: Percentage of individuals living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by economic status of the family, United Kingdom<sup>1,2</sup>**

Percentage of individuals	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
One or more full-time self-employed	..	..	20	22	20	20	17	16	13	15	14	15	15	15	16	14	16
Single/couple all in full-time work	..	..	3	3	2	2	3	2	2	2	2	2	2	2	2	2	2
Couple, one full-time, one part-time work	..	..	4	4	4	3	2	2	2	2	2	3	2	2	3	2	2
Couple, one full-time work, one not working	..	..	20	18	18	16	13	8	9	8	8	9	9	9	9	8	8
No full-time, one or more in part-time work	..	..	29	27	27	26	20	20	17	18	14	14	15	17	16	13	15
Workless, one or more aged 60 or over	..	..	31	30	30	25	22	20	18	17	16	14	17	17	14	12	14
Workless, one or more unemployed	..	..	67	66	66	62	61	52	54	50	48	49	45	51	41	40	39
Workless, other inactive	..	..	51	51	48	45	41	33	33	31	30	29	31	31	27	26	24
<b>All individuals (per cent)</b>	23	23	21	20	19	17	15	13	12	12	11	11	12	12	11	10	11
<b>After Housing Costs</b>																	
One or more full-time self-employed	..	..	24	25	24	23	22	19	17	17	17	20	17	19	19	19	20
Single/couple all in full-time work	..	..	4	4	4	4	4	3	3	3	3	3	3	4	4	4	3
Couple, one full-time, one part-time work	..	..	6	7	6	5	4	3	3	3	3	4	3	4	5	4	4
Couple, one full-time work, one not working	..	..	26	24	24	22	18	13	13	12	12	13	16	14	17	14	15
No full-time, one or more in part-time work	..	..	38	35	35	33	27	26	22	22	19	18	20	20	22	20	21
Workless, one or more aged 60 or over	..	..	35	34	32	28	23	17	13	12	10	10	12	12	11	9	11
Workless, one or more unemployed	..	..	81	78	78	75	75	69	67	67	60	62	60	63	58	63	59
Workless, other inactive	..	..	70	66	65	64	60	55	51	48	43	44	46	45	42	42	41
<b>All individuals (per cent)</b>	29	28	27	25	24	22	20	17	15	15	13	14	14	15	15	15	15

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. The economic status of the family classification has been revised to be in line with the International Labour Organisation economic state classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for those years.

**Table 3.15ts: Percentage of individuals living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>**

Percentage of individuals	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Individuals in families where no-one is disabled	..	20	19	18	17	16	13	11	11	11	10	10	10	10	10	10	10
Individuals in families where someone is disabled	..	29	27	26	26	22	20	17	15	14	14	13	15	16	13	12	12
1 or more disabled adult, no disabled child	..	28	26	25	25	21	20	17	15	15	14	13	15	15	13	12	13
Those living in families with disabled children	..	37	32	35	31	27	21	15	15	12	12	12	14	17	12	10	9
With no disabled adult	..	34	30	33	28	21	19	12	13	11	10	10	13	15	9	8	10
With 1 or more disabled adult	..	44	34	40	38	38	23	18	18	15	16	14	17	19	18	13	8
In receipt of disability benefits	..	14	12	13	13	11	10	8	8	7	8	7	9	8	7	6	6
Not in receipt of disability benefits	..	33	32	31	30	27	24	21	19	18	17	16	18	19	16	14	16
<b>All individuals (per cent)</b>	<b>23</b>	<b>23</b>	<b>21</b>	<b>20</b>	<b>19</b>	<b>17</b>	<b>15</b>	<b>13</b>	<b>12</b>	<b>12</b>	<b>11</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>11</b>	<b>10</b>	<b>11</b>
<b>After Housing Costs</b>																	
Individuals in families where no-one is disabled	..	25	25	22	21	20	18	15	14	14	12	13	13	14	14	14	14
Individuals in families where someone is disabled	..	36	34	32	31	28	25	21	18	16	15	15	17	17	16	16	17
1 or more disabled adult, no disabled child	..	34	32	31	30	27	24	21	17	16	15	15	17	16	15	16	17
Those living in families with disabled children	..	44	41	42	40	34	29	21	20	17	16	16	19	23	21	16	17
With no disabled adult	..	40	41	39	36	28	28	17	17	15	13	15	19	20	19	12	17
With 1 or more disabled adult	..	53	43	48	48	44	32	28	25	20	22	17	20	27	25	23	17
In receipt of disability benefits	..	18	16	16	15	13	11	9	9	8	8	8	9	9	9	8	8
Not in receipt of disability benefits	..	40	40	38	37	35	31	26	22	20	19	19	21	21	20	19	21
<b>All individuals (per cent)</b>	<b>29</b>	<b>28</b>	<b>27</b>	<b>25</b>	<b>24</b>	<b>22</b>	<b>20</b>	<b>17</b>	<b>15</b>	<b>15</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

## Children

### Commentary

#### 1. Key findings

- In general, there was a decrease<sup>1</sup> in the percentage of children in *relative low income*<sup>2</sup> between 1998/99 and 2010/11. The percentage of children in *relative low income, Before Housing Costs* was at its lowest level since the mid 1980s. *After Housing Costs, relative low income* levels in 2010/11 were around those in the late 1980s<sup>3</sup>.
- Between 2009/10 and 2010/11, there were reductions<sup>4</sup> in the percentage of children in *relative low income*, driven primarily by *incomes* for families with children at the lower end of the income distribution falling less than *incomes* around the *median*. *Absolute low income* levels were unchanged.
- Children in workless families were much more likely to live in *low-income* households and households in *low income and material deprivation* than those in families with at least one adult in work. However, because the majority of children lived in families where at least one adult was in work in 2010/11, around three in five children living in *low income* were living in families where at least one adult was in work. This was true for both *relative* and *absolute low income*. For *low income and material deprivation*, two in five of the children captured by the measure were living in families where at least one adult was in work.
- Children living in families with certain characteristics were more likely to live in *low-income households* and households in *low income and material deprivation*. These characteristics included being headed by a lone parent, being in a large family, having one or more disabled family members or being headed by someone from an ethnic minority.

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<sup>1</sup> The statistical significance of movements based on the relative and absolute-low income threshold of 60 per cent of median, Before and After Housing Costs, have been tested. The reductions between 1998/99 and 2010/11 are statistically significant.

<sup>2</sup> Technical terms in the key findings in italics are explained immediately before the tables.

<sup>3</sup> Figures from the Institute for Fiscal Studies which present data since 1961 show, broadly speaking, child relative low income to have been relatively stable between 1961 and 1979, to have risen between 1979 and 1992, before falling since then (see <http://www.ifs.org.uk/fiscalFacts/povertyStats>).

<sup>4</sup> Based on a threshold of 60 per cent of median income, Before and After Housing Costs, this reduction is statistically significant.

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### 2. How is this information used?

The Coalition Government's child poverty strategy<sup>5</sup>, published on 5 April 2011, presents a suite of indicators that will be used to monitor progress made over the life course of the strategy.

There are fifteen indicators across three themes: family resources, supporting families' circumstances, and children's life chances. As well as income-based measures, they include, for example, measures of educational attainment and of the transition from childhood to higher education, training or work. This report updates six of these indicators. The Child Poverty Act<sup>6</sup> sets out targets for three of these<sup>7</sup>:

- Relative low income. The proportion of children living in households where income is less than 60 per cent of median household income, Before Housing Costs (the target is less than 10 per cent by 2020/21).
- Combined low income and material deprivation. The proportion of children who are in material deprivation and live in households where income is less than 70 per cent of median household income, Before Housing Costs (the target is less than 5 per cent by 2020/21).
- Absolute low income. The proportion of children living in households where income is less than 60 per cent of median household income, Before Housing Costs in 2010/11 adjusted for prices (the target is less than 5 per cent by 2020/21). At present, absolute low income is measured against 60 per cent of median household income in 1998/99 adjusted for prices. The 2010/11 baseline will be adopted from next year's report onward.

The other three Child Poverty Strategy indicators included in this publication are severe poverty, in-work poverty and poverty by family structure.

### 3. Drivers

As described in **Chapter 2**, median equivalised household income fell between 2009/10 and 2010/11, which in turn reduced the relative poverty thresholds. Individual median earnings as shown in the FRS in 2010/11 were about the same as in 2009/10 in cash terms, and fell by around 4 per cent in real terms over this period because of a higher inflation rate than most past years (see **Table 2.1tr**). This was one of the main factors leading to the reduction in median incomes.

Benefit and tax credit income grew in cash terms and fell only slightly in real terms. This meant that low-income households in receipt of benefits and tax credits saw their income fall less in 2010/11 than households at the median, tending to decrease the overall rate of relative low income, Before and After Housing Costs.

Children saw a greater decrease in relative low income than other groups. This is because, as shown in **Figure 2.2** in **Chapter 2**, households with children in the

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<sup>5</sup> Available at <http://www.education.gov.uk/childrenandyoungpeople/families/childpoverty/a0076385/child-poverty-strategy>.

<sup>6</sup> See <http://www.legislation.gov.uk/ukpga/2010/9/contents>.

<sup>7</sup> A fourth target for persistent poverty (children in households with equivalised incomes below 60 per cent of median, Before Housing Costs for at least three years out of four) will be set at a later date.

lowest quintiles generally received a larger proportion of their income from state support (i.e. benefits and tax credits) and a smaller proportion from earnings than households containing working-age adults alone in these quintiles. So because state support income grew more than earned income, households with children saw their overall income fall less in real terms in 2010/11 than other households with more income from earnings. This led to greater decreases in the rate of relative low income for households with children than for other groups.

In addition, many benefits and tax credit elements were uprated<sup>8</sup> in 2010/11 by 1.5 per cent or 1.8 per cent, but the child element of Child Tax Credit increased by £20 above indexation, giving an effective uprating of 2.9 per cent. This increased the incomes of families with children, particularly those with lower incomes or with more children, relative to others.

In contrast to relative low income, levels of absolute low income for children were about the same in 2010/11 as in 2009/10<sup>9</sup>. For a reduction in absolute low income over the period, incomes in 2010/11 would have had to increase by more than inflation. Instead household incomes of children in low-income households increased by about the same level as inflation, meaning levels of absolute low income stayed at the same level.

#### 4. What the figures show<sup>10</sup>

**Trends in relative low income:** As shown in **Figure 1.2** in **Chapter 1** and **Table 4.1tr**, there was a reduction in the proportion of children in relative low income between the years 1998/99<sup>11</sup> and 2010/11 both Before and After Housing Costs<sup>12</sup>. The figures initially fell between 1998/99 and 2004/05, rose between 2004/05 and 2007/08, and then fell between 2007/08 and 2010/11<sup>13</sup>.

At 18 per cent for 2010/11, relative low income Before Housing Costs was at its lowest rate since the mid 1980s, with much of the reduction since 1998/99 driven by increased entitlements to state support<sup>14</sup>. There was a 2 percentage point decrease between 2009/10 and 2010/11<sup>15</sup>, with this reduction driven primarily by households containing children receiving a larger proportion of their incomes from state support, the above indexation increases in the child element of Child Tax Credit income and the reduction in median incomes, as described above. After Housing Costs, relative low income fell by 2 percentage points to 27 per cent between 2009/10 and 2010/11<sup>16</sup>.

<sup>8</sup> See the DWP Abstract of Statistics at <http://research.dwp.gov.uk/asd/index.php?page=abstract> for benefit rates and details of the various uprating series used.

<sup>9</sup> Looking at a threshold of 60 per cent of median, Before and After Housing Costs, there are no statistically significant changes.

<sup>10</sup> This analysis is based on a 60 per cent of median income threshold.

<sup>11</sup> 1998/99 is the first year where results are available for the United Kingdom.

<sup>12</sup> This reduction is statistically significant, both Before and After Housing Costs.

<sup>13</sup> These movements are all statistically significant, both Before and After Housing Costs, with the exception of the Before Housing Costs increase from 2004/05 to 2007/08.

<sup>14</sup> See Table 4.3 of the 2011 IFS commentary available at <http://www.ifs.org.uk/publications/5584>.

<sup>15</sup> This reduction is statistically significant.

<sup>16</sup> This reduction is statistically significant.

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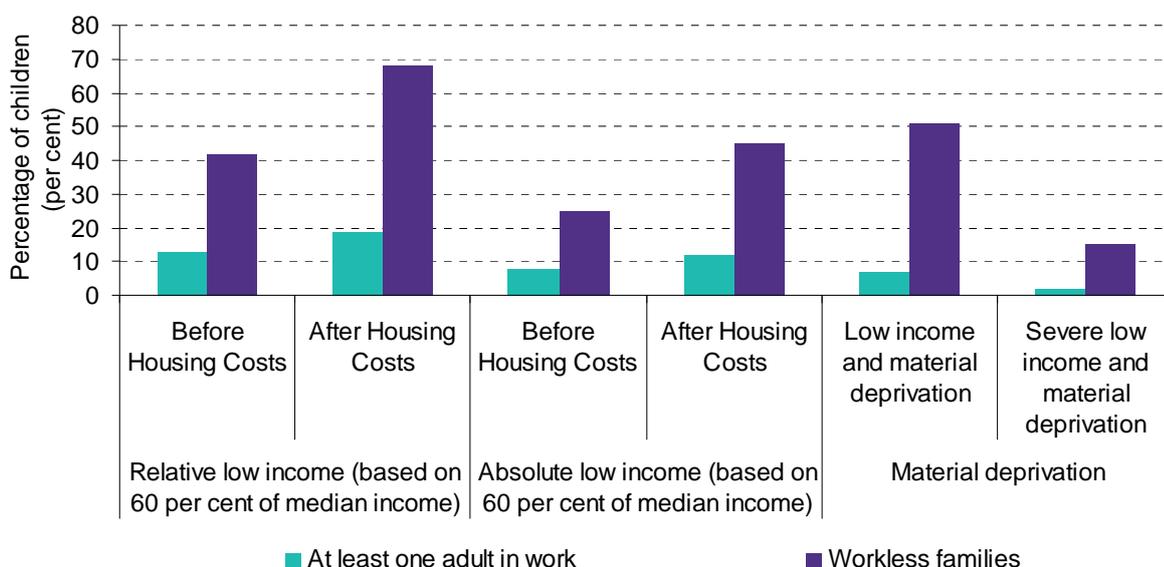
**Trends in absolute low income:** Looking at **Table 4.2tr**, over the period 1998/99 to 2010/11, there was a marked fall in the proportion of children in absolute low income both Before and After Housing Costs<sup>17</sup>. The majority of this reduction occurred between 1998/99 and 2002/03.

In 2010/11, the proportion of children in absolute low income, Before Housing Costs, was 11 per cent, unchanged from the levels seen in 2009/10. After Housing Costs, the proportion of children in absolute low income remained at 18 per cent. This is because, as noted above, low-income households with children did not see their income rise in real terms.

**Trends in low income and material deprivation and severe poverty:** As shown in **Figure 1.2** in **Chapter 1** and **Table 4.5tr**, the proportion of children who were living in low income (below 70 per cent of equivalised median household income, Before Housing Costs) and material deprivation remained broadly flat from 2004/05 until 2008/09, and fell between 2008/09 and 2010/11. Trends in severe poverty (below 50 per cent of median household income and in material deprivation) were similar to those for low income and material deprivation although levels were approximately 10 percentage points lower.

The fall between 2008/09 and 2010/11 for these two measures, to 14 per cent and 4 per cent respectively, was primarily driven by decreases in the proportion of children living in families whose household income fell below the 70 per cent and 50 per cent low income thresholds, rather than a decrease in the proportion of families in material deprivation.

**Chart 4.1: Percentage of children in low-income groups by economic status of the family, 2010/11, United Kingdom**

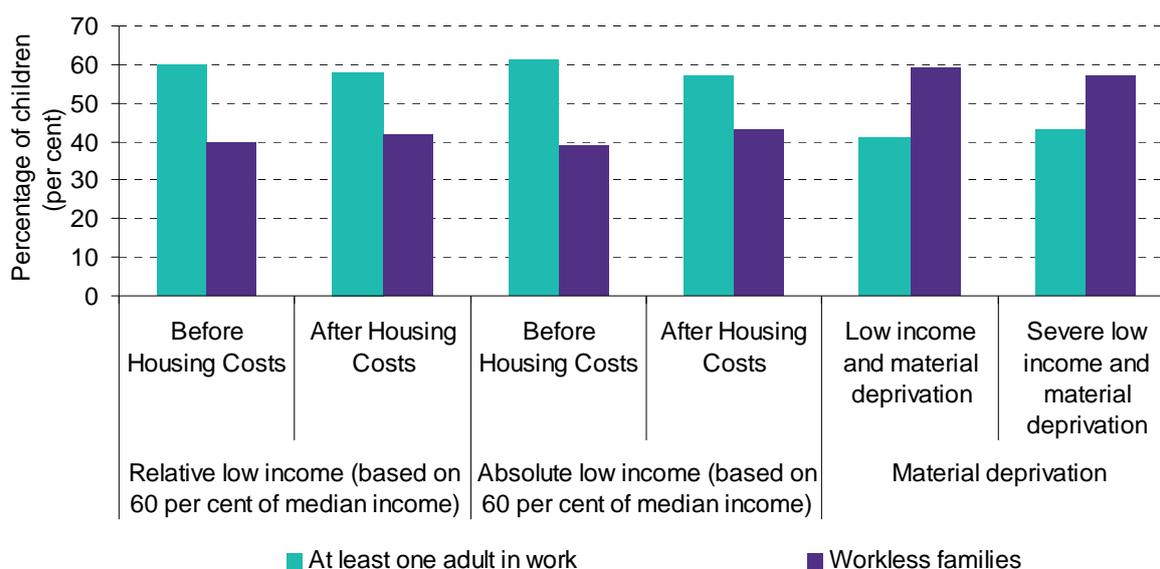


<sup>17</sup> This reduction is statistically significant.

**Work status:** Children in workless families were much more likely to live in low-income households and households in low income and material deprivation than those in families with at least one adult in work (see **Chart 4.1** above, sourced from **Table 4.5db**, **Table 4.14ts** and **Table 4.20ts**). However, of those children in relative low income, the proportion that were living in workless families decreased over the time period from 1998/99 to 2010/11.

Looking at **Table 4.14ts**, for children in workless families, the risk of being in relative low income reduced by 8 percentage points to 42 per cent between 2009/10 and 2010/11, Before Housing Costs and by 7 percentage points<sup>18</sup> to 68 per cent, After Housing Costs. This was because these families received a higher proportion of their income from state support. The faster growth of state support, including above indexation increases to the child element of Child Tax Credit, meant that in real terms state support income fell less quickly than earnings and overall median income. This moved some of these families above the threshold of 60 per cent of contemporary median household income.

**Chart 4.2: Composition of low-income groups of children by economic status of the family, 2010/11, United Kingdom**



Even though the risk of relative low income for children in workless families reduced, it was still much higher than for children living in families with at least one adult in work. For children living in families with at least one adult in work, the risk reduced by 1 percentage point between 2009/10 and 2010/11 to 13 per cent<sup>19</sup>, Before Housing Costs and by 1 percentage point to 19 per cent, After Housing Costs.

<sup>18</sup> Table 4.14ts shows a change from 74 per cent to 68 per cent. This apparent inconsistency is due to rounding. To ensure that the figures produced from the survey can provide reliable estimates, we round the figures to the nearest percentage point at the final point of any calculation. This can mean that figures may not sum due to this rounding. Only rounding figures at the final point of calculation of a statistic produces the best estimate.

<sup>19</sup> Table 4.14ts shows a constant level of 13 per cent in 2009/10 and 2010/11. This apparent inconsistency is due to rounding.

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Despite their lower risk of relative low income, children living in families where at least one adult was in work made up large proportions of the total number of children captured by the various poverty thresholds (see **Table 4.3db**, **Table 4.6ts** and **Table 4.10ts**). They accounted for around three-fifths of children in relative and absolute low income, and around two-fifths of those in low income and material deprivation in 2010/11 (see **Chart 4.2**). This is because children living in families where at least one adult was in work made up such a large proportion (around four fifths) of the total number of children.

**Family type:** Children in lone-parent families were more likely to live in low-income households and households experiencing low income and material deprivation than those in families with two adults (see **Table 4.5db**). The likelihood was reduced greatly if the lone parent was working. Since 1998/99, there has been a reduction in the proportion of children in lone-parent families who are in relative low income, as shown in **Table 4.14ts**. Lone-parent employment rates increased over this period, which, along with increases in benefits and tax credits for families with children, contributed to this effect<sup>20</sup>.

For children in lone-parent families, the risk of being in relative low income reduced between 2009/10 and 2010/11 by 5 percentage points to 22 per cent in 2010/11, Before Housing Costs and by 5 percentage points to 41 per cent, After Housing Costs. This reduction was largest for children living in families where the lone parent was not working, which are likely to derive most of their income from state support and so have seen their income reduce by less than the median income.

**Family size:** Children in large families – those with three or more children – were more likely to live in low-income households and households in low income and material deprivation, although the proportion of children in large families in relative low income has decreased since 1998/99, as shown in **Table 4.18ts**. For children in large families, the risk of being in relative low income reduced by 2 percentage points to 24 per cent between 2009/10 and 2010/11, Before Housing Costs, but stayed the same, After Housing Costs. Larger reductions of 4 percentage points, Before and After Housing Costs were seen in two child families<sup>21</sup>.

**Disability:** Children in families containing one or more disabled people were more likely to live in low-income households and households in low income and material deprivation than those in families with no disabled person. The proportion of children in this group who were in relative low income increased from 2003/04 to 2007/08 before falling since then, as shown in **Chart 4.3** and **Table 4.19ts**.

Overall, there has been a fall in the proportion of children living in families with a disabled member who experience relative low income since the Office for Disability

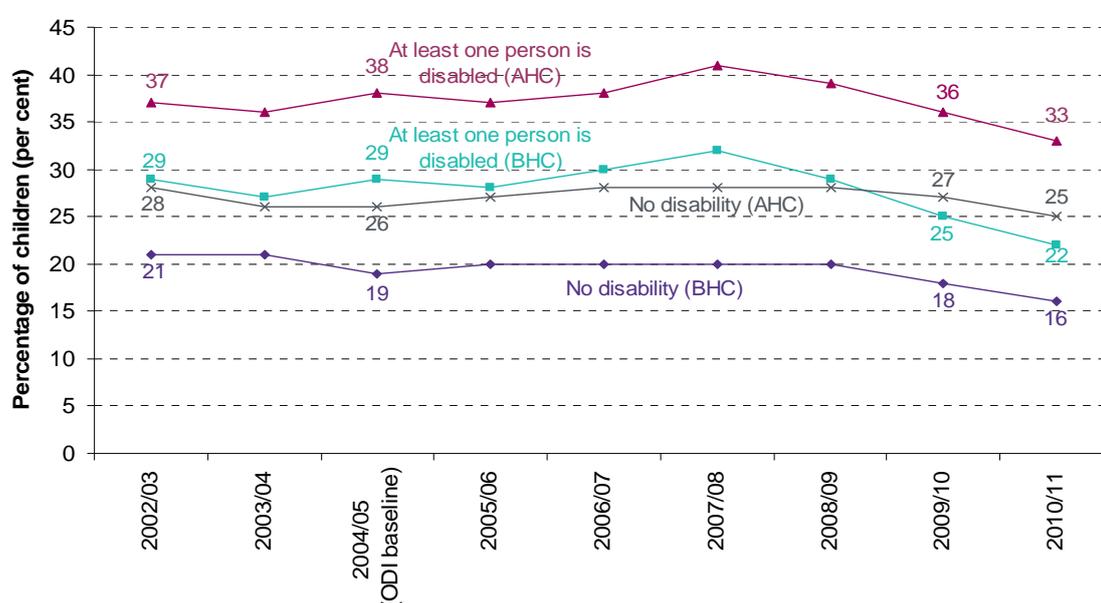
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<sup>20</sup> See Table B of working and workless households, 2011, available at <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcn%3A77-222940> which shows increasing lone parent employment rates over the period.

<sup>21</sup> For children in two children families, Table 4.18ts shows a reduction from 18 per cent in 2009/10 to 15 per cent in 2010/11, Before Housing Costs and from 27 per cent in 2009/10 to 24 per cent in 2010/11, Before Housing Costs. This apparent inconsistency is due to rounding.

Issues (ODI) 2004/05 baseline<sup>22</sup>. From 2009/10 to 2010/11, the proportion of this group in relative low income reduced by 3 percentage points to 22 per cent, Before Housing Costs and by 2 percentage points, After Housing Costs<sup>23</sup>. This is because families with disabled members, who are more likely to be workless and receive a higher proportion of their income from state support, often have incomes very close to the 60 per cent of median household income threshold. Faster growth of state support relative to earnings and median income has moved some of these families above the threshold. Children in families where someone is disabled and in receipt of disability benefits<sup>24</sup> have much lower rates of low income than children in families where someone is disabled but no-one is in receipt of disability benefits.

Chart 4.3: Percentage of children in relative low-income by family disability status, 2002/03 to 2010/11, United Kingdom



**Ethnicity:** Children living in households headed by someone from an ethnic minority were more likely to live in low-income households and households in low income and material deprivation. This was particularly the case for households headed by someone of Pakistani or Bangladeshi ethnic origin (see **Table 4.5db**). It is likely that this is because children living in workless households face very high risks of living in poverty and employment rates vary by ethnicity, with high rates of worklessness among individuals of Pakistani and Bangladeshi origin<sup>25</sup>.

<sup>22</sup> ODI Disability Equality indicators are available at <http://odi.dwp.gov.uk/roadmap-to-disability-equality/indicators.php>. This is indicator C1. Indicator C2 looks at children in low income and material deprivation by whether there is anyone disabled in the family.

<sup>23</sup> Table 4.19ts shows a level of 36 per cent in 2009/10 and 33 per cent in 2010/11. This apparent inconsistency is due to rounding.

<sup>24</sup> Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.

<sup>25</sup> See Table A09 of Labour Market Statistics, March 2012, available at <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-222482> which shows economic activity by ethnic group.

## Background information

### Introduction

This chapter looks at how family and household characteristics related to the position of children in the income distribution in 2010/11 and looks in more detail at how this might be linked to their family or household characteristics. High-level trends over time since 1994/95 are also examined, with data for Great Britain from 1994/95 to 1997/98 and for the United Kingdom for some groups from 1998/99 to 2001/02 and all groups from 2002/03 onwards.

The position of children in the income distribution is defined by the net equivalised income of the household in which they live. A child is defined here as an individual under 16 years of age, or an unmarried 16 to 19 year old in full-time non-advanced education. Unmarried 19 year olds in full-time non-advanced education have been included in this definition since April 2006.

### The position of children in the overall income distribution

**Figure 4.1** shows the income distribution for children in 2010/11, which was skewed towards the lower end of the overall population distribution. An explanation of how negative incomes can occur After Housing Costs and zero incomes Before Housing Costs is given in **Appendix 1**.

Figure 4.1 (BHC): Income distribution; all individuals and all children by income band, 2010/11

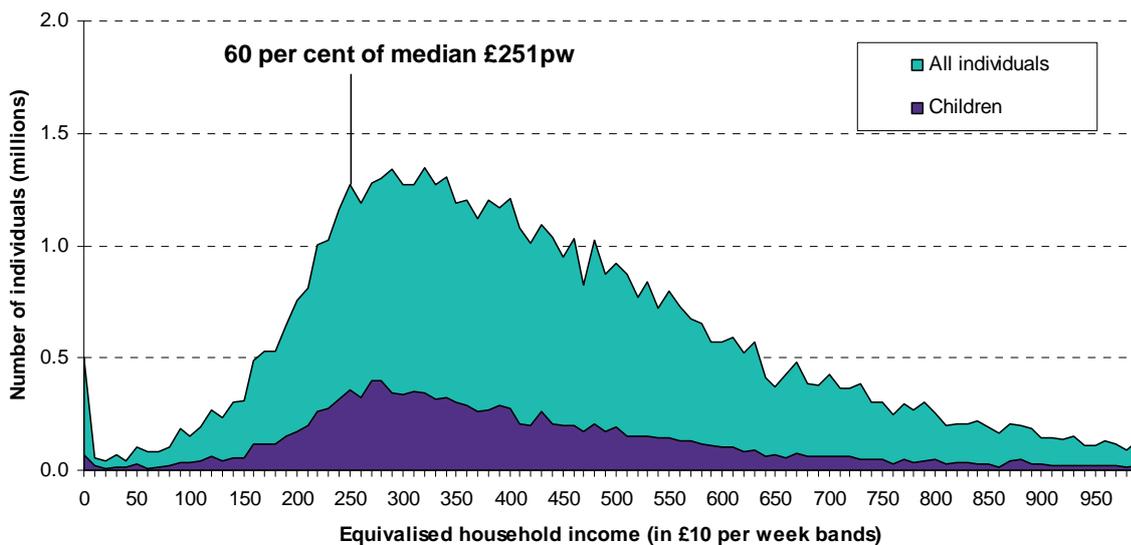
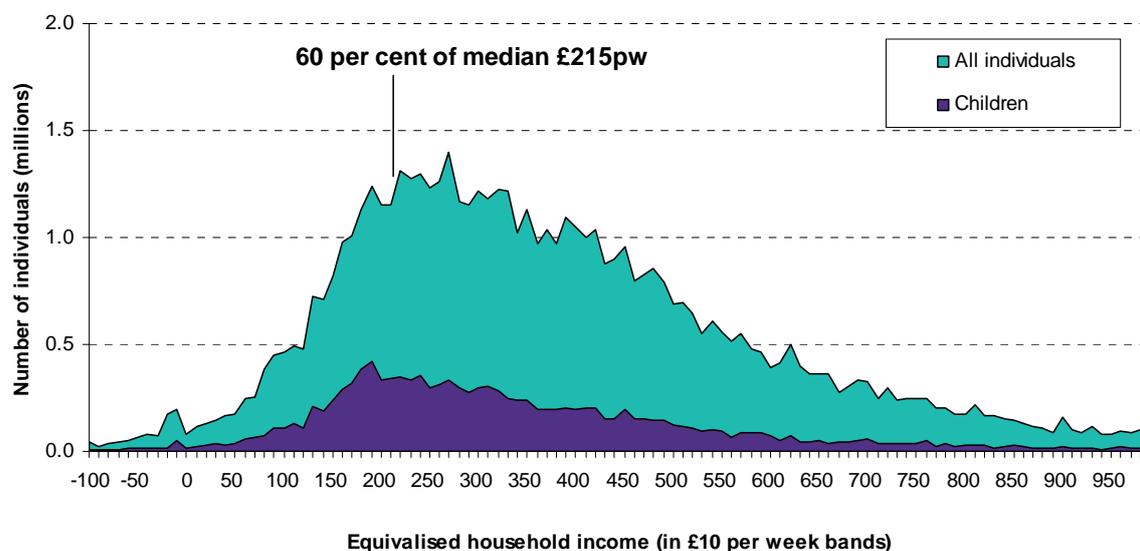


Figure 4.1 (AHC): Income distribution; all individuals and all children by income band, 2010/11



## Revisions

Results for 2008/09 and 2009/10 have been revised following incorporation of changes to the direct tax system in Northern Ireland and new tenure data from the Department of Communities and Local Government (CLG). More information can be found at:

[http://research.dwp.gov.uk/asd/hbai/hbai\\_revision\\_due\\_to\\_ni\\_tax\\_changes.pdf](http://research.dwp.gov.uk/asd/hbai/hbai_revision_due_to_ni_tax_changes.pdf).

Revised tables for earlier years are available on request. The grossing issue will particularly affect analysis by tenure.

## Tables in this chapter are:

**4.1tr – 4.5tr Trends over time** for headline figures for years covered by the Family Expenditure Survey (FES) and the Family Resources Survey (FRS). **Tables 4.1tr** and **4.2tr** show the percentage falling below various thresholds of contemporary median income and 1998/99 median income held constant in real terms respectively. **Tables 4.3tr** and **4.4tr** show numbers for the same measures as outlined for **Tables 4.1tr** and **4.2tr**. **Table 4.5tr** presents a series that shows trends over time for relative low income and material deprivation or severe relative low income and material deprivation.

**4.1db Quintile distribution** of income by: economic status of the family and family type; economic status of household; marital status; number of children in family; disability and receipt of disability benefits; ethnic group (three-year average).

**4.2db Quintile distribution** of income by: state support received by family; age of youngest child in family; tenure; savings and investments; household bills in arrears; region and country (three-year average).

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**4.3db – 4.4db** **Composition** of low-income groups of children with categories as outlined for **Tables 4.1db – 4.2db**.

**4.5db – 4.6db** **Percentage** of children falling into low-income groups with categories as outlined for **Tables 4.1db – 4.2db**.

**4.7db** **Material deprivation** Quintile distribution of income for children by whether they have the material deprivation items and services.

**4.8db** **Material deprivation** Quintile distribution of income for children by whether their parents have the material deprivation items and services.

**4.1ts – 4.5ts** **Populations over time** **Tables 4.1ts to 4.5ts** present populations over time by: family type and economic status of the family; economic status of household; region and country (three-year average); number of children in family; disability and receipt of disability benefits.

**4.6ts – 4.9ts** **Composition** of children in households with incomes below 60 per cent of contemporary median income over time by: family type and economic status of the family; economic status of household; number of children in family; disability and receipt of disability benefits.

**4.10ts – 4.13ts** **Composition** of children in households with incomes below 60 per cent of 1998/99 median income held constant in real terms over time by the categories outlined for **Tables 4.6ts – 4.9ts**.

**4.14ts – 4.19ts** **Percentage** of children in households with incomes below 60 per cent of contemporary median income over time by: family type and economic status of the family; economic status of household; region and country (three-year average, the number of children can be found in **Table 4.17ts**); number of children in family; disability and receipt of disability benefits.

**4.20ts – 4.25ts** **Percentage** of children in households with incomes below 60 per cent of 1998/99 median income held constant in real terms over time by the categories outlined for **Tables 4.14ts – 4.19ts**. The number of children by region and country (three-year average) can be found in **Table 4.23ts**.

### Definition of low income

‘Low income’ is defined using thresholds derived from percentages of median income for the whole population. Households reporting the lowest incomes may not have the lowest living standards. The bottom 10 per cent of the income distribution should not, therefore, be interpreted as having the bottom 10 per cent of living standards. This is a particular issue for lower thresholds of median income. To reflect this uncertainty in these tables, results for the 50 per cent of median threshold are presented in italics.

## Definition of ‘children’

A dependent child is defined as an individual aged under 16. A person will also be defined as a child if they are 16 to 19-years old and they are:

- not married nor in a Civil Partnership nor living with a partner; and
- living with parents; and
- in full-time non-advanced education or in unwaged government training.

## Definition of ‘benefit units’ and ‘households’

A family, or benefit unit, is a single adult or a couple living as married, together with any dependent children. An adult living in the same household as his or her parents, for example, is a separate benefit unit from the parents.

A household is a single person or group of people living at the same address as their only or main residence, who either share one meal a day together, or share the living accommodation (i.e. the living room). A household will consist of one or more benefit units.

## Trends over time for headline figures

All time trends are based on thresholds of median income, are presented for the UK and based on the modified OECD equivalisation scales (see **Appendix 2** for a discussion of the modified OECD scales). Trends tables consist of:

- A **relative** low-income indicator – the proportions of children that are below thresholds of **contemporary** median income.
- An **‘absolute’** low-income indicator – the proportions of children that are below thresholds of 1998/99 median income that have been **held constant in real terms**.
- A **relative low income and material deprivation** indicator – the proportion of children that are below a threshold of 70 per cent contemporary median income and in material deprivation.
- A **severe relative low income and material deprivation** indicator – the proportion of children that are below a threshold of 50 per cent contemporary median income and in material deprivation.

Caution should be exercised when interpreting results over short time periods, as changes are often small in relation to sampling variation and other sources of measurement error.

## Economic status of the family

The economic status of the family classification is in line with the International Labour Organisation economic status classification. This means that no economic

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status data are available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years. This also means the economic status of the family and economic status of the household classifications are aligned.

### Economic status of household

For the analysis of working and workless households, households are classified according to whether they contain a working-age adult or pensioner who works, but the status of non-working pensioners is ignored, unless the child only lives with pensioners, in which case the status of all adults is included.

### Disability

For this analysis, disability is defined as having any long-standing illness, disability or impairment that leads to a substantial difficulty with one or more areas of the individual's life. Everyone classified as disabled under this definition would also be classified as disabled under the Equality Act 2010. However, some individuals classified as disabled under the Equality Act 2010 would not be captured by this definition.

No adjustment is made to disposable household income to take into account any additional costs that may be incurred due to the illness or disability in question. This means that the position in the income distribution of these groups, as shown here, may be somewhat upwardly biased.

### Ethnicity

Children have been classified according to the ethnic group of the household reference person (see **Appendix 1** for definition of household reference person), which means that information about households of mixed composition is lost.

Estimates showing ethnic breakdowns are presented as three-year averages because of small sample sizes. However, the figures must still be treated with some caution, as the sample sizes are still small for certain ethnic minority groups, especially in the case of households headed by a person of mixed or Black Caribbean, or Chinese or other ethnic group ethnicity.

### Savings and investments

The data relating to investments and savings should be treated with caution. Questions relating to investments are a sensitive section of the questionnaire and have a low response rate. A high proportion of respondents do not know the interest received on their investments. It is likely that there is some under-reporting of capital

by respondents, in terms of both the actual values of the savings and the investment income.

## Region and country

Disaggregation by geographical regions is presented as three-year averages. This presentation has been used as single-year regional estimates are considered too volatile. Estimates for the UK, however, are shown as single-year estimates for the latest available year.

The three-year average approach employed for the presentation of smaller geographic areas is consistent with the approach used for time series. It reduces year-on-year variation by smoothing out differences.

This issue was further discussed in **Appendix 5 of the 2004/05 HBAI publication**, where regional time series using three-year averages were presented.

Although the FRS sample is large enough to allow some analysis to be performed at a regional level, it should be noted that no adjustment has been made for regional cost of living differences, as the necessary data are not available. In the analysis here it is therefore assumed that there is no difference in the cost of living between regions, although the After Housing Costs measure will partly take into account differences in housing costs.

## Bills in arrears

The number of bills in arrears is presented at a benefit unit level. Bills considered are: electricity, gas, other fuel, Council Tax, insurance, telephone, television / video rental, hire purchase and water rates.

## Material deprivation

A suite of questions designed to capture the material deprivation experienced by families with children has been included in the Family Resources Survey since 2004/05. Respondents are asked whether they have 21 goods and services, including child, adult and household items. If they do not have them, they are asked whether this is because they do not want them or because they cannot afford them. An analysis of how families with children responded to these questions by their location on the income distribution is given in this chapter (see **Tables 4.7db** and **4.8db**).

These questions are used as an additional way of measuring living standards for children and their families, as outlined in the conclusions of the Measuring Child Poverty Consultation<sup>26</sup>. Analysis has been included in **Tables 4.3db** to **4.6db** for

<sup>26</sup> Available at <http://www.dwp.gov.uk/docs/final-conclusions.pdf>.

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children living in families who are in relative low income and material deprivation or severe low income and material deprivation.

A prevalence weighted approach has been used in combination with a relative low income or severe relative low income threshold. Prevalence weighting is a technique of scoring deprivation in which more weight in the deprivation measure is given to families lacking those items that most families already have. This means a greater importance, when an item is lacked, is assigned to those items that are more commonly owned in the population. See **Appendix 2** for further details on how material deprivation is calculated.

For the 2010/11 Family Resources Survey, information on four new material deprivation goods and services has been collected. See **Appendix 3** for a discussion of the implications of changing the items. Results for both the old and the new items are included in the quintile distribution of income by whether they have the material deprivation items and services shown in **Tables 4.7db** and **4.8db**.

## Technical terms used in this chapter

For more information on these and other terms, see **Appendix 1**. For a detailed discussion of the methodology used throughout the publication, see **Appendix 2**.

### *Income*

The income measure used in HBAI is weekly net (disposable) equivalised household income. This comprises total income from all sources<sup>27</sup> of all household members including dependants. For *Before Housing Costs*, housing costs<sup>28</sup> are not deducted from income, while for *After Housing Costs* they are.

### *Equivalisation*

Equivalisation adjusts incomes for household size and composition, taking an adult couple with no children as the reference point. For example, the process of equivalisation would adjust the income of a single person upwards, so their income can be compared directly to the standard of living for a couple.

### *Median*

Median household income divides the population, when ranked by equivalised household income, into two equal-sized groups. *Contemporary median income* refers to the median income in the survey year being considered.

### *Low income*

Children are said to be in *relative low income* if they live in a household with an equivalised income below a percentage of contemporary median income, Before or After Housing Costs. Relative low-income statistics fall if income growth at the lower end of the income distribution outstrips overall income growth.

Children are said to be in *absolute low income* if they live in a household with an equivalised income below a threshold of median income (for example 60 per cent of median income) in a specific year adjusted for inflation, Before or After Housing Costs. The year 1998/99 is used in this report, as this is the first year where some information is available for the United Kingdom. Absolute low-income statistics fall if low-income households are seeing their incomes rise faster than inflation.

### *Material deprivation*

A suite of questions designed to capture material deprivation experienced by families with children has been included in the Family Resources Survey since 2004/05. Respondents are asked whether they lack 21 goods and services, including child, adult and household items. The items are scored, with higher scores allocated to those items that most families already have via a system of prevalence weighting. The material deprivation score for a family is the sum of the score of each item which they lack because they are unable to afford it.

<sup>27</sup> This includes income from employment, self-employment, investments, occupational pensions, benefits and other sources, and is measured net of taxes and National Insurance. See **Appendix 1** for full details of what is included.

<sup>28</sup> Housing costs include rent, water rates, mortgage interest payments, buildings insurance payments and ground rent and service charges.

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### *Combined low income and material deprivation*

A child is considered to be in low income and material deprivation if they live in a family that has a final material deprivation score of 25 or more and an equivalised household income below 70 per cent of median income, Before Housing Costs.

### *Severe low income and material deprivation*

A child is considered to be in severe low income and material deprivation if they live in a family that has a final material deprivation score of 25 or more and an equivalised household income below 50 per cent of median income, Before Housing Costs.

### *Deciles, Quintiles and Percentiles*

These are income values which divide the population, when ranked by equivalised household income, into equal-sized groups. Deciles are ten equal-sized groups - the lowest decile describes individuals with incomes in the bottom 10 per cent of the income distribution. Quintiles are five equal-sized groups - the lowest quintile describes individuals with incomes in the bottom 20 per cent of the income distribution. Percentiles are 100 equal-sized groups.

Please see overleaf for tables

## 4 Children

**Table 4.1tr: Percentage of children falling below various thresholds of contemporary median income, United Kingdom<sup>1,2</sup>**

Percentage of children		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
<b>FES (UK)<sup>4</sup></b>	1979	6	13	23	7	14	25
	1981	8	19	29	11	21	30
	1987	10	23	33	16	27	36
	1988 and 1989	15	25	33	19	27	36
	1990 and 1991	18	27	35	23	31	39
	1991 and 1992	17	28	36	24	32	40
	1992 and 1993	17	29	38	24	34	41
	1993/94 to 1994/95	16	28	36	23	33	39
	1994/95 to 1995/96	15	27	36	24	33	39
	1995/96 to 1996/97	15	29	38	26	35	42
<b>FRS (GB)</b>	1994/95	12	25	35	21	33	40
	1995/96	11	24	35	21	33	41
	1996/97	14	27	36	25	34	42
	1997/98	14	27	37	25	33	41
<b>FRS (UK)</b>	1998/99	14	26	36	24	34	41
	1999/00	13	26	37	23	33	41
	2000/01	12	23	34	21	31	40
	2001/02	11	23	35	20	31	39
	2002/03	11	23	34	20	30	38
	2003/04	11	22	33	19	29	37
	2004/05	11	21	33	18	28	38
	2005/06	11	22	33	19	30	38
	2006/07	12	22	33	20	30	39
	2007/08	12	23	33	21	31	39
	2008/09	11	22	32	20	30	39
	2009/10	10	20	31	19	29	38
2010/11	9	18	29	17	27	37	
<b>Change</b>	1998/99-2010/11 <sup>2,3</sup>	-5	-9	-7	-7	-7	-5
	2009/10-2010/11 <sup>2,3</sup>	-1	-2	-2	-2	-2	-2

**Notes:**

1. FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.

2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.

3. Due to rounding, the estimates of change in percentages of children below low-income thresholds may not equal the difference between the total percentage of children below thresholds for any pair of years shown.

4. FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

**Table 4.2tr: Percentage of children falling below various thresholds of 1998/99 median income held constant in real terms, United Kingdom<sup>1,2</sup>**

Percentage of children		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
<b>FES (UK)<sup>4</sup></b>	1979	21	38	55	24	41	58
	1981	27	43	58	30	46	60
	1987	23	34	45	27	39	49
	1988 and 1989	21	31	40	25	34	44
	1990 and 1991	23	32	41	27	36	45
	1991 and 1992	23	32	41	28	37	45
	1992 and 1993	23	33	41	29	38	45
	1993/94 to 1994/95	20	31	40	28	36	43
	1994/95 to 1995/96	18	29	38	27	35	42
1995/96 to 1996/97	17	30	39	28	36	44	
<b>FRS (GB)</b>	1994/95	17	30	40	28	37	45
	1995/96	16	29	40	27	37	46
	1996/97	16	29	38	27	36	44
	1997/98	15	28	38	26	34	42
<b>FRS (UK)</b>	1998/99	14	26	36	24	34	41
	1999/00	11	23	34	21	31	39
	2000/01	9	19	30	16	27	35
	2001/02	7	15	27	13	23	32
	2002/03	7	14	25	11	21	29
	2003/04	7	14	24	11	20	28
	2004/05	7	13	23	11	18	27
	2005/06	7	13	23	11	19	27
	2006/07	8	13	23	12	19	27
	2007/08	7	13	23	12	19	28
	2008/09	7	12	22	12	19	27
2009/10	6	11	19	11	18	26	
2010/11	6	11	19	11	18	27	
<b>Change</b>	1998/99-2010/11 <sup>2,3</sup>	-8	-16	-17	-13	-16	-15
	2009/10-2010/11 <sup>2,3</sup>	0	0	0	0	0	0

**Notes:**

- FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.
- Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.
- Due to rounding, the estimates of change in percentages of children below low-income thresholds may not equal the difference between the total percentage of children below thresholds for any pair of years shown.
- FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

## 4 Children

**Table 4.3tr: Number of children falling below various thresholds of contemporary median income, United Kingdom<sup>1,2</sup>**

Number of children (millions)		Source: FES/FRS						
		Before Housing Costs Below median			After Housing Costs Below median			All children
		50%	60%	70%	50%	60%	70%	
<b>FES (UK)<sup>4</sup></b>	1979	0.8	1.8	3.2	1.0	2.0	3.4	13.8
	1981	1.1	2.6	3.9	1.5	2.8	4.1	13.6
	1987	1.3	2.8	4.1	2.0	3.3	4.4	12.4
	1988 and 1989	1.9	3.1	4.1	2.3	3.4	4.5	12.5
	1990 and 1991	2.3	3.4	4.4	2.9	3.9	4.9	12.5
	1991 and 1992	2.2	3.5	4.6	3.0	4.1	5.0	12.7
	1992 and 1993	2.2	3.8	4.9	3.1	4.4	5.3	13.0
	1993/94 to 1994/95	2.1	3.6	4.8	3.1	4.3	5.2	13.2
	1994/95 to 1995/96	2.0	3.5	4.7	3.1	4.4	5.2	13.3
	1995/96 to 1996/97	2.0	3.8	5.0	3.4	4.7	5.6	13.3
<b>FRS (GB)</b>	1994/95	1.5	3.2	4.5	2.7	4.1	5.1	12.6
	1995/96	1.4	3.0	4.5	2.7	4.2	5.2	12.7
	1996/97	1.8	3.4	4.6	3.2	4.3	5.3	12.7
	1997/98	1.8	3.4	4.7	3.1	4.2	5.2	12.7
<b>FRS (UK)</b>	1998/99	1.8	3.4	4.8	3.1	4.4	5.4	13.1
	1999/00	1.7	3.4	4.8	3.1	4.3	5.4	13.2
	2000/01	1.6	3.1	4.5	2.8	4.1	5.2	13.1
	2001/02	1.5	3.0	4.6	2.6	4.0	5.1	13.1
	2002/03	1.5	2.9	4.4	2.6	3.9	5.0	13.0
	2003/04	1.4	2.9	4.3	2.5	3.7	4.9	13.0
	2004/05	1.4	2.7	4.3	2.3	3.6	4.8	12.9
	2005/06	1.4	2.8	4.2	2.5	3.8	4.9	12.8
	2006/07	1.5	2.9	4.3	2.6	3.9	5.0	12.8
	2007/08	1.5	2.9	4.3	2.7	4.0	5.1	12.8
	2008/09	1.4	2.8	4.1	2.6	3.9	5.0	12.8
	2009/10	1.3	2.6	4.0	2.4	3.8	5.0	13.0
2010/11	1.2	2.3	3.8	2.2	3.6	4.8	13.0	
<b>Change</b>	1998/99-2010/11 <sup>2,3</sup>	-0.6	-1.1	-0.9	-0.9	-0.9	-0.6	-0.1
	2009/10-2010/11 <sup>2,3</sup>	-0.1	-0.3	-0.2	-0.2	-0.2	-0.2	0.1

**Notes:**

1. FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.

2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.

3. Due to rounding, the estimates of change in percentages of children below low-income thresholds may not equal the difference between the total percentage of children below thresholds for any pair of years shown.

4. FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

**Table 4.4tr: Number of children falling below various thresholds of 1998/99 median income held constant in real terms, United Kingdom<sup>1,2</sup>**

Number of children (millions)		Source: FES/FRS						All children
		Before Housing Costs			After Housing Costs			
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
<b>FES (UK)<sup>4</sup></b>	1979	2.8	5.2	7.5	3.3	5.7	8.0	13.8
	1981	3.7	5.8	7.8	4.1	6.2	8.1	13.6
	1987	2.8	4.2	5.5	3.4	4.8	6.1	12.4
	1988 and 1989	2.6	3.8	5.0	3.1	4.2	5.4	12.5
	1990 and 1991	2.9	4.0	5.1	3.4	4.6	5.7	12.5
	1991 and 1992	2.9	4.1	5.2	3.5	4.7	5.7	12.7
	1992 and 1993	2.9	4.3	5.4	3.8	4.9	5.9	13.0
	1993/94 to 1994/95	2.6	4.1	5.2	3.7	4.7	5.7	13.2
	1994/95 to 1995/96	2.3	3.9	5.1	3.6	4.7	5.6	13.3
	1995/96 to 1996/97	2.3	4.0	5.2	3.7	4.8	5.8	13.3
<b>FRS (GB)</b>	1994/95	2.1	3.8	5.1	3.5	4.7	5.7	12.6
	1995/96	2.0	3.7	5.1	3.5	4.7	5.8	12.7
	1996/97	2.0	3.7	4.9	3.4	4.6	5.6	12.7
	1997/98	1.9	3.5	4.8	3.3	4.4	5.3	12.7
<b>FRS (UK)</b>	1998/99	1.8	3.4	4.8	3.1	4.4	5.4	13.1
	1999/00	1.5	3.1	4.5	2.7	4.1	5.1	13.2
	2000/01	1.2	2.5	3.9	2.1	3.6	4.6	13.1
	2001/02	0.9	2.0	3.5	1.6	3.0	4.2	13.1
	2002/03	0.9	1.8	3.2	1.5	2.7	3.8	13.0
	2003/04	0.9	1.8	3.1	1.5	2.5	3.6	13.0
	2004/05	0.9	1.7	2.9	1.4	2.3	3.4	12.9
	2005/06	0.9	1.6	2.9	1.4	2.4	3.4	12.8
	2006/07	1.0	1.7	2.9	1.5	2.5	3.5	12.8
	2007/08	1.0	1.7	2.9	1.5	2.5	3.6	12.8
2008/09	0.9	1.6	2.8	1.5	2.4	3.5	12.8	
2009/10	0.8	1.4	2.5	1.4	2.3	3.4	13.0	
2010/11	0.8	1.4	2.5	1.5	2.3	3.5	13.0	
<b>Change</b>	1998/99-2010/11 <sup>2,3</sup>	-1.0	-2.1	-2.3	-1.7	-2.1	-2.0	-0.1
	2009/10-2010/11 <sup>2,3</sup>	0.0	0.0	0.0	0.0	0.0	0.1	0.1

**Notes:**

- FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.
- Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.
- Due to rounding, the estimates of change in percentages of children below low-income thresholds may not equal the difference between the total percentage of children below thresholds for any pair of years shown.
- FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

## 4 Children

**Table 4.5tr: Percentage and number of children falling below thresholds of low income and material deprivation<sup>1,2</sup>, United Kingdom<sup>3</sup>**

		Source: FRS				
		Low income and material deprivation		Severe low income and material deprivation		All children
		Percentage	Number (millions)	Percentage	Number (millions)	
FRS (UK)	2004/05	17	2.2	6	0.7	12.9
	2005/06	16	2.1	6	0.7	12.8
	2006/07	16	2.0	6	0.7	12.8
	2007/08	17	2.2	6	0.8	12.8
	2008/09	17	2.2	6	0.8	12.8
	2009/10	16	2.1	5	0.7	13.0
	2010/11	14	1.9	4	0.6	13.0
<b>Change</b>	2009/10-2010/11 <sup>3,4</sup>	-1	-0.2	-1	-0.1	0.1

**Notes:**

1. A family is in low income and material deprivation if they have a material deprivation score of 25 or more and a household income below 70 per cent of contemporary median income, Before Housing Costs. See Appendix 2 for further details.

2. A family is in severe low income and material deprivation if they have a material deprivation score of 25 or more and a household income below 50 per cent of contemporary median income, Before Housing Costs. See Appendix 2 for further details.

3. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.

4. Due to rounding, the estimates of change in percentages and numbers of children below low-income thresholds may not equal the difference between the total percentage and total number of children below thresholds for any pair of years shown.

Tables continue overleaf

## 4 Children

**Table 4.1db (BHC): Quintile distribution of income for children by various family and household characteristics, United Kingdom**

Percentage of children	Net equivalised disposable household income					All children (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Source: FRS 2010/11</b>						
<b>Economic status of the family</b>						
At least one adult in work	16	23	23	20	18	10.9
Workless families	55	35	7	2	1	2.2
<b>Economic status of the family and family type</b>						
Lone parent:	32	37	19	9	4	3.0
In full-time work	13	27	32	18	10	0.8
In part-time work	18	43	27	10	2	0.8
Not working	49	40	8	3	1	1.4
Couple with children:	20	21	21	20	18	10.0
Self-employed	28	21	19	15	18	1.7
Both in full-time work	3	10	23	33	31	2.1
One in full-time work, one in part-time work	6	20	28	26	20	2.8
One in full-time work, one not working	24	32	18	14	12	2.1
One or more in part-time work	51	32	12	2	3	0.6
Both not in work	67	25	5	2	1	0.7
<b>Economic status of household<sup>1</sup></b>						
All adults in work	9	20	26	24	21	7.4
At least one adult in work, but not all	30	30	18	11	11	3.6
Workless households	57	34	7	2	1	2.0
<b>Marital status</b>						
Couple	20	21	21	20	18	10.0
Married or Civil Partnered	18	20	21	21	20	8.2
Cohabiting	29	28	20	14	9	1.9
Single	32	37	19	9	4	3.0
<b>Number of children in family</b>						
One child	21	21	21	19	17	3.8
Two children	19	23	22	19	16	6.0
Three or more children	31	33	17	11	8	3.2
<b>Disability and receipt of disability benefits<sup>2</sup></b>						
Those living in families where no-one is disabled	21	23	21	19	17	9.8
Those living in families where someone is disabled	29	30	20	13	8	3.2
1 or more disabled adult, no disabled child	32	28	18	13	8	1.8
Those living in families with disabled children	24	33	22	13	8	1.5
With no disabled adult	22	29	24	15	10	0.9
With 1 or more disabled adult	28	40	19	10	4	0.6
In receipt of disability benefits	17	38	27	12	6	0.9
Not in receipt of disability benefits	33	28	17	13	9	2.3
<b>Ethnic group of head (3-year average)</b>						
White	21	24	21	18	15	11.1
Mixed	30	26	20	15	9	0.2
Asian or Asian British	43	23	14	11	10	1.0
Indian	29	21	18	15	17	0.4
Pakistani and Bangladeshi	55	25	10	6	4	0.5
Black or Black British	36	27	18	13	7	0.5
Black Caribbean	32	26	20	13	9	0.1
Black Non-Caribbean	38	27	17	12	6	0.4
Chinese or other ethnic group	34	23	19	10	13	0.2
<b>All children<sup>3</sup></b>	<b>23</b>	<b>25</b>	<b>20</b>	<b>17</b>	<b>15</b>	<b>13.0</b>

### Notes:

1. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For those households where children live only with pensioners, the status of all adults is included in the analysis.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.

3. The totals for all children are shown for the United Kingdom for the latest year and are not three-year averages.

4. Percentages may not sum to 100 per cent due to rounding.

**Table 4.1db (AHC): Quintile distribution of income for children by various family and household characteristics, United Kingdom**

Percentage of children	Net equivalised disposable household income					All children (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Source: FRS 2010/11</b>						
<b>Economic status of the family</b>						
At least one adult in work	18	23	23	20	17	10.9
Workless families	64	30	5	1	1	2.2
<b>Economic status and family type</b>						
Lone parent:	38	34	17	8	4	3.0
In full-time work	17	26	29	19	10	0.8
In part-time work	20	45	25	7	3	0.8
Not working	59	33	6	2	1	1.4
Couple with children:	22	21	21	19	17	10.0
Self-employed	29	21	19	14	17	1.7
Both in full-time work	4	11	24	32	30	2.1
One in full-time work, one in part-time work	7	19	29	25	19	2.8
One in full-time work, one not working	26	32	18	13	11	2.1
One or more in part-time work	59	24	11	3	3	0.6
Both not in work	72	24	3	1	0	0.7
<b>Economic status of household<sup>1</sup></b>						
All adults in work	11	20	26	23	20	7.4
At least one adult in work, but not all	34	29	17	11	9	3.6
Workless households	65	29	5	1	0	2.0
<b>Marital status</b>						
Couple	22	21	21	19	17	10.0
Married or Civil Partnered	19	20	22	20	19	8.2
Cohabiting	33	26	18	14	9	1.9
Single	38	34	17	8	4	3.0
<b>Number of children in family</b>						
One child	25	21	19	19	16	3.8
Two children	22	21	22	19	16	6.0
Three or more children	32	33	17	10	8	3.2
<b>Disability and receipt of disability benefits<sup>2</sup></b>						
Those living in families where no-one is disabled	24	23	20	17	16	9.8
Those living in families where someone is disabled	31	29	19	14	7	3.2
1 or more disabled adult, no disabled child	35	26	18	14	7	1.8
Those living in families with disabled children	26	32	21	14	7	1.5
With no disabled adult	24	29	22	16	9	0.9
With 1 or more disabled adult	30	37	19	11	4	0.6
In receipt of disability benefits	18	39	25	13	5	0.9
Not in receipt of disability benefits	36	24	17	14	8	2.3
<b>Ethnic group of head (3-year average)</b>						
White	23	24	22	17	14	11.1
Mixed	41	23	15	14	7	0.2
Asian or Asian British	45	25	11	10	9	1.0
Indian	32	23	16	13	16	0.4
Pakistani and Bangladeshi	54	30	7	5	3	0.5
Black or Black British	43	26	14	11	6	0.5
Black Caribbean	35	27	15	15	7	0.1
Black Non-Caribbean	47	25	13	10	5	0.4
Chinese or other ethnic group	44	19	14	10	12	0.2
<b>All children<sup>3</sup></b>	<b>25</b>	<b>24</b>	<b>20</b>	<b>17</b>	<b>14</b>	<b>13.0</b>

**Notes:**

1. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For those households where children live only with pensioners, the status of all adults is included in the analysis.
2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.
3. The totals for all children are shown for the United Kingdom for the latest year and are not three-year averages.
4. Percentages may not sum to 100 per cent due to rounding.

## 4 Children

**Table 4.2db (BHC): Quintile distribution of income for children by various family and household characteristics, United Kingdom**

Percentage of children	Net equivalised disposable household income					Source: FRS 2010/11
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All children (millions)
<b>State support received by family<sup>1</sup></b>						
Disability Living Allowance	17	38	25	13	6	0.9
Jobseeker's Allowance	76	17	3	2	1	0.5
Incapacity Benefit	33	38	22	5	1	0.3
Employment and Support Allowance	53	37	8	2	2	0.1
Child Tax Credit	27	33	23	14	4	8.4
Working Tax Credit	26	40	23	9	2	2.9
Income Support	45	44	8	3	1	1.3
Housing Benefit	45	40	11	3	0	2.6
Not in receipt of any state support listed above	11	9	16	25	38	4.1
<b>Age of youngest child in family</b>						
0 - 4	24	26	20	16	14	5.7
5 - 10	21	25	21	17	15	3.8
11 - 15	22	23	22	19	15	2.7
16 - 19	21	22	20	20	17	0.8
<b>Tenure</b>						
Owners	14	18	23	23	21	8.1
Owned outright	22	19	19	19	21	1.3
Buying with mortgage	13	18	24	24	21	6.8
Social rented sector tenants	47	37	12	3	1	2.5
All rented privately	25	37	19	12	7	2.4
<b>Savings and investments</b>						
No savings	34	34	17	10	5	5.8
Less than £1,500	20	25	26	19	9	2.2
£1,500 but less than £3,000	14	22	29	19	17	1.0
£3,000 but less than £8,000	12	18	22	26	22	1.5
£8,000 but less than £10,000	13	12	24	29	22	0.3
£10,000 but less than £16,000	8	13	23	28	28	0.7
£16,000 but less than £20,000	8	9	19	32	33	0.3
£20,000 or more	7	9	14	24	47	1.4
<b>Household bills in arrears<sup>2</sup></b>						
No bills in arrears	19	23	22	20	17	11.0
One or more bills in arrears	43	36	14	5	2	2.0
<b>Region/Country (3-year average)</b>						
England	23	24	21	17	15	10.9
North East	29	27	20	13	11	0.5
North West	27	27	21	15	10	1.5
Yorkshire and the Humber	29	28	19	14	10	1.1
East Midlands	22	27	23	17	11	0.9
West Midlands	32	25	18	16	9	1.2
East of England	19	22	21	19	19	1.2
London	22	22	18	16	22	1.6
Inner	28	24	15	12	21	0.5
Outer	19	21	19	18	22	1.1
South East	16	20	21	20	23	1.8
South West	20	26	25	17	11	1.0
Wales	27	27	21	16	9	0.6
Scotland	23	23	21	18	15	1.0
Northern Ireland	29	25	22	15	9	0.4
<b>All children<sup>3</sup></b>	<b>23</b>	<b>25</b>	<b>20</b>	<b>17</b>	<b>15</b>	<b>13.0</b>

**Notes:**

1. The population figures given for receipt of benefits/tax credits do not sum to all children as they are not mutually exclusive groups, since people can receive more than one benefit/tax credit.
2. Figures relate to the number of children whose parent / guardian answered the questions on arrears, some children have not been included in these breakdowns due to either: a skipped response, doesn't know the answer or refusal to answer the question.
3. The totals for all children are shown for the United Kingdom for the latest year and are not three-year averages.
4. Percentages may not sum to 100 per cent due to rounding.

Table 4.2db (AHC): Quintile distribution of income for children by various family and household characteristics, United Kingdom

Percentage of children	Net equivalised disposable household income					All children (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Source: FRS 2010/11</b>						
<b>State support received by family<sup>1</sup></b>						
Disability Living Allowance	19	39	24	13	6	0.9
Jobseeker's Allowance	84	11	2	2	1	0.5
Incapacity Benefit	32	43	18	7	0	0.3
Employment and Support Allowance	55	35	6	4	0	0.1
Child Tax Credit	30	31	22	13	3	8.4
Working Tax Credit	29	39	21	8	2	2.9
Income Support	56	37	6	1	0	1.3
Housing Benefit	59	33	7	1	0	2.6
Not in receipt of any state support listed above	12	10	18	24	36	4.1
<b>Age of youngest child in family</b>						
0 - 4	28	25	19	15	13	5.7
5 - 10	24	24	20	17	15	3.8
11 - 15	24	22	22	18	14	2.7
16 - 19	22	21	24	18	15	0.8
<b>Tenure</b>						
Owners	13	19	24	23	21	8.1
Owned outright	15	19	20	24	23	1.3
Buying with mortgage	13	19	25	23	20	6.8
Social rented sector tenants	48	37	11	3	1	2.5
All rented privately	44	28	15	8	5	2.4
<b>Savings and investments</b>						
No savings	40	31	15	9	4	5.8
Less than £1,500	21	26	26	19	8	2.2
£1,500 but less than £3,000	15	24	28	17	16	1.0
£3,000 but less than £8,000	12	18	25	25	20	1.5
£8,000 but less than £10,000	13	12	26	30	18	0.3
£10,000 but less than £16,000	7	13	26	29	26	0.7
£16,000 but less than £20,000	7	11	19	32	32	0.3
£20,000 or more	6	8	17	23	45	1.4
<b>Household bills in arrears<sup>2</sup></b>						
No bills in arrears	21	23	22	19	16	11.0
One or more bills in arrears	52	31	11	4	2	2.0
<b>Region/Country (3-year average)</b>						
England	27	24	20	16	14	10.9
North East	28	26	22	14	10	0.5
North West	28	25	22	15	10	1.5
Yorkshire and the Humber	29	28	19	14	10	1.1
East Midlands	22	27	23	17	11	0.9
West Midlands	31	26	18	16	10	1.2
East of England	23	22	21	17	18	1.2
London	34	19	14	13	19	1.6
Inner	40	21	11	11	17	0.5
Outer	31	19	16	14	20	1.1
South East	21	20	21	19	20	1.8
South West	23	28	23	16	10	1.0
Wales	28	24	22	16	9	0.6
Scotland	21	24	21	19	14	1.0
Northern Ireland	23	28	23	15	10	0.4
<b>All children<sup>3</sup></b>	<b>25</b>	<b>24</b>	<b>20</b>	<b>17</b>	<b>14</b>	<b>13.0</b>

**Notes:**

1. The population figures given for receipt of benefits/tax credits do not sum to all children as they are not mutually exclusive groups, since people can receive more than one benefit/tax credit.
2. Figures relate to the number of children whose parent / guardian answered the questions on arrears, some children have not been included in these breakdowns due to either: a skipped response, doesn't know the answer or refusal to answer the question.
3. The totals for all children are shown for the United Kingdom for the latest year and are not three-year averages.
4. Percentages may not sum to 100 per cent due to rounding.

## 4 Children

Table 4.3db: Composition of low-income groups of children by various family and household characteristics, United Kingdom

Percentage of children	Source: FRS 2010/11								
	Material Deprivation and Low income <sup>1</sup>		Before Housing Costs			After Housing Costs			All children
	and Severe low income <sup>2</sup>	Income Thresholds - Below Median							
		50%	60%	70%	50%	60%	70%		
<b>Economic status of the family</b>									
At least one adult in work	41	43	62	60	60	57	58	62	83
Workless families	59	57	38	40	40	43	42	38	17
<b>Economic status of the family and family type</b>									
Lone parent:	45	31	23	29	34	32	35	35	23
In full-time work	3	3	4	3	4	4	4	4	6
In part-time work	5	4	3	4	5	4	5	6	6
Not working	37	24	16	21	25	24	26	25	11
Couple with children:	55	69	77	71	66	68	65	65	77
Self-employed	5	10	23	17	14	16	14	13	13
Both in full-time work	1	0	1	2	3	2	3	3	16
One in full-time work, one in part-time work	4	0	4	5	7	5	6	8	22
One in full-time work, one not working	14	11	14	17	18	16	17	18	16
One or more in part-time work	10	15	14	11	9	10	10	9	4
Both not in work	22	33	22	19	15	19	16	13	6
<b>Economic status of household<sup>3</sup></b>									
All adults in work	13	12	23	23	25	23	24	28	57
At least one adult in work, but not all	30	35	41	39	37	36	36	36	28
Workless households	56	54	36	38	38	40	40	36	16
<b>Marital status</b>									
Couple	55	69	77	71	66	68	65	65	77
Married or Civil Partnered	35	43	58	51	49	48	47	47	63
Cohabiting	20	25	19	20	17	20	18	17	14
Single	45	31	23	29	34	32	35	35	23
<b>Number of children in family</b>									
One child	27	32	28	28	26	32	28	28	29
Two children	35	30	39	38	39	40	40	39	46
Three or more children	39	38	33	34	34	29	32	33	25
<b>Disability and receipt of disability benefits<sup>4</sup></b>									
Those living in families where no-one is disabled	62	66	70	69	69	70	70	69	75
Those living in families where someone is disabled	38	34	30	31	31	30	30	31	25
1 or more disabled adult, no disabled child	22	20	20	20	19	20	19	18	14
Those living in families with disabled children	16	13	10	11	12	11	12	13	11
With no disabled adult	7	8	6	6	7	7	6	7	7
With 1 or more disabled adult	9	6	4	5	6	4	6	6	4
In receipt of disability benefits	9	5	4	4	6	4	5	7	7
Not in receipt of disability benefits	30	29	26	27	25	26	25	24	18
<b>Ethnic group of head (3-year average)</b>									
White	77	68	71	75	78	74	77	79	86
Mixed	2	2	2	2	1	2	2	2	1
Asian or Asian British	12	18	18	15	13	14	13	12	8
Indian	2	3	5	4	3	3	3	3	3
Pakistani and Bangladeshi	8	13	12	9	8	8	7	7	4
Black or Black British	7	9	6	6	6	7	6	6	4
Black Caribbean	2	2	2	1	2	2	2	2	1
Black Non-Caribbean	5	7	5	4	4	6	5	4	3
Chinese or other ethnic group	2	2	3	2	2	3	2	2	2
<b>All children (millions=100%)<sup>5</sup></b>	<b>1.9</b>	<b>0.6</b>	<b>1.2</b>	<b>2.3</b>	<b>3.8</b>	<b>2.2</b>	<b>3.6</b>	<b>4.8</b>	<b>13.0</b>

**Notes:**

1. A family is in low income and material deprivation if they have a material deprivation score of 25 or more and a household income below 70 per cent contemporary median income, Before Housing Costs. See Appendix 2 for further details.
2. A family is in severe low income and material deprivation if they have a material deprivation score of 25 or more and a household income below 50 per cent contemporary median income, Before Housing Costs. See Appendix 2 for further details.
3. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For those households where children live only with pensioners, the status of all adults is included in the analysis.
4. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.
5. The totals for all children are shown for the United Kingdom for the latest year and are not three-year averages.
6. Percentages may not sum to 100 per cent due to rounding.

Table 4.4db: Composition of low-income groups of children by various family and household characteristics, United Kingdom

Percentage of children										Source: FRS 2010/11
	Material Deprivation		Before Housing Costs			After Housing Costs			All children	
	and Low income <sup>1</sup>	and Severe low income <sup>2</sup>	50%	60%	70%	Income Thresholds - Below Median				
			50%	60%	70%	50%	60%	70%		
<b>State support received by family<sup>3</sup></b>										
Disability Living Allowance	9	5	4	5	6	4	6	7	7	
Jobseeker's Allowance	16	19	12	13	10	14	11	9	4	
Incapacity Benefit	6	3	2	3	4	2	3	4	3	
Employment and Support Allowance	4	5	3	2	3	3	3	2	1	
Child Tax Credit	85	72	64	73	79	72	78	79	65	
Working Tax Credit	23	20	22	25	27	22	26	29	22	
Income Support	32	16	11	17	22	18	22	22	10	
Housing Benefit	61	45	28	37	41	44	46	44	20	
Not in receipt of any state support listed above	6	12	26	18	14	19	15	14	32	
<b>Age of youngest child in family</b>										
0 - 4	49	48	46	47	48	48	48	49	44	
5 - 10	29	27	25	26	27	26	27	27	29	
11 - 15	16	17	21	21	19	19	19	19	21	
16 - 19	5	8	7	6	6	6	6	6	7	
<b>Tenure</b>										
Owners	18	26	48	41	39	31	32	34	62	
Owned outright	3	6	13	10	9	5	6	6	10	
Buying with mortgage	15	20	35	31	29	26	26	28	52	
Social rented sector tenants	56	52	32	39	40	35	37	37	19	
All rented privately	25	22	20	20	22	34	31	30	18	
<b>Savings and investments</b>										
No savings	84	83	65	67	67	69	70	68	44	
Less than £1,500	12	12	14	15	15	14	14	15	17	
£1,500 but less than £3,000	2	2	5	5	5	4	4	5	7	
£3,000 but less than £8,000	1	1	7	6	6	6	6	6	11	
£8,000 but less than £10,000	0	1	1	1	1	1	1	1	2	
£10,000 but less than £16,000	0	0	1	2	2	1	1	2	5	
£16,000 but less than £20,000	0	0	1	1	1	1	1	1	2	
£20,000 or more	0	0	5	4	3	3	3	3	11	
<b>Household bills in arrears<sup>4</sup></b>										
No bills in arrears	52	53	73	70	70	67	68	71	84	
One or more bills in arrears	48	46	27	30	30	33	32	29	16	
<b>Region/Country (3-year average)</b>										
England	83	83	83	83	83	86	85	85	84	
North East	5	5	4	5	5	4	4	4	4	
North West	14	14	13	13	13	12	12	12	11	
Yorkshire and the Humber	11	11	10	11	11	9	9	10	8	
East Midlands	7	7	6	7	7	6	6	6	7	
West Midlands	12	12	13	13	12	11	11	11	9	
East of England	7	7	8	7	7	8	8	8	9	
London	12	14	14	12	12	18	16	15	13	
Inner	6	6	5	5	5	7	6	6	4	
Outer	7	8	9	7	7	11	10	10	9	
South East	8	8	9	9	9	11	11	11	14	
South West	7	7	6	7	7	7	7	8	8	
Wales	6	6	5	6	6	5	5	5	5	
Scotland	7	7	7	8	7	6	6	7	8	
Northern Ireland	3	4	4	4	4	3	3	3	3	
<b>All children (millions=100%)<sup>5</sup></b>	<b>1.9</b>	<b>0.6</b>	<b>1.2</b>	<b>2.3</b>	<b>3.8</b>	<b>2.2</b>	<b>3.6</b>	<b>4.8</b>	<b>13.0</b>	

**Notes:**

1. A family is in low income and material deprivation if they have a material deprivation score of 25 or more and a household income below 70 per cent contemporary median income, Before Housing Costs. See Appendix 2 for further details.
2. A family is in severe low income and material deprivation if they have a material deprivation score of 25 or more and a household income below 50 per cent contemporary median income, Before Housing Costs. See Appendix 2 for further details.
3. The figures given for receipt of benefits/tax credits do not sum to 100 as they are not mutually exclusive groups since people can receive more than one benefit/tax credit.
4. Figures relate to the number of children whose parent / guardian answered the questions on arrears, some children have not been included in these breakdowns due to either: a skipped response, doesn't know the answer or refusal to answer the question.
5. The totals for all children are shown for the United Kingdom for the latest year and are not three-year averages.
6. Percentages may not sum to 100 per cent due to rounding.

## 4 Children

Table 4.5db: Percentage of children in low-income groups by various family and household characteristics, United Kingdom

Percentage of children	Source: FRS 2010/11								
	Material Deprivation and Low income <sup>1</sup>		Before Housing Costs			After Housing Costs			All children (millions)
	and Severe low income <sup>2</sup>	50%	60%	70%	Income Thresholds - Below Median				
			50%	60%	70%	50%	60%	70%	
<b>Economic status of the family</b>									
At least one adult in work	7	2	7	13	21	12	19	27	10.9
Workless families	51	15	21	42	70	44	68	84	2.2
<b>Economic status of the family and family type</b>									
Lone parent:	28	6	9	22	43	24	41	56	3.0
In full-time work	7	2	5	10	18	11	18	27	0.8
In part-time work	12	3	5	13	25	12	23	38	0.8
Not working	48	10	13	34	67	37	64	82	1.4
Couple with children:	10	4	9	16	25	15	23	31	10.0
Self-employed	6	3	16	23	32	22	30	36	1.7
Both in full-time work	1	0	1	2	5	2	4	8	2.1
One in full-time work, one in part-time work	2	0	2	4	9	4	7	14	2.8
One in full-time work, one not working	12	3	8	18	33	17	29	42	2.1
One or more in part-time work	33	16	29	43	64	41	60	74	0.6
Both not in work	56	25	35	58	75	56	75	86	0.7
<b>Economic status of household<sup>3</sup></b>									
All adults in work	3	1	4	7	13	7	12	18	7.4
At least one adult in work, but not all	16	6	14	25	40	23	36	48	3.6
Workless households	52	15	21	43	71	45	69	85	2.0
<b>Marital status</b>									
Couple	10	4	9	16	25	15	23	31	10.0
Married or Civil Partnered	8	3	8	14	23	13	20	28	8.2
Cohabiting	20	8	12	24	36	24	34	45	1.9
Single	28	6	9	22	43	24	41	56	3.0
<b>Number of children in family</b>									
One child	13	5	9	17	26	19	26	35	3.8
Two children	11	3	8	15	25	15	24	31	6.0
Three or more children	23	7	12	24	41	20	35	50	3.2
<b>Disability and receipt of disability benefits<sup>4</sup></b>									
Those living in families where no-one is disabled	12	4	8	16	27	16	25	34	9.8
Those living in families where someone is disabled	22	6	11	22	37	21	33	46	3.2
1 or more disabled adult, no disabled child	24	7	13	26	41	25	37	49	1.8
Those living in families with disabled children	21	5	8	18	32	16	28	41	1.5
With no disabled adult	16	5	9	16	29	17	24	37	0.9
With 1 or more disabled adult	28	6	7	20	37	15	34	49	0.6
In receipt of disability benefits	18	3	5	11	25	10	20	36	0.9
Not in receipt of disability benefits	24	7	13	26	42	25	38	50	2.3
<b>Ethnic group of head (3-year average)</b>									
White	14	4	8	17	28	16	26	35	11.1
Mixed	23	10	17	26	37	32	43	55	0.2
Asian or Asian British	25	12	24	37	51	34	48	58	1.0
Indian	12	5	15	26	36	22	34	43	0.4
Pakistani and Bangladeshi	35	18	32	49	65	41	58	70	0.5
Black or Black British	30	12	17	30	45	34	47	58	0.5
Black Caribbean	29	11	15	24	41	26	39	52	0.1
Black Non-Caribbean	31	13	18	33	47	38	51	61	0.4
Chinese or other ethnic group	16	6	18	32	41	37	47	53	0.2
<b>All children<sup>5</sup></b>	<b>14</b>	<b>4</b>	<b>9</b>	<b>18</b>	<b>29</b>	<b>17</b>	<b>27</b>	<b>37</b>	<b>13.0</b>

**Notes:**

1. A family is in low income and material deprivation if they have a material deprivation score of 25 or more and a household income below 70 per cent contemporary median income, Before Housing Costs. See Appendix 2 for further details.
2. A family is in severe low income and material deprivation if they have a material deprivation score of 25 or more and a household income below 50 per cent contemporary median income, Before Housing Costs. See Appendix 2 for further details.
3. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For those households where children live only with pensioners, the status of all adults is included in the analysis.
4. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.
5. The totals for all children are shown for the United Kingdom for the latest year and are not three-year averages.

Table 4.6db: Percentage of children in low-income groups by various family and household characteristics, United Kingdom

Percentage of children	Source: FRS 2010/11								
	Material Deprivation		Before Housing Costs			After Housing Costs			All children (millions)
	and Low income <sup>1</sup>	and Severe low income <sup>2</sup>	50%	60%	70%	Income Thresholds - Below Median			
			50%	60%	70%	50%	60%	70%	
<b>State support received by family<sup>3</sup></b>									
Disability Living Allowance	19	3	5	11	26	11	21	36	0.9
Jobseeker's Allowance	62	24	30	65	83	68	86	90	0.5
Incapacity Benefit	34	5	7	19	46	14	36	55	0.3
Employment and Support Allowance	51	18	23	37	66	42	64	76	0.1
Child Tax Credit	19	5	9	20	36	19	33	45	8.4
Working Tax Credit	15	4	9	20	36	18	32	48	2.9
Income Support	45	7	10	30	63	31	60	81	1.3
Housing Benefit	44	10	13	32	60	38	63	80	2.6
Not in receipt of any state support listed above	3	2	7	10	13	10	13	16	4.1
<b>Age of youngest child in family</b>									
0 - 4	16	5	10	19	32	19	30	41	5.7
5 - 10	15	4	8	16	28	15	26	34	3.8
11 - 15	11	4	9	18	28	16	25	34	2.7
16 - 19	12	5	10	17	26	17	24	31	0.8
<b>Tenure</b>									
Owners	4	2	7	12	18	9	14	20	8.1
Owned outright	5	3	12	18	28	10	15	22	1.3
Buying with mortgage	4	2	6	10	16	9	14	20	6.8
Social rented sector tenants	42	12	15	35	60	31	52	69	2.5
All rented privately	20	5	10	19	35	32	47	59	2.4
<b>Savings and investments</b>									
No savings	28	8	13	26	45	27	43	56	5.8
Less than £1,500	11	3	8	16	27	15	23	33	2.2
£1,500 but less than £3,000	3	1	7	11	18	10	17	26	1.0
£3,000 but less than £8,000	1	1	6	9	15	9	13	19	1.5
£8,000 but less than £10,000	2	1	6	9	14	7	13	17	0.3
£10,000 but less than £16,000	1	0	2	6	10	4	8	12	0.7
£16,000 but less than £20,000	1	1	4	7	10	6	8	10	0.3
£20,000 or more	0	0	4	6	9	5	7	9	1.4
<b>Household bills in arrears<sup>4</sup></b>									
No bills in arrears	9	3	8	15	24	14	22	31	11.0
One or more bills in arrears	45	13	16	34	56	36	55	69	2.0
<b>Region/Country (3-year average)</b>									
England	16	5	10	19	30	19	29	38	10.9
North East	21	6	11	25	38	20	31	42	0.5
North West	20	6	11	22	35	19	31	40	1.5
Yorkshire and the Humber	21	6	12	25	39	20	32	43	1.1
East Midlands	16	5	8	18	30	15	25	35	0.9
West Midlands	21	7	14	27	40	23	35	44	1.2
East of England	11	4	9	15	24	17	25	33	1.2
London	15	6	11	19	29	27	37	45	1.6
Inner	21	7	13	23	35	32	44	51	0.5
Outer	12	5	10	17	25	24	34	42	1.1
South East	9	3	7	13	21	15	22	30	1.8
South West	13	4	8	16	28	16	26	36	1.0
Wales	20	6	11	23	37	19	31	40	0.6
Scotland	15	5	10	19	29	15	24	32	1.0
Northern Ireland	16	6	13	24	37	16	26	37	0.4
<b>All children<sup>5</sup></b>	<b>14</b>	<b>4</b>	<b>9</b>	<b>18</b>	<b>29</b>	<b>17</b>	<b>27</b>	<b>37</b>	<b>13.0</b>

**Notes:**

1. A family is in low income and material deprivation if they have a material deprivation score of 25 or more and a household income below 70 per cent contemporary median income, Before Housing Costs. See Appendix 2 for further details.
2. A family is in severe low income and material deprivation if they have a material deprivation score of 25 or more and a household income below 50 per cent contemporary median income, Before Housing Costs. See Appendix 2 for further details.
3. The figures given for receipt of benefits/tax credit do not sum to 100 as they are not mutually exclusive groups since people can receive more than one benefit/tax credit.
4. Figures relate to the number of children whose parent / guardian answered the questions on arrears, some children have not been included in these breakdowns due to either: a skipped response, doesn't know the answer or refusal to answer the question.
5. The totals for all children are shown for the United Kingdom for the latest year and are not three-year averages.

## 4 Children

**Table 4.7db (BHC): Quintile distribution of income for children by whether they have the material deprivation items and services, United Kingdom**

Percentage of children <sup>1</sup>		Net equivalised disposable household income					All children
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
Outdoor space / facilities to play safely	Have this	85	86	93	95	98	91
	Don't have this	15	14	7	5	2	9
Enough bedrooms for every child 10 years or over and of a different gender	Child/ren has/have this	76	76	91	96	98	84
	Want but can't afford this	23	21	9	4	0	14
	Don't want or need; doesn't apply	1	3	0	0	2	1
Celebrations on special occasions	Child/ren has/have this	91	95	97	98	99	96
	Want but can't afford this	7	3	2	0	0	3
	Don't want or need; doesn't apply	3	1	1	1	1	2
Leisure equipment such as sports equipment or a bicycle	Child/ren has/have this	79	85	91	95	96	88
	Want but can't afford this	14	9	4	1	0	6
	Don't want or need; doesn't apply	7	6	5	4	4	5
At least one week's holiday away from home with family	Child/ren has/have this	35	43	64	81	89	59
	Want but can't afford this	60	52	31	15	7	36
	Don't want or need; doesn't apply	5	5	5	4	4	5
Hobby or leisure activity	Child/ren does/do this	64	68	77	81	85	74
	Would like to but can't afford this	11	9	4	2	1	6
	Don't want or need; doesn't apply	25	23	19	17	15	21
Swimming at least once a month	Child/ren does/do this	43	47	58	63	73	55
	Would like to but can't afford this	20	17	7	4	1	11
	Don't want or need; doesn't apply	36	36	35	33	26	34
Have friends round for tea or a snack once a fortnight	Child/ren does/do this	59	62	71	74	79	68
	Would like to but can't afford this	13	10	5	2	1	7
	Don't want or need; doesn't apply	28	28	25	24	20	25
Go on school trip at least once a term	Child/ren does/do this	85	88	91	94	97	90
	Would like to but can't afford this	9	6	4	1	0	5
	Don't want or need; doesn't apply	7	6	5	5	2	5
Go to a playgroup at least once a week	Child/ren does/do this	55	60	72	81	86	68
	Would like to but can't afford this	8	9	3	1	0	5
	Don't want or need; doesn't apply	37	31	25	18	14	27
Attend organised activity once a week	Child/ren does/do this	52	58	69	76	83	66
	Would like to but can't afford this	16	14	5	3	1	9
	Don't want or need; doesn't apply	31	29	26	22	16	26
Eat fresh fruit and/or vegetables every day	Child/ren does/do this	83	86	91	95	95	89
	Would like to but can't afford this	8	5	2	0	0	4
	Don't want or need; doesn't apply	9	9	7	4	4	7
Have a warm winter coat	Child/ren does/do this	93	95	98	99	99	96
	Would like to but can't afford this	5	3	1	1	0	2
	Don't want or need; doesn't apply	1	1	1	1	1	1

**Notes:**

1. Percentages relate to the proportion of children whose parent / guardian answered the material deprivation questions. Questions about enough bedrooms, going on a school trip and attend playgroup are not relevant for all children.
2. Percentages may not sum to 100 per cent due to rounding.

**Table 4.7db (AHC): Quintile distribution of income for children by whether they have the material deprivation items and services, United Kingdom**

Percentage of children <sup>1</sup>		Net equivalised disposable household income					All children
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
Outdoor space / facilities to play safely	Have this	84	87	94	95	99	91
	Don't have this	16	13	6	5	1	9
Enough bedrooms for every child 10 years or over and of a different gender	Child/ren has/have this	77	78	90	96	98	84
	Want but can't afford this	22	21	7	4	0	14
	Don't want or need; doesn't apply	1	1	3	0	2	1
Celebrations on special occasions	Child/ren has/have this	91	95	98	98	99	96
	Want but can't afford this	7	3	1	0	0	3
	Don't want or need; doesn't apply	3	1	1	2	1	2
Leisure equipment such as sports equipment or a bicycle	Child/ren has/have this	78	86	93	95	96	88
	Want but can't afford this	14	9	2	1	0	6
	Don't want or need; doesn't apply	8	6	5	4	4	5
At least one week's holiday away from home with family	Child/ren has/have this	33	44	69	81	90	59
	Want but can't afford this	62	51	26	14	6	36
	Don't want or need; doesn't apply	5	5	5	5	4	5
Hobby or leisure activity	Child/ren does/do this	63	69	78	81	86	74
	Would like to but can't afford this	12	8	3	1	0	6
	Don't want or need; doesn't apply	26	23	19	17	13	21
Swimming at least once a month	Child/ren does/do this	43	48	59	64	74	55
	Would like to but can't afford this	20	16	6	4	1	11
	Don't want or need; doesn't apply	37	36	35	33	25	34
Have friends round for tea or a snack once a fortnight	Child/ren does/do this	58	64	72	73	79	68
	Would like to but can't afford this	13	10	3	2	1	7
	Don't want or need; doesn't apply	29	25	24	25	20	25
Go on school trip at least once a term	Child/ren does/do this	83	88	93	94	98	90
	Would like to but can't afford this	9	6	2	2	0	5
	Don't want or need; doesn't apply	8	5	5	5	2	5
Go to a playgroup at least once a week	Child/ren does/do this	54	63	74	80	87	68
	Would like to but can't afford this	10	6	3	1	0	5
	Don't want or need; doesn't apply	36	31	24	19	13	27
Attend organised activity once a week	Child/ren does/do this	50	59	71	76	84	66
	Would like to but can't afford this	18	12	4	2	1	9
	Don't want or need; doesn't apply	32	28	25	22	15	26
Eat fresh fruit and/or vegetables every day	Child/ren does/do this	83	86	92	94	96	89
	Would like to but can't afford this	8	5	1	1	0	4
	Don't want or need; doesn't apply	9	9	6	5	4	7
Have a warm winter coat	Child/ren does/do this	93	96	98	99	99	96
	Would like to but can't afford this	5	3	1	1	0	2
	Don't want or need; doesn't apply	1	1	1	1	1	1

**Notes:**

1. Percentages relate to the proportion of children whose parent / guardian answered the material deprivation questions. Questions about enough bedrooms, going on a school trip and attend playgroup are not relevant for all children.
2. Percentages may not sum to 100 per cent due to rounding.

## 4 Children

**Table 4.8db (BHC): Quintile distribution of income for children by whether their parents have the material deprivation items and services, United Kingdom**

Percentage of children <sup>1</sup>		Net equivalised disposable household income					All children
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
Money to decorate home	Adult/s has/have this	61	69	80	89	93	77
	Would like this but cannot afford it	32	24	15	8	4	18
	Don't want or need; doesn't apply	6	6	5	3	3	5
Hobby or leisure activity	Adult/s has/have this	43	48	59	70	78	57
	Would like this but cannot afford it	34	29	17	9	4	20
	Don't want or need; doesn't apply	23	23	25	21	18	22
Holiday away from home one week a year not with relatives	Adult/s has/have this	28	35	55	74	86	52
	Would like to but cannot afford it	68	61	41	20	10	44
	Don't want or need; doesn't apply	4	4	4	5	4	4
Home contents insurance	Adult/s has/have this	46	58	80	90	96	71
	Would like this but cannot afford it	41	31	12	4	1	20
	Don't want or need; doesn't apply	13	10	8	6	3	9
Friends round for drink / meal at least once a month	Adult/s has/have this	48	52	60	74	82	61
	Would like this but cannot afford it	33	25	14	6	3	18
	Don't want or need; doesn't apply	20	23	25	20	15	21
Make savings of 10 pounds a month or more	Adult/s does/do this	31	38	56	73	85	53
	Would like to but cannot afford it	65	58	39	23	12	43
	Don't want or need; doesn't apply	4	4	5	4	4	4
Two pairs of all weather shoes for each adult	Adult/s has/have this	77	84	93	97	98	89
	Would like this but cannot afford it	21	14	6	3	1	10
	Don't want or need; doesn't apply	2	1	1	1	0	1
Replace worn out furniture	Adult/s does/do this	32	40	51	70	84	52
	Would like to but cannot afford it	55	47	33	19	8	35
	Don't want or need; doesn't apply	13	13	16	11	9	13
Replace broken electrical goods	Adult/s does/do this	44	53	69	82	91	65
	Would like to but cannot afford it	46	36	20	10	2	26
	Don't want or need; doesn't apply	10	11	11	7	6	9
Money to spend on self each week	Adult/s has/have this	40	46	65	81	90	61
	Would like this but cannot afford it	57	50	32	17	8	36
	Don't want or need; doesn't apply	3	4	3	2	2	3
Keep house warm	Adult/s does/do this	78	82	92	96	99	88
	Would like to but cannot afford it	22	17	7	4	1	11
	Don't want or need; doesn't apply	1	1	1	0	0	0
Keep up to date with bills	Adult/s does/do this	77	84	93	96	98	88
	Would like to but cannot afford it	23	16	7	4	2	12
	Don't want or need; doesn't apply	0	0	0	0	0	0

**Notes:**

1. Percentages relate to the proportion of children whose parent / guardian answered the material deprivation questions.
2. Percentages may not sum to 100 per cent due to rounding.

**Table 4.8db (AHC): Quintile distribution of income for children by whether their parents have the material deprivation items and services, United Kingdom**

Percentage of children <sup>1</sup>		Net equivalised disposable household income					Source: FRS 2010/11
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All children
Money to decorate home	Adult/s has/have this	59	71	83	89	94	77
	Would like this but cannot afford it	33	24	13	8	4	18
	Don't want or need; doesn't apply	8	6	5	2	2	5
Hobby or leisure activity	Adult/s has/have this	42	49	60	71	79	57
	Would like this but cannot afford it	35	27	15	7	4	20
	Don't want or need; doesn't apply	23	24	25	21	17	22
Holiday away from home one week a year not with relatives	Adult/s has/have this	26	36	60	75	87	52
	Would like to but cannot afford it	70	60	35	20	9	44
	Don't want or need; doesn't apply	4	4	5	5	4	4
Home contents insurance	Adult/s has/have this	42	61	84	93	97	71
	Would like this but cannot afford it	44	29	8	3	1	20
	Don't want or need; doesn't apply	14	10	8	5	3	9
Friends round for drink / meal at least once a month	Adult/s has/have this	48	52	63	73	83	61
	Would like this but cannot afford it	34	24	11	7	2	18
	Don't want or need; doesn't apply	18	24	26	21	14	21
Make savings of 10 pounds a month or more	Adult/s does/do this	29	39	59	75	85	53
	Would like to but cannot afford it	67	57	36	21	11	43
	Don't want or need; doesn't apply	4	4	5	4	4	4
Two pairs of all weather shoes for each adult	Adult/s has/have this	77	85	93	97	99	89
	Would like this but cannot afford it	22	13	5	2	1	10
	Don't want or need; doesn't apply	1	1	1	1	1	1
Replace worn out furniture	Adult/s does/do this	30	40	56	71	85	52
	Would like to but cannot afford it	56	46	29	18	7	35
	Don't want or need; doesn't apply	14	14	14	11	8	13
Replace broken electrical goods	Adult/s does/do this	40	56	73	84	92	65
	Would like to but cannot afford it	47	33	17	9	3	26
	Don't want or need; doesn't apply	13	10	10	7	5	9
Money to spend on self each week	Adult/s has/have this	38	48	69	82	91	61
	Would like this but cannot afford it	59	48	29	16	7	36
	Don't want or need; doesn't apply	3	4	3	3	2	3
Keep house warm	Adult/s does/do this	76	85	93	96	99	88
	Would like to but cannot afford it	24	14	6	4	1	11
	Don't want or need; doesn't apply	0	1	1	0	0	0
Keep up to date with bills	Adult/s does/do this	76	85	94	96	98	88
	Would like to but cannot afford it	24	15	6	4	2	12
	Don't want or need; doesn't apply	0	0	0	0	0	0

**Notes:**

1. Percentages relate to the proportion of children whose parent / guardian answered the material deprivation questions.
2. Percentages may not sum to 100 per cent due to rounding.

Table 4.1ts: Population of children by family type and economic status of the family, United Kingdom<sup>1</sup>

	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Number of children whose family type is: (millions)</b>																	
At least one adult in work	..	..	9.8	10.1	10.1	10.2	10.2	10.2	10.7	10.5	10.5	10.5	10.7	10.6	10.7	10.7	10.9
Workless families	..	..	2.9	2.6	2.6	2.6	2.5	2.4	2.3	2.4	2.3	2.3	2.2	2.2	2.1	2.3	2.2
Lone parent:	2.6	2.7	2.7	2.8	2.9	3.1	3.1	3.1	3.2	3.2	3.1	3.2	3.2	3.1	3.1	3.0	3.0
In full-time work	..	..	0.5	0.5	0.5	0.6	0.7	0.7	0.8	0.7	0.7	0.8	0.7	0.8	0.8	0.8	0.8
In part-time work	..	..	0.5	0.6	0.6	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.9	0.8	0.8	0.8	0.8
Not working	..	..	1.8	1.7	1.7	1.8	1.7	1.7	1.6	1.6	1.6	1.6	1.6	1.5	1.5	1.4	1.4
Couple with children:	10.1	10.0	10.0	9.9	9.8	9.6	9.6	9.5	9.8	9.8	9.7	9.6	9.7	9.8	9.7	10.0	10.0
Self-employed	..	..	1.7	1.6	1.5	1.5	1.5	1.5	1.5	1.5	1.7	1.6	1.7	1.7	1.6	1.5	1.7
Both in full-time work	..	..	1.7	1.7	1.6	1.7	1.8	1.8	1.9	1.9	1.8	1.9	1.9	1.9	2.0	2.1	2.1
One in full-time work, one in part-time work	..	..	3.0	3.1	3.3	3.2	3.1	3.0	3.1	3.0	3.0	2.9	2.9	2.9	2.9	2.8	2.8
One in full-time work, one not working	..	..	2.2	2.2	2.1	2.0	2.1	2.1	2.2	2.2	2.1	2.0	2.2	2.1	2.1	2.2	2.1
One or more in part-time work	..	..	0.4	0.4	0.4	0.5	0.4	0.4	0.4	0.5	0.4	0.4	0.4	0.4	0.5	0.6	0.6
Both not in work	..	..	1.1	0.9	0.9	0.8	0.7	0.7	0.7	0.8	0.7	0.7	0.6	0.8	0.7	0.8	0.7
Married or Civil Partnered	..	..	..	8.9	8.8	8.5	8.4	8.3	8.5	8.5	8.3	8.2	8.2	8.2	8.1	8.3	8.2
Cohabiting	..	..	..	1.0	1.0	1.2	1.2	1.2	1.3	1.3	1.4	1.4	1.4	1.6	1.6	1.7	1.9
<b>All children (millions)</b>	<b>12.6</b>	<b>12.7</b>	<b>12.7</b>	<b>12.7</b>	<b>12.7</b>	<b>12.7</b>	<b>12.7</b>	<b>12.6</b>	<b>13.0</b>	<b>13.0</b>	<b>12.9</b>	<b>12.8</b>	<b>12.8</b>	<b>12.8</b>	<b>12.8</b>	<b>13.0</b>	<b>13.0</b>
<b>Percentage of children whose family type is:</b>																	
At least one adult in work	..	..	77	80	80	80	81	81	82	81	82	82	83	83	83	83	83
Workless families	..	..	23	20	20	20	19	19	18	19	18	18	17	17	17	17	17
Lone parent:	21	21	21	22	23	24	24	25	25	24	24	25	25	24	24	23	23
In full-time work	..	..	4	4	4	5	5	5	6	6	6	6	6	6	7	6	6
In part-time work	..	..	4	5	5	5	6	6	6	6	7	6	7	6	6	6	6
Not working	..	..	14	13	14	14	13	13	12	13	12	12	12	11	11	11	11
Couple with children:	79	79	79	78	77	76	76	75	75	76	76	75	75	76	76	77	77
Self-employed	..	..	13	13	12	12	12	12	12	11	13	13	13	13	12	12	13
Both in full-time work	..	..	13	13	12	13	14	14	14	15	14	15	15	15	16	16	16
One in full-time work, one in part-time work	..	..	23	25	26	25	24	24	24	23	24	23	22	22	23	21	22
One in full-time work, one not working	..	..	17	17	17	16	17	17	17	17	17	16	17	17	16	17	16
One or more in part-time work	..	..	3	3	3	4	3	3	3	4	3	3	3	3	4	4	4
Both not in work	..	..	9	7	7	6	6	6	6	6	6	6	5	6	5	6	6
Married or Civil Partnered	..	..	..	70	70	67	66	66	65	65	65	64	64	64	63	64	63
Cohabiting	..	..	..	8	8	9	9	10	10	10	11	11	11	12	13	13	14
<b>All children (per cent)</b>	<b>100</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

- Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
- No economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years. Marital status information is only available on a consistent basis from 1997/98.
- Percentages may not sum to 100 per cent due to rounding.

**Table 4.2ts: Population of children by economic status of household<sup>1</sup>, United Kingdom<sup>2</sup>**

	Source: FRS																
	94/95 <sup>3</sup>	95/96 <sup>3</sup>	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Number of children by economic status of household: (millions)</b>																	
All adults in work	..	..	6.6	7.0	7.1	7.1	7.2	7.2	7.5	7.2	7.3	7.3	7.2	7.3	7.3	7.4	7.4
At least one adult in work, but not all	..	..	3.4	3.3	3.2	3.2	3.2	3.2	3.3	3.5	3.4	3.4	3.6	3.5	3.5	3.5	3.6
Workless households	..	..	2.7	2.4	2.4	2.4	2.3	2.2	2.2	2.2	2.1	2.1	2.0	2.0	2.0	2.1	2.0
<b>All children (millions)</b>	12.6	12.7	12.7	12.7	12.7	12.7	12.7	12.6	13.0	13.0	12.9	12.8	12.8	12.8	12.8	13.0	13.0
<b>Percentage of children by economic status of household:</b>																	
All adults in work	..	..	52	55	56	56	57	57	57	56	57	57	56	57	57	57	57
At least one adult in work, but not all	..	..	26	26	25	25	25	25	26	27	27	27	28	27	28	27	28
Workless households	..	..	21	19	19	19	18	18	17	17	16	16	15	16	15	16	16
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For those households where children only live with pensioners, the status of all adults is included in the analysis.
2. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
3. Data on economic status of the household is not available on a consistent basis for earlier years.
4. Percentages may not sum to 100 per cent due to rounding.

Table 4.3ts: Population of children by region and country, United Kingdom<sup>1</sup>

	Source: FRS														
	94/95- 96/97	95/96- 97/98	96/97- 98/99	97/98- 99/00	98/99- 00/01	99/00- 01/02	00/01- 02/03	01/02- 03/04	02/03- 04/05	03/04- 05/06	04/05- 06/07	05/06- 07/08	06/07- 08/09	07/08- 09/10	08/09- 10/11
<b>Number of children whose region/country is: (3-year average, millions)</b>															
England	10.9	11.0	11.0	11.0	11.0	11.0	10.9	10.9	10.8	10.8	10.8	10.8	10.8	10.8	10.9
North East	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
North West	1.6	1.6	1.6	1.6	1.6	1.6	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Yorkshire and the Humber	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
East Midlands	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
West Midlands	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
East of England	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
London	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
South East	1.7	1.7	1.7	1.7	1.8	1.8	1.8	1.8	1.7	1.7	1.7	1.8	1.8	1.8	1.8
South West	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Wales	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Scotland	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Northern Ireland	..	..	..	..	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
<b>All children (millions)<sup>2</sup></b>	12.7	12.7	12.7	12.7	13.1	13.1	13.1	13.0	12.9	12.9	12.8	12.8	12.8	12.9	12.9
<b>Percentage of children whose region/country is: (3-year average)</b>															
England	86	86	86	86	84	84	84	84	84	84	84	84	84	84	84
North East	5	5	5	5	4	4	4	4	4	4	4	4	4	4	4
North West	13	12	12	12	12	12	12	12	12	12	12	12	11	11	11
Yorkshire and the Humber	9	9	9	9	9	9	9	9	9	9	9	9	9	9	8
East Midlands	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
West Midlands	10	10	10	10	9	9	9	9	9	9	9	9	9	9	9
East of England	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
London	12	12	13	13	12	12	12	12	12	12	12	12	12	13	13
South East	14	14	14	14	13	13	13	13	14	14	14	14	14	14	14
South West	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Wales	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Scotland	9	9	9	9	8	8	8	8	8	8	8	8	8	8	8
Northern Ireland	..	..	..	..	3	3	3	3	3	3	3	3	3	3	3
<b>All children (per cent)<sup>2</sup></b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 1998/99-2000/01 onwards. Earlier years are for Great Britain only. Data for Northern Ireland has been imputed for 1998/99 to 2001/02.
2. The all children figures here are three-year averages and are therefore not directly comparable with the totals in the main tables.
3. Percentages may not sum to 100 per cent due to rounding.

Table 4.4ts: Population of children by number of children in the family, United Kingdom<sup>1</sup>

	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Source: FRS</b>																	
<b>Number of children by number of children in the family: (millions)</b>																	
One child	2.9	2.9	3.0	2.9	2.9	2.9	2.9	2.9	3.1	3.1	3.3	3.3	3.4	3.4	3.6	3.8	3.8
Two children	5.7	5.7	5.7	5.6	5.6	5.6	5.6	5.7	5.9	5.7	5.7	5.7	5.7	5.8	5.8	5.9	6.0
Three or more children	4.1	4.1	4.1	4.2	4.1	4.2	4.1	4.0	4.1	4.2	3.9	3.8	3.7	3.6	3.4	3.3	3.2
<b>All children (millions)</b>	12.6	12.7	12.7	12.7	12.7	12.7	12.7	12.6	13.0	13.0	12.9	12.8	12.8	12.8	12.8	13.0	13.0
<b>Percentage of children by number of children in the family:</b>																	
One child	23	23	23	23	23	23	23	23	24	24	25	26	26	27	28	29	29
Two children	45	45	44	44	44	44	44	45	45	44	45	45	45	45	45	45	46
Three or more children	32	32	32	33	33	33	33	32	31	32	30	30	29	28	27	26	25
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

Table 4.5ts: Population of children by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>

	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
Source: FRS																	
<b>Number of children (millions) who are:</b>																	
Children in families where no-one is disabled	..	9.7	9.8	9.4	9.4	9.7	9.5	9.6	9.8	9.9	9.9	9.7	9.9	9.8	9.9	9.8	9.8
Children in families where someone is disabled	..	3.0	2.9	3.3	3.3	3.1	3.2	3.0	3.2	3.1	3.0	3.2	2.9	3.0	2.9	3.2	3.2
1 or more disabled adult, no disabled child	..	1.6	1.6	1.8	1.9	1.7	1.8	1.7	1.7	1.7	1.6	1.8	1.6	1.6	1.5	1.7	1.8
Those living in families with disabled children	..	1.4	1.3	1.4	1.4	1.3	1.4	1.3	1.4	1.4	1.3	1.4	1.3	1.4	1.4	1.5	1.5
With no disabled adult	..	1.0	0.9	1.0	1.0	0.9	0.9	0.8	0.9	0.9	0.8	0.9	0.8	0.9	0.9	0.9	0.9
With 1 or more disabled adult	..	0.4	0.4	0.4	0.5	0.5	0.5	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6
In receipt of disability benefits	..	0.6	0.7	0.6	0.7	0.7	0.8	0.6	0.9	0.9	0.8	0.9	0.8	0.8	0.8	0.9	0.9
Not in receipt of disability benefits	..	2.4	2.2	2.6	2.6	2.3	2.4	2.3	2.3	2.2	2.1	2.3	2.2	2.2	2.1	2.3	2.3
<b>All children (millions)</b>	12.6	12.7	12.7	12.7	12.7	12.7	12.7	12.6	13.0	13.0	12.9	12.8	12.8	12.8	12.8	13.0	13.0
<b>Percentage of children who are:</b>																	
Children in families where no-one is disabled	..	77	77	74	74	76	75	76	76	76	77	75	77	77	77	75	75
Children in families where someone is disabled	..	23	23	26	26	24	25	24	24	24	23	25	23	23	23	25	25
1 or more disabled adult, no disabled child	..	13	12	14	15	14	14	14	13	13	13	14	13	12	12	13	14
Those living in families with disabled children	..	11	10	11	11	10	11	10	11	10	10	11	10	11	11	11	11
With no disabled adult	..	8	7	8	8	7	7	7	7	7	7	7	7	7	7	7	7
With 1 or more disabled adult	..	3	3	4	4	4	4	4	4	4	4	4	4	4	4	4	4
In receipt of disability benefits	..	4	5	5	5	6	6	5	7	7	6	7	6	7	6	7	7
Not in receipt of disability benefits	..	19	18	21	21	18	19	19	18	17	17	18	17	17	17	18	18
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

Table 4.6ts: Composition of children living in households with less than 60 per cent of contemporary median household income, by family type and economic status of the family, United Kingdom<sup>1</sup>

Percentage of children	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
At least one adult in work	..	..	43	48	48	48	47	48	49	49	51	52	54	54	57	56	60
Workless families	..	..	57	52	52	52	53	52	51	51	49	48	46	46	43	44	40
Lone parent:	35	34	39	40	40	43	43	43	43	42	43	40	40	38	38	32	29
In full-time work	..	..	2	2	2	2	2	2	3	2	3	2	2	3	4	3	3
In part-time work	..	..	4	6	6	6	6	7	7	6	7	6	6	7	5	5	4
Not working	..	..	33	33	32	36	36	34	34	34	33	32	32	28	28	24	21
Couple with children:	65	66	61	60	60	57	57	57	57	58	57	60	60	62	62	68	71
Self-employed	..	..	11	13	12	12	12	13	12	12	15	16	14	14	13	14	17
Both in full-time work	..	..	1	1	1	0	1	1	1	1	2	2	2	2	2	3	2
One in full-time work, one in part-time work	..	..	4	5	5	5	4	5	4	4	5	5	4	4	5	4	5
One in full-time work, one not working	..	..	15	15	16	15	15	13	14	14	14	14	17	16	17	16	17
One or more in part-time work	..	..	7	7	7	9	7	9	7	9	6	7	8	8	10	11	11
Both not in work	..	..	24	19	19	16	17	17	18	18	16	16	14	18	15	20	19
Married or Civil Partnered	..	..	..	50	50	47	47	45	46	47	46	49	49	48	47	54	51
Cohabiting	..	..	..	9	10	10	10	11	11	11	12	12	11	14	15	14	20
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
At least one adult in work	..	..	44	49	50	49	50	49	51	49	52	55	57	57	59	56	58
Workless families	..	..	56	51	50	51	50	51	49	51	48	45	43	43	41	44	42
Lone parent:	39	39	42	42	43	45	45	46	45	44	45	42	42	40	40	37	35
In full-time work	..	..	2	2	2	2	3	3	4	2	3	3	3	4	5	4	4
In part-time work	..	..	5	7	8	7	7	8	8	7	8	7	8	7	6	5	5
Not working	..	..	35	34	33	36	36	36	33	35	33	32	31	28	28	27	26
Couple with children:	61	61	58	58	57	55	55	54	55	56	55	58	58	60	60	63	65
Self-employed	..	..	11	12	11	11	11	11	10	10	13	14	13	14	12	12	14
Both in full-time work	..	..	1	1	1	1	1	1	2	2	2	2	2	3	2	3	3
One in full-time work, one in part-time work	..	..	4	6	5	6	6	6	5	6	6	6	6	6	6	6	6
One in full-time work, one not working	..	..	15	16	17	15	16	13	16	15	15	16	18	17	18	17	17
One or more in part-time work	..	..	6	6	6	7	6	7	6	8	5	6	7	6	9	10	10
Both not in work	..	..	21	17	17	15	14	15	15	17	15	14	12	15	13	17	16
Married or Civil Partnered	..	..	..	49	48	45	45	44	44	45	44	47	46	46	45	49	47
Cohabiting	..	..	..	9	9	10	10	10	10	11	11	11	11	14	15	15	18
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

- Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
- No economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years. Marital status information is only available on a consistent basis from 1997/98.
- Percentages may not sum to 100 per cent due to rounding.

Table 4.7ts: Composition of children living in households with less than 60 per cent of contemporary median household income, by economic status of household<sup>1</sup>, United Kingdom<sup>2</sup>

Percentage of children	Source: FRS																
	94/95 <sup>3</sup>	95/96 <sup>3</sup>	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
All adults in work	..	..	16	20	20	19	19	22	20	19	22	21	20	20	20	20	23
At least one adult in work, but not all	..	..	29	30	31	32	31	29	31	32	31	34	37	37	39	38	39
Workless households	..	..	55	50	49	50	50	49	49	49	47	45	43	43	41	43	38
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
All adults in work	..	..	18	22	23	22	23	24	23	21	24	24	24	24	24	22	24
At least one adult in work, but not all	..	..	28	29	30	30	30	27	30	31	30	33	36	35	37	35	36
Workless households	..	..	54	49	47	48	47	48	46	49	46	43	41	41	39	42	40
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For those households where children only live with pensioners, the status of all adults is included in the analysis.
2. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
3. Data on economic status of the household is not available on a consistent basis for earlier years.
4. Percentages may not sum to 100 per cent due to rounding.

Table 4.8ts: Composition of children living in households with less than 60 per cent of contemporary median household income, by number of children in family, United Kingdom<sup>1</sup>

Percentage of children	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
One child	15	15	16	15	15	17	18	19	20	20	20	22	21	21	24	24	28
Two children	36	35	34	37	34	36	36	36	37	38	38	38	36	38	37	42	38
Three or more children	49	50	50	49	50	47	46	45	44	42	41	41	43	41	38	33	34
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
One child	19	18	19	17	18	19	19	20	21	22	22	23	23	23	26	26	28
Two children	36	36	35	38	37	36	36	36	38	38	39	39	37	39	39	42	40
Three or more children	45	45	46	45	45	45	44	43	41	40	39	38	40	38	35	31	32
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

Table 4.9ts: Composition of children living in households with less than 60 per cent of contemporary median household income, by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>

Percentage of children	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Children in families where no-one is disabled	..	69	71	64	66	69	66	68	69	71	69	68	69	67	70	69	69
Children in families where someone is disabled	..	31	29	36	34	31	34	32	31	29	31	32	31	33	30	31	31
1 or more disabled adult, no disabled child	..	17	17	19	20	18	20	21	19	18	19	21	19	19	16	20	20
Those living in families with disabled children	..	14	12	16	15	13	14	11	12	11	12	11	13	14	14	11	11
With no disabled adult	..	10	8	11	9	7	8	6	7	6	6	6	7	8	8	5	6
With 1 or more disabled adult	..	5	4	6	6	6	5	6	5	5	6	5	5	6	6	6	5
In receipt of disability benefits	..	2	3	4	4	5	4	4	6	4	5	6	5	6	6	6	4
Not in receipt of disability benefits	..	29	26	31	30	27	30	29	26	25	26	25	26	27	25	25	27
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
Children in families where no-one is disabled	..	69	72	66	67	69	67	69	70	70	69	70	72	69	71	70	70
Children in families where someone is disabled	..	31	28	34	33	31	33	31	30	30	31	30	28	31	29	30	30
1 or more disabled adult, no disabled child	..	17	16	19	19	18	20	20	18	19	19	19	17	17	16	19	19
Those living in families with disabled children	..	14	13	15	15	13	13	12	12	11	12	11	11	14	14	11	12
With no disabled adult	..	9	9	10	9	7	8	6	7	7	6	6	7	8	8	5	6
With 1 or more disabled adult	..	5	4	5	6	6	5	5	5	5	6	5	4	6	6	6	6
In receipt of disability benefits	..	3	3	5	5	5	4	4	6	5	6	6	5	6	6	6	5
Not in receipt of disability benefits	..	28	25	29	29	26	29	27	24	25	25	24	24	25	24	24	25
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

**Table 4.10ts: Composition of children living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by family type and economic status of the family, United Kingdom<sup>1</sup>**

Percentage of children	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
At least one adult in work	..	..	45	48	48	48	46	51	48	50	52	54	56	54	59	56	61
Workless families	..	..	55	52	52	52	54	49	52	50	48	46	44	46	41	44	39
Lone parent:	36	36	39	40	40	43	42	39	39	38	38	33	36	35	32	26	24
In full-time work	..	..	2	2	2	2	2	3	3	2	3	2	2	3	4	2	4
In part-time work	..	..	4	6	6	5	5	6	6	7	6	5	5	6	4	4	3
Not working	..	..	33	33	32	36	35	30	30	30	29	26	28	26	23	20	18
Couple with children:	64	64	61	60	60	57	58	61	61	62	62	67	64	65	68	74	76
Self-employed	..	..	11	13	12	12	13	16	14	14	18	20	18	17	17	17	21
Both in full-time work	..	..	1	1	1	0	1	0	1	1	2	1	2	2	2	3	1
One in full-time work, one in part-time work	..	..	4	5	5	4	3	5	4	4	5	5	4	3	6	5	4
One in full-time work, one not working	..	..	16	15	16	14	15	11	12	12	12	13	15	14	14	13	14
One or more in part-time work	..	..	7	7	7	9	8	10	9	10	7	8	10	9	11	12	13
Both not in work	..	..	23	19	19	17	19	19	22	20	19	19	16	20	17	24	21
Married or Civil Partnered	..	..	..	51	50	47	48	50	50	52	49	54	53	51	53	59	56
Cohabiting	..	..	..	9	10	10	10	11	10	10	12	13	11	15	15	15	20
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
At least one adult in work	..	..	46	50	50	48	46	45	46	46	50	53	55	55	59	54	57
Workless families	..	..	54	50	50	52	54	55	54	54	50	47	45	45	41	46	43
Lone parent:	38	38	41	42	43	46	47	47	47	44	43	40	40	39	37	34	32
In full-time work	..	..	2	2	2	2	2	2	3	2	3	3	3	4	5	3	4
In part-time work	..	..	5	7	8	7	6	7	7	6	7	6	6	6	5	5	4
Not working	..	..	34	33	33	37	38	37	36	36	33	32	31	29	27	26	24
Couple with children:	62	62	59	58	57	54	53	53	53	56	57	60	60	61	63	66	68
Self-employed	..	..	11	12	11	11	11	12	12	12	15	18	15	15	14	14	16
Both in full-time work	..	..	1	1	1	1	1	1	1	2	1	2	2	3	2	3	2
One in full-time work, one in part-time work	..	..	5	6	5	5	4	4	4	5	5	4	5	6	5	5	5
One in full-time work, one not working	..	..	16	16	17	15	14	11	12	12	13	13	16	15	17	14	16
One or more in part-time work	..	..	6	6	6	8	6	8	7	9	5	6	8	7	10	10	10
Both not in work	..	..	20	17	17	15	15	17	18	18	17	16	14	17	14	20	18
Married or Civil Partnered	..	..	..	49	48	44	43	43	44	46	45	49	48	48	48	51	48
Cohabiting	..	..	..	9	9	10	9	10	10	10	12	11	12	13	15	15	20
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

- Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
- No economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years. Marital status information is only available on a consistent basis from 1997/98.
- Percentages may not sum to 100 per cent due to rounding.

**Table 4.11ts: Composition of children living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by economic status of household<sup>1</sup>, United Kingdom<sup>2</sup>**

Percentage of children	Source: FRS																
	94/95 <sup>3</sup>	95/96 <sup>3</sup>	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
All adults in work	..	..	17	20	20	18	18	24	20	20	22	20	20	19	23	20	23
At least one adult in work, but not all	..	..	30	30	31	31	31	30	32	33	34	37	38	38	39	37	40
Workless households	..	..	53	50	49	50	51	47	49	47	45	43	42	43	38	42	37
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
All adults in work	..	..	19	23	23	21	21	22	21	19	22	22	21	22	22	21	23
At least one adult in work, but not all	..	..	29	29	30	30	28	26	27	30	30	33	36	35	38	35	37
Workless households	..	..	52	48	47	49	51	52	52	51	48	45	43	43	39	44	40
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For those households where children only live with pensioners, the status of all adults is included in the analysis.
2. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
3. Data on economic status of the household is not available on a consistent basis for earlier years.
4. Percentages may not sum to 100 per cent due to rounding.

**Table 4.12ts: Composition of children living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by number of children in family, United Kingdom<sup>1</sup>**

Percentage of children	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
One child	16	16	16	15	15	17	18	20	21	21	21	22	22	21	26	25	28
Two children	36	36	34	37	34	35	35	37	36	37	38	40	35	37	38	43	39
Three or more children	47	48	50	48	50	48	47	43	42	42	41	38	44	42	36	32	33
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
One child	18	18	19	17	18	19	20	22	24	24	26	26	26	25	30	30	32
Two children	37	37	35	38	37	36	36	39	38	38	38	38	35	38	39	42	39
Three or more children	45	45	46	44	45	45	44	39	39	38	37	35	39	37	31	28	29
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

**Table 4.13ts: Composition of children living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>**

Percentage of children	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Children in families where no-one is disabled	..	68	71	65	66	70	65	68	68	72	71	69	69	67	73	68	70
Children in families where someone is disabled	..	32	29	35	34	30	35	32	32	28	29	31	31	33	27	32	30
1 or more disabled adult, no disabled child	..	17	17	19	20	17	21	21	19	18	19	21	19	18	16	21	20
Those living in families with disabled children	..	15	12	16	15	13	13	10	12	10	11	10	12	15	11	11	10
With no disabled adult	..	10	8	10	9	7	8	6	7	6	6	6	7	9	5	5	6
With 1 or more disabled adult	..	5	4	5	6	7	5	5	5	4	5	5	5	6	6	5	4
In receipt of disability benefits	..	4	3	4	4	4	4	3	6	3	5	5	5	5	4	6	4
Not in receipt of disability benefits	..	28	26	31	30	26	30	28	26	25	24	26	26	28	23	26	26
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
Children in families where no-one is disabled	..	69	71	66	67	70	67	69	70	74	71	71	71	70	72	70	70
Children in families where someone is disabled	..	31	29	34	33	30	33	31	30	26	29	29	29	30	28	30	30
1 or more disabled adult, no disabled child	..	17	16	19	19	18	20	21	19	17	18	19	18	17	15	20	20
Those living in families with disabled children	..	14	13	15	15	12	13	10	11	10	10	10	11	14	13	10	11
With no disabled adult	..	9	9	10	9	7	8	5	6	6	5	6	7	8	7	5	7
With 1 or more disabled adult	..	5	4	5	6	6	5	5	5	4	5	4	4	6	6	6	4
In receipt of disability benefits	..	4	4	5	5	4	4	3	5	3	5	4	4	5	5	5	4
Not in receipt of disability benefits	..	27	25	29	29	26	29	27	25	23	24	24	25	25	23	25	26
<b>All children (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

Table 4.14ts: Percentage of children living in households with less than 60 per cent of contemporary median household income, by family type and economic status of the family, United Kingdom<sup>1</sup>

Percentage of children	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
At least one adult in work	..	..	15	16	16	15	14	14	13	13	13	14	14	15	15	13	13
Workless families	..	..	67	68	66	66	64	63	64	61	58	59	61	59	57	50	42
Lone parent:	43	38	49	49	46	46	41	41	40	38	37	35	37	36	34	27	22
In full-time work	..	..	12	13	10	10	8	11	12	8	11	9	9	11	14	9	10
In part-time work	..	..	29	31	31	28	23	26	24	22	23	19	20	25	19	16	13
Not working	..	..	64	66	62	65	63	59	61	59	56	56	58	56	54	44	34
Couple with children:	21	20	21	21	20	19	17	17	17	17	16	18	18	18	18	17	16
Self-employed	..	..	22	28	26	26	23	24	23	23	24	28	24	24	23	23	23
Both in full-time work	..	..	2	2	1	1	2	1	2	2	3	3	2	4	2	3	2
One in full-time work, one in part-time work	..	..	4	5	5	5	4	4	4	4	4	5	4	4	5	4	4
One in full-time work, one not working	..	..	23	24	25	24	21	18	19	19	18	20	23	21	23	19	18
One or more in part-time work	..	..	61	64	55	65	54	63	57	51	42	45	51	57	55	48	43
Both not in work	..	..	72	72	74	67	67	71	71	64	62	64	68	67	64	61	58
Married or Civil Partnered	..	..	..	19	19	18	16	16	16	16	15	17	17	17	16	16	14
Cohabiting	..	..	..	33	33	28	24	27	24	23	23	23	22	26	26	22	24
<b>All children (per cent)</b>	<b>25</b>	<b>24</b>	<b>27</b>	<b>27</b>	<b>26</b>	<b>26</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>22</b>	<b>21</b>	<b>22</b>	<b>22</b>	<b>23</b>	<b>22</b>	<b>20</b>	<b>18</b>
<b>After Housing Costs</b>																	
At least one adult in work	..	..	20	20	21	20	19	19	19	17	18	20	21	21	21	20	19
Workless families	..	..	83	83	83	82	80	82	80	78	76	75	77	77	75	74	68
Lone parent:	62	61	67	64	64	62	58	58	55	52	52	50	52	52	50	46	41
In full-time work	..	..	18	17	19	16	16	15	18	12	16	17	18	22	22	18	18
In part-time work	..	..	45	47	52	43	39	41	39	32	36	32	34	35	31	25	23
Not working	..	..	86	84	83	84	83	82	80	79	77	76	78	76	75	73	64
Couple with children:	25	25	25	25	25	24	22	22	22	21	21	23	23	25	24	24	23
Self-employed	..	..	28	31	31	30	30	28	26	26	28	32	31	32	31	29	30
Both in full-time work	..	..	3	3	3	2	3	3	4	4	4	5	5	6	5	5	4
One in full-time work, one in part-time work	..	..	6	8	7	7	8	8	6	6	7	8	8	8	8	8	7
One in full-time work, one not working	..	..	30	30	34	31	30	24	27	26	25	29	33	32	33	29	29
One or more in part-time work	..	..	69	71	62	69	62	68	65	58	49	56	62	62	64	63	60
Both not in work	..	..	79	82	84	78	75	82	80	77	75	75	76	78	75	76	75
Married or Civil Partnered	..	..	..	23	23	22	21	21	20	20	19	22	22	22	22	22	20
Cohabiting	..	..	..	39	42	36	32	32	31	30	30	29	31	36	36	34	34
<b>All children (per cent)</b>	<b>33</b>	<b>33</b>	<b>34</b>	<b>33</b>	<b>34</b>	<b>33</b>	<b>31</b>	<b>31</b>	<b>30</b>	<b>29</b>	<b>28</b>	<b>30</b>	<b>30</b>	<b>31</b>	<b>30</b>	<b>29</b>	<b>27</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. No economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years. Marital status information is only available on a consistent basis from 1997/98.

Table 4.15ts: Percentage of children living in households with less than 60 per cent of contemporary median household income, by economic status of household<sup>1</sup>, United Kingdom<sup>2</sup>

Percentage of children	Source: FRS																
	94/95 <sup>3</sup>	95/96 <sup>3</sup>	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
All adults in work	..	..	8	10	9	8	8	9	8	8	8	8	8	8	8	7	7
At least one adult in work, but not all	..	..	29	31	32	32	28	26	27	27	25	28	29	30	31	27	25
Workless households	..	..	69	71	68	69	65	64	65	63	60	60	63	61	58	51	43
<b>All children (per cent)</b>	25	24	27	27	26	26	23	23	23	22	21	22	22	23	22	20	18
<b>After Housing Costs</b>																	
All adults in work	..	..	12	13	14	13	12	13	12	11	12	12	13	13	13	11	12
At least one adult in work, but not all	..	..	36	37	40	39	37	33	35	33	32	37	39	39	40	38	36
Workless households	..	..	86	86	85	85	82	84	82	81	78	78	81	80	78	76	69
<b>All children (per cent)</b>	33	33	34	33	34	33	31	31	30	29	28	30	30	31	30	29	27

**Notes:**

1. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For those households where children only live with pensioners, the status of all adults is included in the analysis.
2. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
3. Data on economic status of the household is not available on a consistent basis for earlier years.

**Table 4.16ts: Percentage of children living in households with less than 60 per cent of contemporary median household income, by region and country, United Kingdom<sup>1</sup>**

Percentage of children	Source: FRS														
	94/95- 96/97	95/96- 97/98	96/97- 98/99	97/98- 99/00	98/99- 00/01	99/00- 01/02	00/01- 02/03	01/02- 03/04	02/03- 04/05	03/04- 05/06	04/05- 06/07	05/06- 07/08	06/07- 08/09	07/08- 09/10	08/09- 10/11
<b>Before Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	25	25	26	26	24	23	22	22	22	22	22	22	22	21	19
North East	32	33	35	34	34	30	32	30	31	28	28	28	28	27	25
North West	29	30	33	32	30	27	26	26	24	24	25	27	26	25	22
Yorkshire and the Humber	31	30	32	32	30	29	27	26	25	25	25	26	26	26	25
East Midlands	26	25	25	24	26	25	26	24	23	23	24	26	25	23	18
West Midlands	27	29	28	28	27	28	26	26	25	26	26	27	29	29	27
East of England	19	19	20	19	17	16	15	15	15	16	15	15	16	16	15
London	25	26	27	27	27	26	25	26	27	26	25	23	22	20	19
South East	17	17	17	16	15	15	14	13	13	13	15	15	15	14	13
South West	21	21	23	24	22	20	19	18	18	17	17	18	17	17	16
Wales	29	31	30	30	29	28	28	27	26	24	25	27	26	26	23
Scotland	29	29	29	29	28	27	26	25	23	22	21	21	21	20	19
Northern Ireland	..	..	..	..	29	28	26	26	25	25	24	24	23	25	24
<b>All children (per cent)<sup>2</sup></b>	25	26	27	26	25	24	23	23	22	22	22	22	22	21	20
<b>After Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	33	33	34	33	33	31	30	30	29	29	30	31	31	31	29
North East	37	38	40	40	39	35	36	33	34	32	33	33	35	33	31
North West	36	36	39	38	37	35	33	32	30	31	31	34	33	33	31
Yorkshire and the Humber	35	35	36	36	35	33	32	32	31	30	29	30	31	32	32
East Midlands	31	30	30	30	30	29	29	28	28	27	29	30	30	28	25
West Midlands	33	34	34	33	34	34	34	32	31	32	33	35	36	36	35
East of England	29	27	28	27	26	24	23	23	23	24	25	26	26	26	25
London	41	42	42	42	41	40	39	38	40	41	41	39	39	38	37
South East	27	26	26	25	24	24	23	22	22	22	25	26	26	24	22
South West	31	31	32	31	30	29	28	28	26	26	26	27	26	26	26
Wales	36	37	36	36	35	34	34	32	31	28	29	32	32	33	31
Scotland	32	32	32	31	32	32	30	28	26	25	25	24	25	25	24
Northern Ireland	..	..	..	..	30	29	28	28	27	27	26	26	25	27	26
<b>All children (per cent)<sup>2</sup></b>	33	33	34	33	33	31	30	30	29	29	30	30	31	30	29

**Notes:**

- Figures are for the United Kingdom from 1998/99-2000/01 onwards. Earlier years are for Great Britain only. Data for Northern Ireland has been imputed for 1998/99 to 2001/02.
- The all children figures here are three-year averages and are therefore not directly comparable with the totals in the main tables.

Table 4.17ts: Number of children living in households with less than 60 per cent of contemporary median household income, by region and country, United Kingdom<sup>1</sup>

Number of children (millions)	Source: FRS														
	94/95- 96/97	95/96- 97/98	96/97- 98/99	97/98- 99/00	98/99- 00/01	99/00- 01/02	00/01- 02/03	01/02- 03/04	02/03- 04/05	03/04- 05/06	04/05- 06/07	05/06- 07/08	06/07- 08/09	07/08- 09/10	08/09- 10/11
<b>Before Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	2.7	2.7	2.9	2.8	2.7	2.6	2.4	2.4	2.3	2.3	2.3	2.4	2.4	2.3	2.1
North East	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1
North West	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3
Yorkshire and the Humber	0.3	0.3	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
East Midlands	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
West Midlands	0.3	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
East of England	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
London	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3
South East	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.2	0.2
South West	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Wales	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1
Scotland	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Northern Ireland	..	..	..	..	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>All children (millions)<sup>2</sup></b>	<b>3.2</b>	<b>3.3</b>	<b>3.4</b>	<b>3.3</b>	<b>3.3</b>	<b>3.2</b>	<b>3.0</b>	<b>2.9</b>	<b>2.9</b>	<b>2.8</b>	<b>2.8</b>	<b>2.9</b>	<b>2.8</b>	<b>2.7</b>	<b>2.5</b>
<b>After Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	3.6	3.6	3.7	3.7	3.6	3.4	3.3	3.2	3.2	3.2	3.2	3.4	3.4	3.3	3.2
North East	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
North West	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Yorkshire and the Humber	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.4	0.3
East Midlands	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2
West Midlands	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
East of England	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
London	0.6	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
South East	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.4	0.4
South West	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Wales	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Scotland	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2
Northern Ireland	..	..	..	..	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>All children (millions)<sup>2</sup></b>	<b>4.2</b>	<b>4.2</b>	<b>4.3</b>	<b>4.2</b>	<b>4.3</b>	<b>4.1</b>	<b>4.0</b>	<b>3.9</b>	<b>3.7</b>	<b>3.7</b>	<b>3.8</b>	<b>3.9</b>	<b>3.9</b>	<b>3.9</b>	<b>3.7</b>

**Notes:**

- Figures are for the United Kingdom from 1998/99-2000/01 onwards. Earlier years are for Great Britain only. Data for Northern Ireland has been imputed for 1998/99 to 2001/02.
- The all children figures here are three-year averages and are therefore not directly comparable with the totals in the main tables.

Table 4.18ts: Percentage of children living in households with less than 60 per cent of contemporary median household income, by number of children in family, United Kingdom<sup>1</sup>

Percentage of children	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
One child	17	16	18	17	17	19	18	19	19	19	17	19	18	18	19	16	17
Two children	20	18	20	22	20	21	19	18	18	19	18	18	18	19	18	18	15
Three or more children	39	37	42	40	40	37	33	33	31	29	30	30	33	33	31	26	24
<b>All children (per cent)</b>	<b>25</b>	<b>24</b>	<b>27</b>	<b>27</b>	<b>26</b>	<b>26</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>22</b>	<b>21</b>	<b>22</b>	<b>22</b>	<b>23</b>	<b>22</b>	<b>20</b>	<b>18</b>
<b>After Housing Costs</b>																	
One child	27	26	28	25	26	26	26	27	27	26	25	27	27	26	27	26	26
Two children	26	27	27	29	28	27	26	25	25	25	25	26	25	27	26	27	24
Three or more children	46	46	48	45	47	45	42	42	39	36	37	38	42	43	40	35	35
<b>All children (per cent)</b>	<b>33</b>	<b>33</b>	<b>34</b>	<b>33</b>	<b>34</b>	<b>33</b>	<b>31</b>	<b>31</b>	<b>30</b>	<b>29</b>	<b>28</b>	<b>30</b>	<b>30</b>	<b>31</b>	<b>30</b>	<b>29</b>	<b>27</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

Table 4.19ts: Percentage of children living in households with less than 60 per cent of contemporary median household income, by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>

Percentage of children	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Children in families where no-one is disabled	..	21	25	23	23	23	21	20	21	21	19	20	20	20	20	18	16
Children in families where someone is disabled	..	31	34	37	34	33	31	32	29	27	29	28	30	32	29	25	22
1 or more disabled adult, no disabled child	..	31	36	36	34	34	34	36	32	31	32	33	33	35	29	29	26
Those living in families with disabled children	..	32	31	38	34	33	28	26	25	23	25	22	27	29	28	19	18
With no disabled adult	..	30	31	36	29	27	26	21	22	20	20	20	25	26	25	14	16
With 1 or more disabled adult	..	36	33	43	42	44	32	36	31	28	32	24	31	33	34	27	20
In receipt of disability benefits	..	12	16	23	21	20	15	17	19	13	17	19	18	21	19	17	11
Not in receipt of disability benefits	..	36	39	40	37	37	36	36	33	33	33	32	35	36	33	27	26
<b>All children (per cent)</b>	25	24	27	27	26	26	23	23	23	22	21	22	22	23	22	20	18
<b>After Housing Costs</b>																	
Children in families where no-one is disabled	..	30	32	30	31	30	28	28	28	26	26	27	28	28	28	27	25
Children in families where someone is disabled	..	44	43	44	43	42	40	40	37	36	38	37	38	41	39	36	33
1 or more disabled adult, no disabled child	..	44	43	43	43	43	43	44	40	40	43	42	41	44	40	41	37
Those living in families with disabled children	..	43	42	44	44	40	37	35	32	31	32	30	34	38	38	29	28
With no disabled adult	..	40	42	42	39	34	34	29	28	29	26	26	32	34	35	22	24
With 1 or more disabled adult	..	52	42	50	52	52	41	47	39	37	41	36	36	44	42	40	34
In receipt of disability benefits	..	22	23	30	30	28	22	25	25	21	25	26	24	30	27	25	20
Not in receipt of disability benefits	..	49	48	47	47	46	46	44	41	42	43	41	42	45	43	39	38
<b>All children (per cent)</b>	33	33	34	33	34	33	31	31	30	29	28	30	30	31	30	29	27

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

**Table 4.20ts: Percentage of children living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by family type and economic status of the family, United Kingdom<sup>1</sup>**

Percentage of children	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
At least one adult in work	..	..	17	17	16	14	11	9	8	9	8	8	9	9	9	7	8
Workless families	..	..	70	70	66	60	53	39	40	36	34	32	34	35	30	27	25
Lone parent:	53	50	53	51	46	41	33	24	22	22	20	17	19	19	16	12	11
In full-time work	..	..	15	13	10	9	6	7	8	4	7	5	5	7	8	4	7
In part-time work	..	..	33	32	31	24	17	17	14	15	12	10	10	12	9	7	5
Not working	..	..	68	68	62	59	50	34	34	33	31	27	30	30	25	20	17
Couple with children:	24	24	22	21	20	18	15	12	11	11	11	11	11	12	11	10	10
Self-employed	..	..	25	29	26	24	21	19	16	17	18	20	18	17	17	16	18
Both in full-time work	..	..	2	2	1	1	2	1	1	1	2	1	2	2	2	2	1
One in full-time work, one in part-time work	..	..	5	5	5	4	2	3	2	2	3	3	2	2	3	3	2
One in full-time work, one not working	..	..	27	25	25	21	17	10	10	10	9	11	11	11	10	8	9
One or more in part-time work	..	..	62	65	55	62	46	50	42	38	30	29	37	39	34	28	32
Both not in work	..	..	74	74	74	63	60	52	54	43	42	45	46	46	42	40	39
Married or Civil Partnered	..	..	..	20	19	16	14	11	11	11	10	11	11	11	10	10	9
Cohabiting	..	..	..	34	33	26	20	18	14	13	15	15	13	16	14	13	15
<b>All children (per cent)</b>	<b>30</b>	<b>29</b>	<b>29</b>	<b>28</b>	<b>26</b>	<b>23</b>	<b>19</b>	<b>15</b>	<b>14</b>	<b>14</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>12</b>	<b>11</b>	<b>11</b>
<b>After Housing Costs</b>																	
At least one adult in work	..	..	22	21	21	19	16	13	11	11	11	12	13	13	13	12	12
Workless families	..	..	86	84	83	80	76	66	62	56	50	49	51	51	47	47	45
Lone parent:	69	68	70	66	64	59	53	44	39	35	32	30	31	31	29	26	25
In full-time work	..	..	21	19	19	15	12	10	12	7	9	9	10	11	14	9	12
In part-time work	..	..	49	50	52	40	31	28	23	19	19	17	18	19	15	14	12
Not working	..	..	88	85	83	82	78	64	60	56	48	47	49	49	45	42	39
Couple with children:	29	29	27	25	25	22	19	16	15	15	13	15	15	16	16	15	16
Self-employed	..	..	30	32	31	29	27	23	20	20	21	26	22	22	21	21	22
Both in full-time work	..	..	3	3	3	1	3	1	2	2	2	2	2	4	3	3	2
One in full-time work, one in part-time work	..	..	7	8	7	6	5	4	3	4	4	4	4	4	5	4	4
One in full-time work, one not working	..	..	33	31	34	28	23	15	14	14	14	15	18	17	20	15	17
One or more in part-time work	..	..	73	72	62	67	56	56	48	45	31	35	47	44	45	41	42
Both not in work	..	..	83	83	84	75	71	71	67	57	54	53	58	54	51	55	58
Married or Civil Partnered	..	..	..	24	23	20	18	15	14	14	12	14	14	15	14	14	14
Cohabiting	..	..	..	41	42	34	28	24	20	19	19	19	20	21	22	21	25
<b>All children (per cent)</b>	<b>37</b>	<b>37</b>	<b>36</b>	<b>34</b>	<b>34</b>	<b>31</b>	<b>27</b>	<b>23</b>	<b>21</b>	<b>20</b>	<b>18</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>18</b>	<b>18</b>

**Notes:**

- Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
- No economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years. Marital status information is only available on a consistent basis from 1997/98.

**Table 4.21ts: Percentage of children living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by economic status of household<sup>1</sup>, United Kingdom<sup>2</sup>**

Percentage of children	Source: FRS																
	94/95 <sup>3</sup>	95/96 <sup>3</sup>	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
All adults in work	..	..	10	10	9	8	6	6	5	5	5	4	5	5	5	4	4
At least one adult in work, but not all	..	..	32	32	32	29	23	18	17	17	16	18	18	19	17	15	15
Workless households	..	..	72	73	68	63	54	40	41	37	35	33	36	36	31	28	25
<b>All children (per cent)</b>	30	29	29	28	26	23	19	15	14	14	13	13	13	13	12	11	11
<b>After Housing Costs</b>																	
All adults in work	..	..	13	14	14	11	10	9	7	7	7	7	7	7	7	7	7
At least one adult in work, but not all	..	..	40	38	40	36	30	24	22	22	20	23	24	25	26	23	24
Workless households	..	..	88	87	85	83	78	68	63	58	52	50	54	53	48	49	46
<b>All children (per cent)</b>	37	37	36	34	34	31	27	23	21	20	18	19	19	19	19	18	18

**Notes:**

1. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For those households where children only live with pensioners, the status of all adults is included in the analysis.
2. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
3. Data on economic status of the household is not available on a consistent basis for earlier years.

Table 4.22ts: Percentage of children living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by region and country, United Kingdom<sup>1</sup>

Percentage of children	Source: FRS														
	94/95- 96/97	95/96- 97/98	96/97- 98/99	97/98- 99/00	98/99- 00/01	99/00- 01/02	00/01- 02/03	01/02- 03/04	02/03- 04/05	03/04- 05/06	04/05- 06/07	05/06- 07/08	06/07- 08/09	07/08- 09/10	08/09- 10/11
<b>Before Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	29	28	27	25	22	19	16	14	13	13	13	13	13	12	11
North East	37	36	35	33	30	24	22	19	17	15	14	14	14	14	13
North West	34	33	34	31	27	21	18	17	15	15	14	15	15	14	13
Yorkshire and the Humber	34	33	32	31	28	24	19	16	15	14	15	15	15	14	14
East Midlands	30	28	26	24	24	21	19	15	14	13	13	15	14	12	10
West Midlands	31	32	30	28	25	23	20	17	16	16	16	17	17	16	16
East of England	23	21	21	19	16	13	10	10	9	10	9	9	10	10	9
London	30	30	28	27	24	21	18	16	16	17	16	15	14	12	12
South East	20	19	18	16	14	12	9	8	8	9	10	10	9	8	7
South West	26	25	25	23	19	16	13	12	11	10	10	10	11	10	9
Wales	35	34	31	30	27	22	18	14	14	13	14	15	15	14	11
Scotland	33	33	31	28	25	21	18	16	15	13	12	12	12	11	11
Northern Ireland	..	..	..	..	27	22	19	17	16	15	14	13	14	15	14
<b>All children (per cent)<sup>2</sup></b>	29	29	28	26	23	19	16	14	14	13	13	13	13	12	11
<b>After Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	37	36	35	33	31	27	24	21	20	19	19	20	20	19	19
North East	42	41	41	40	37	31	28	24	22	18	18	19	21	20	20
North West	40	39	40	37	34	28	25	22	20	20	20	21	20	20	19
Yorkshire and the Humber	38	37	37	36	33	28	24	21	19	17	17	18	19	19	19
East Midlands	36	33	31	29	28	25	23	20	19	18	18	19	18	17	14
West Midlands	36	37	35	33	32	29	26	23	20	20	20	22	22	23	22
East of England	32	29	29	27	24	21	18	16	15	15	15	15	16	16	16
London	44	44	43	42	39	37	33	31	30	30	29	27	27	25	26
South East	30	28	27	25	23	21	17	16	15	15	16	16	16	15	14
South West	35	34	33	31	28	24	21	19	16	15	16	17	17	16	16
Wales	41	40	37	35	34	30	26	22	20	19	19	21	21	21	18
Scotland	36	35	33	31	29	25	21	19	17	16	15	14	14	14	14
Northern Ireland	..	..	..	..	26	23	21	19	17	15	13	14	14	16	15
<b>All children (per cent)<sup>2</sup></b>	37	36	35	33	31	27	24	21	19	19	19	19	19	19	18

**Notes:**

- Figures are for the United Kingdom from 1998/99-2000/01 onwards. Earlier years are for Great Britain only. Data for Northern Ireland has been imputed for 1998/99 to 2001/02.
- The all children figures here are three-year averages and are therefore not directly comparable with the totals in the main tables.

Table 4.23ts: Number of children living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by region and country, United Kingdom<sup>1</sup>

Number of children (millions)	Source: FRS														
	94/95- 96/97	95/96- 97/98	96/97- 98/99	97/98- 99/00	98/99- 00/01	99/00- 01/02	00/01- 02/03	01/02- 03/04	02/03- 04/05	03/04- 05/06	04/05- 06/07	05/06- 07/08	06/07- 08/09	07/08- 09/10	08/09- 10/11
<b>Before Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	3.1	3.1	3.0	2.8	2.4	2.1	1.7	1.5	1.4	1.4	1.4	1.4	1.4	1.3	1.2
North East	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
North West	0.5	0.5	0.5	0.5	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Yorkshire and the Humber	0.4	0.4	0.4	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
East Midlands	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
West Midlands	0.4	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
East of England	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
London	0.5	0.5	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2
South East	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.1	0.1
South West	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Wales	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Scotland	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Northern Ireland	..	..	..	..	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>All children (millions)<sup>2</sup></b>	<b>3.7</b>	<b>3.6</b>	<b>3.5</b>	<b>3.3</b>	<b>3.0</b>	<b>2.5</b>	<b>2.1</b>	<b>1.9</b>	<b>1.8</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>1.6</b>	<b>1.5</b>
<b>After Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	4.0	3.9	3.8	3.6	3.4	3.0	2.6	2.3	2.1	2.1	2.1	2.1	2.1	2.1	2.0
North East	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
North West	0.6	0.6	0.6	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Yorkshire and the Humber	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
East Midlands	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1
West Midlands	0.4	0.5	0.4	0.4	0.4	0.4	0.3	0.3	0.2	0.2	0.2	0.3	0.3	0.3	0.3
East of England	0.4	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
London	0.7	0.7	0.7	0.7	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4
South East	0.5	0.5	0.5	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
South West	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Wales	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Scotland	0.4	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Northern Ireland	..	..	..	..	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>All children (millions)<sup>2</sup></b>	<b>4.7</b>	<b>4.6</b>	<b>4.4</b>	<b>4.2</b>	<b>4.0</b>	<b>3.5</b>	<b>3.1</b>	<b>2.7</b>	<b>2.5</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>2.5</b>	<b>2.4</b>	<b>2.4</b>

**Notes:**

- Figures are for the United Kingdom from 1998/99-2000/01 onwards. Earlier years are for Great Britain only. Data for Northern Ireland has been imputed for 1998/99 to 2001/02.
- The all children figures here are three-year averages and are therefore not directly comparable with the totals in the main tables.

**Table 4.24ts: Percentage of children living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by number of children in family, United Kingdom<sup>1</sup>**

Percentage of children	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
One child	22	21	20	18	17	17	15	13	13	12	11	11	11	11	11	9	10
Two children	24	23	22	23	20	19	15	12	11	12	11	11	10	11	10	10	9
Three or more children	44	44	45	41	40	34	28	21	19	18	18	17	20	20	17	13	14
<b>All children (per cent)</b>	<b>30</b>	<b>29</b>	<b>29</b>	<b>28</b>	<b>26</b>	<b>23</b>	<b>19</b>	<b>15</b>	<b>14</b>	<b>14</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>12</b>	<b>11</b>	<b>11</b>
<b>After Housing Costs</b>																	
One child	30	30	30	26	26	25	24	22	21	20	18	19	19	18	20	18	20
Two children	30	31	29	30	28	25	22	20	17	17	15	16	15	16	16	17	15
Three or more children	52	52	51	46	47	43	37	28	25	23	22	22	26	26	22	19	21
<b>All children (per cent)</b>	<b>37</b>	<b>37</b>	<b>36</b>	<b>34</b>	<b>34</b>	<b>31</b>	<b>27</b>	<b>23</b>	<b>21</b>	<b>20</b>	<b>18</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>18</b>	<b>18</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

**Table 4.25ts: Percentage of children living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>**

Percentage of children	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Children in families where no-one is disabled	..	26	27	24	23	21	17	14	13	13	12	12	12	12	12	10	10
Children in families where someone is disabled	..	40	37	38	34	30	26	20	18	16	16	16	18	19	15	14	13
1 or more disabled adult, no disabled child	..	39	39	37	34	30	29	24	20	18	19	19	20	20	16	17	16
Those living in families with disabled children	..	40	34	39	34	29	22	16	16	13	13	12	16	18	13	10	9
With no disabled adult	..	38	34	37	29	23	21	13	13	12	11	11	14	17	9	8	10
With 1 or more disabled adult	..	47	35	43	42	41	25	19	20	16	16	14	18	20	19	13	8
In receipt of disability benefits	..	23	18	24	21	16	13	10	12	7	11	9	11	10	8	10	6
Not in receipt of disability benefits	..	44	43	41	37	34	30	23	21	20	19	19	20	23	17	16	15
<b>All children (per cent)</b>	30	29	29	28	26	23	19	15	14	14	13	13	13	13	12	11	11
<b>After Housing Costs</b>																	
Children in families where no-one is disabled	..	34	33	31	31	28	25	21	19	19	16	18	18	18	18	17	17
Children in families where someone is disabled	..	49	46	45	43	39	35	30	25	22	22	22	24	25	23	22	22
1 or more disabled adult, no disabled child	..	49	47	45	43	41	38	35	29	25	26	26	28	27	24	27	26
Those living in families with disabled children	..	48	44	45	44	37	32	22	21	18	18	17	20	24	22	16	17
With no disabled adult	..	45	45	43	39	31	30	19	18	16	14	16	20	21	19	12	17
With 1 or more disabled adult	..	57	43	51	52	47	35	30	27	21	23	18	21	28	26	23	17
In receipt of disability benefits	..	29	27	32	30	24	17	14	15	9	14	12	12	15	14	13	10
Not in receipt of disability benefits	..	53	51	48	47	44	41	34	29	27	25	26	29	29	26	25	26
<b>All children (per cent)</b>	37	37	36	34	34	31	27	23	21	20	18	19	19	19	19	18	18

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

## Working-age adults

### Commentary

#### 1. Key findings

- In general, there was a slight increase<sup>1</sup> in the percentage of working-age adults in *relative low income*<sup>2</sup> between 1998/99 and 2010/11. The percentage of working-age adults in *relative low income*, both *Before* and *After Housing Costs*, in 2010/11 was close to a historic high<sup>3</sup> although working-age adults are still slightly less likely to be in *relative low income* than the population as a whole, *Before Housing Costs*.
- Between 2009/10 and 2010/11, there was a mixture of no change and slight reductions<sup>4</sup> in the percentage of working-age adults in *relative low income*. Levels remained about the same because *incomes* for working-age adults at the lower end of the income distribution fell by about the same proportion as *incomes* around the *median*. There was a mixture of no change and small increases in the proportion of working-age adults in *absolute low income*.
- Working-age adults in workless families were much more likely to live in *low-income* households than those in families with at least one adult in work. However, because the majority of working-age adults lived in families where at least one adult was in work in 2010/11, around half of all working-age adults living in *low income* were living in families where at least one adult was in work. This was true for both *relative* and *absolute low income*.
- Working-age adults living in families with certain characteristics were more likely to live in *low-income households*. Single working-age adults were more likely to be in low income than couples, as were working-age adults living in a household with a head from an ethnic minority and younger working-age adults, especially younger working-age adults with children.

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<sup>1</sup> The statistical significance of movements based on the relative and absolute low-income threshold of 60 per cent of median, Before and After Housing Costs, have been tested. Only the After Housing Costs increase between 1998/99 and 2010/11 is statistically significant.

<sup>2</sup> Technical terms in the key findings in italics are explained immediately before the tables.

<sup>3</sup> Figures from the Institute for Fiscal Studies (IFS) which present data since 1961 show relative low income rates for working-age adults were only higher than their 2010/11 levels Before Housing Costs in 1991-1993 and 2007/08-2009/10, while After Housing Costs levels were only higher in 2008/09 and 2009/10 (see <http://www.ifs.org.uk/fiscalFacts/povertyStats>).

<sup>4</sup> No statistically significant changes based on a threshold of 60 per cent of median income.

## 5 Working-age adults

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### 2. How is this information used?

The Coalition Government published its strategy for Social Justice<sup>5</sup> on 13 March 2012 and its Social Mobility Strategy<sup>6</sup> on 5 April 2011. The Social Mobility Strategy is about ensuring people are able to move up the social ladder, regardless of background; while the Social Justice Strategy is about ensuring everybody can put a foot on that ladder. Both strategies look beyond the measures of low-income presented here, and set out to develop measures of life chances and multiple disadvantage. However, the income-based low-income measures in this report give useful contextual information to these strategies.

### 3. Drivers

As described in **Chapter 2**, median equivalised household income fell between 2009/10 and 2010/11, which in turn reduced the relative poverty thresholds. Individual median earnings as shown in the FRS in 2010/11 were about the same as in 2009/10 in cash terms, and fell by around 4 per cent in real terms over this period because of a higher inflation rate than most past years (see **Table 2.1tr**). This was one of the main factors leading to the reduction in median incomes.

Benefit and tax credit income grew in cash terms and fell only slightly in real terms. This meant that low-income households in receipt of benefits and tax credits saw their income fall less in 2010/11 than households at the median, tending to decrease the overall rate of relative low income, Before and After Housing Costs.

Working-age adults with children saw a decrease in rates of relative low income while working-age adults without children had stable rates of relative low income. This is because, as shown in **Figure 2.2** in **Chapter 2**, households with children in the lowest quintiles generally received a larger proportion of their income from benefits and tax credits and a smaller proportion from earnings than households containing working-age adults alone in these quintiles. So because benefit and tax credits income grew more than earned income, working-age adults with children saw their overall income fall less in real terms in 2010/11 than working-age adults without children, who had more income from earnings. This led to a decrease in the rate of relative low income for working-age adults with children compared to working-age adults without children.

In addition, many benefits and tax credit elements were uprated<sup>7</sup> in 2010/11 by 1.5 per cent or 1.8 per cent, but the child element of Child Tax Credit increased by £20 above indexation, giving an effective uprating of 2.9 per cent. This increased the incomes of working-age adults with children, particularly those with lower incomes or with more children, relative to others.

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<sup>5</sup> Available at <http://www.dwp.gov.uk/policy/social-justice/>.

<sup>6</sup> Available at <https://update.cabinetoffice.gov.uk/resource-library/opening-doors-breaking-barriers-strategy-social-mobility>.

<sup>7</sup> See the DWP Abstract of Statistics at <http://research.dwp.gov.uk/asd/index.php?page=abstract> for benefit rates and details of the various uprating series used.

In contrast to relative low income, levels of absolute low income for working-age adults were about the same in 2010/11 as in 2009/10<sup>8</sup>. For a reduction in absolute low income over the period, incomes in 2010/11 would have had to increase by more than inflation. Instead household incomes of working-age adults in low-income households increased by about the same level as inflation, meaning levels of absolute low income stayed at the same level.

#### 4. What the figures show<sup>9</sup>

**Trends in relative low income:** As shown in **Figure 1.3** in **Chapter 1** and **Table 5.1tr**, there was an increase in the proportion of working-age adults in relative low income between the years 1998/99<sup>10</sup> and 2010/11 both Before and After Housing Costs<sup>11</sup>. The figures stayed around the same level between 1998/99 and 2004/05, and have risen since then<sup>12</sup>.

At 15 per cent for 2010/11, relative low income Before Housing Costs was close to its highest rate, with much of the increase since 1998/99 driven by lower increases in state support for working-age adults without children<sup>13</sup>. There was a 1 percentage point decrease between 2009/10 and 2010/11<sup>14</sup>, with this reduction driven primarily by working-age adults in families containing children who receive a larger proportion of their incomes from state support, the above indexation increases in the child element of Child Tax Credit income and the reduction in median incomes, as described above. After Housing Costs, relative low income also fell by 1 percentage point to 21 per cent between 2009/10 and 2010/11<sup>15</sup>.

**Trends in absolute low income:** Looking at **Table 5.2tr**, over the period 1998/99 to 2010/11, there was a marked fall in the proportion of working-age adults in absolute low income both Before and After Housing Costs<sup>16</sup>. This reduction occurred between 1998/99 and 2002/03 with levels broadly unchanged since then.

In 2010/11, the proportion of working-age adults in absolute low income, Before Housing Costs, was 10 per cent, unchanged from the levels seen in 2009/10. After Housing Costs, the proportion of working-age adults in absolute low income remained at 16 per cent. This is because, as noted above, low-income households with working-age adults did not see their income rise in real terms.

**Work status:** Working-age adults in workless households were much more likely to live in low-income households than those in households with at least one adult in work (see **Table 5.7db**). Just 6 per cent of working-age adults in households with all adults in work were in relative low income, Before Housing Costs. This increased to

<sup>8</sup> Looking at a threshold of 60 per cent of median, Before and After Housing Costs, there are no statistically significant changes.

<sup>9</sup> This analysis is based on a 60 per cent of median income threshold.

<sup>10</sup> 1998/99 is the first year where results are available for the United Kingdom.

<sup>11</sup> This increase is only statistically significant, After Housing Costs.

<sup>12</sup> These increases since 2004/05 are statistically significant, both Before and After Housing Costs.

<sup>13</sup> See Table 4.3 of the 2011 IFS commentary available at <http://www.ifs.org.uk/publications/5584>.

<sup>14</sup> This reduction is not statistically significant.

<sup>15</sup> This reduction is not statistically significant.

<sup>16</sup> These reductions are statistically significant.

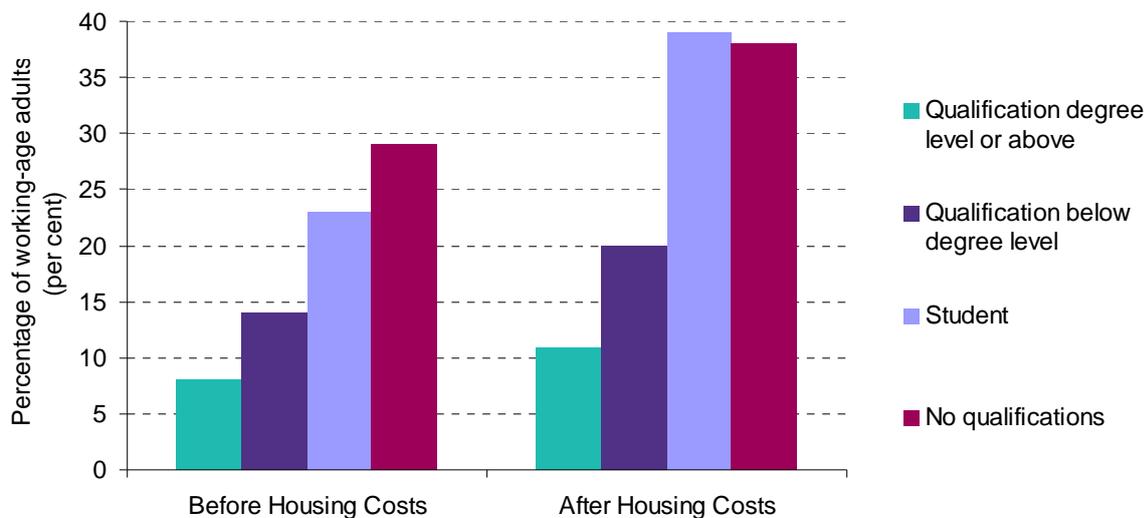
## 5 Working-age adults

about a fifth if at least one adult was in work but not all, and increased further to about half if the household was workless. After Housing Costs, 9 per cent of working-age adults in households with all adults in work were in relative low income. This increased to over one in four if at least one adult was in work but not all, and increased further to about two-thirds if the household was workless.

Despite their lower risk of relative low income, working-age adults in households where at least one adult was in work (including those where all adults were in work) made up around three fifths of the total number of working-age in relative low income (see **Table 5.4db**), Before and After Housing Costs. This is because working-age adults in households where at least one adult was in work made up such a large proportion (around 85 per cent) of the total number of working-age adults.

**Educational attainment:** **Chart 5.1** shows that working-age adults with no educational qualification were about twice as likely to live in low-income households as those with a qualification below degree level. Those with a qualification of degree level or above had the lowest rates of low income (see **Table 5.9db**).

**Chart 5.1: Percentage of working-age adults in relative low-income by educational attainment, United Kingdom**



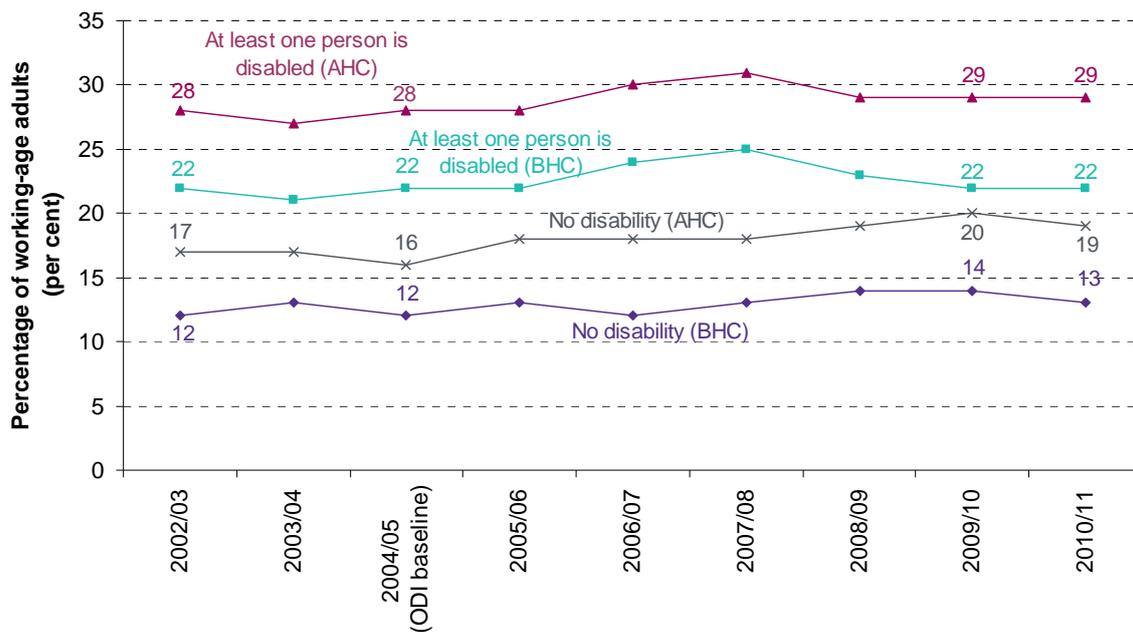
**Disability:** Working-age adults in families containing one or more disabled people were more likely to live in low-income households than those in families with no disabled person. The proportion of working-age adults in this group who were in relative low income has stayed broadly the same since 2002/03, as shown in **Table 5.12ts** and **Chart 5.2**. Working-age adults living in families containing one or more disabled individuals and not receiving disability benefits<sup>17</sup> were much more likely to be in low-income households compared to those in receipt of disability benefits. Working-age adults living in families containing one or more disabled individuals in

<sup>17</sup> Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.

workless households have similar rates of low income to working-age adults living in workless families with no disabled individuals.

Changes in rates of low income for working-age adults living in families containing one or more disabled individuals will affect the Office for Disability Issues (ODI) indicator<sup>18</sup> on the percentage of individuals living in families containing one or more disabled individuals.

Chart 5.2: Percentage of working-age adults in relative low-income by family disability status, 2002/03 to 2010/11, United Kingdom



**Ethnicity:** Working-age adults living in households headed by someone from an ethnic minority were more likely to live in low-income households. This was particularly the case for households headed by someone of Pakistani or Bangladeshi ethnic origin (see Table 5.8db). It is likely that this is because working-age adults living in workless households face very high risks of living in poverty and employment rates vary by ethnicity, with high rates of worklessness among individuals of Pakistani and Bangladeshi origin<sup>19</sup>.

<sup>18</sup> ODI Disability Equality indicators are available at <http://odi.dwp.gov.uk/roadmap-to-disability-equality/indicators.php>. Indicator C3 looks at individuals in low income by whether they live in a family containing someone who is disabled.

<sup>19</sup> See Table A09 of Labour Market Statistics, March 2012, available at <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-222482> which shows economic activity by ethnic group.

## Background information

### Introduction

This chapter examines the position of working-age adults in the income distribution in 2010/11 and looks in more detail at how this might be linked to their family or household characteristics. High-level trends over time from 1994/95 onwards are also examined, with data for Great Britain from 1994/95 to 1997/98 and for the United Kingdom for some groups from 1998/99 to 2001/02 and all groups from 2002/03 onwards.

Working-age adults are defined as all adults below State Pension age. Prior to 6th April 2010, women reached the State Pension age at 60. From 6th April 2010, the qualifying age for women has been gradually increasing. The changes do not affect the State Pension age of men, currently 65. This chapter includes results only for those individuals below State Pension age (except in **Tables 5.5tr** and **5.6tr**). Thus, any partners above State Pension age will be excluded from results in this chapter, but will be included in **Chapter 6** results for *pensioner couples*. This differs from **Chapter 3**, where both adults in a couple with one adult above State Pension age and one below are classified as a *pensioner couple*.

### The position of working-age adults in the overall income distribution

**Figure 5.1** compares the income distribution of working-age adults with and without children with that of the whole population for 2010/11. For working-age adults with children, the distribution was similar to that of the population as a whole. By comparison, those without children were less skewed towards the bottom of the distribution. An explanation of how negative incomes can occur After Housing Costs and zero incomes Before Housing Costs is given in **Appendix 1**.

Figure 5.1 (BHC): Income distribution; all individuals and working-age adults with and without children by income band, 2010/11

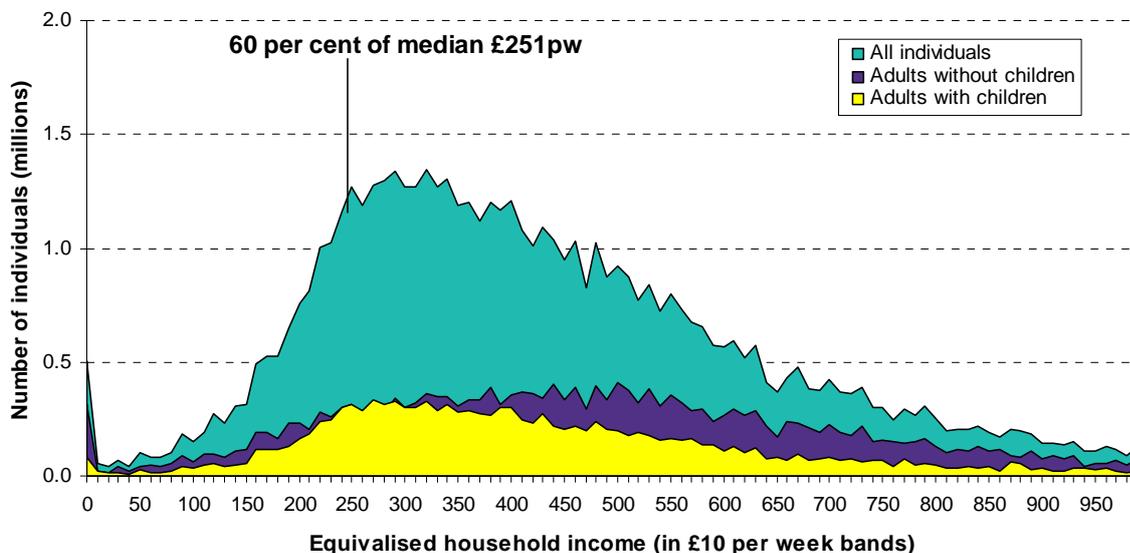
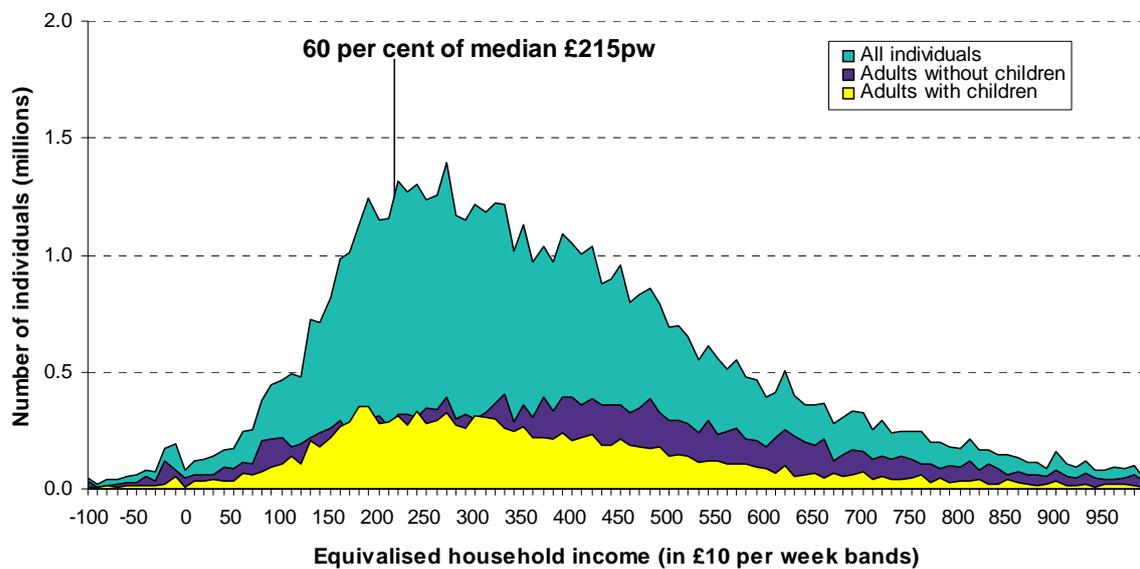


Figure 5.1 (AHC): Income distribution; all individuals and working-age adults with and without children by income band, 2010/11



## Revisions

Results for 2008/09 and 2009/10 have been revised following incorporation of changes to the direct tax system in Northern Ireland and new tenure data from the Department of Communities and Local Government (CLG). More information can be found at:

[http://research.dwp.gov.uk/asd/hbai/hbai\\_revision\\_due\\_to\\_ni\\_tax\\_changes.pdf](http://research.dwp.gov.uk/asd/hbai/hbai_revision_due_to_ni_tax_changes.pdf).

Revised tables for earlier years are available on request. The grossing issue will particularly affect analysis by tenure.

## Tables in this chapter are:

**5.1tr – 5.6tr Trends over time** for headline figures for years covered by the Family Expenditure Survey (FES) and the Family Resources Survey (FRS). **Tables 5.1tr** and **5.2tr** show the percentage falling below various thresholds of contemporary median income and 1998/99 median income held constant in real terms respectively. **Tables 5.3tr** and **5.4tr** show numbers for the same categories as outlined for **Tables 5.1t** and **5.2tr**, while **Tables 5.5tr** and **5.6tr** present a series that includes adults aged up to 64. This is in line with international measures of poverty and will provide a consistent time series going forward in light of the equalisation of State Pension age for men and women that began in 2010.

**5.1db Quintile distribution** of income by: economic status of adults in the family; economic status of household; family type and marital status; gender by number of adults in the family and work status.

**5.2db Quintile distribution** of income by: age of head of family; tenure; ethnic group (three-year average); region and country (three-year average).

## 5 Working-age adults

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**5.3db** **Quintile distribution** of income by: disability, and receipt of disability benefits and work status; state support received by family; savings and investments; household bills in arrears; educational attainment.

**5.4db – 5.6db** **Composition** of low-income groups of working-age adults with categories as outlined for **Tables 5.1db – 5.3db**.

**5.7db – 5.9db** **Percentage** of low-income working-age adults falling into various categories as outlined in **Tables 5.1db – 5.3db**.

**5.1ts – 5.3ts** **Populations over time** **Tables 5.1ts to 5.3ts** present populations over time by: family type; family type and economic status of the family; disability, and receipt of disability benefits and work status.

**5.4ts – 5.6ts** **Composition** of working-age adults in households with incomes below 60 per cent of contemporary median income over time by: family type; family type and economic status of the family; disability, and receipt of disability benefits and work status.

**5.7ts – 5.9ts** **Composition** of working-age adults in households with incomes below 60 per cent of 1998/99 median income held constant in real terms over time by the categories outlined for **Tables 5.4ts – 5.6ts**.

**5.10ts – 5.12ts** **Percentage** of working-age adults in households with incomes below 60 per cent of contemporary median income over time by the categories outlined for **Tables 5.4ts – 5.6ts**.

**5.13ts – 5.15ts** **Percentage** of working-age adults in households with incomes below 60 per cent of 1998/99 median income held constant in real terms over time by the categories outlined for **Tables 5.4ts – 5.6ts**.

### Definition of low income

'Low income' is defined using thresholds derived from percentages of median income for the whole population. Households reporting the lowest incomes may not have the lowest living standards. The bottom 10 per cent of the income distribution should not, therefore, be interpreted as having the bottom 10 per cent of living standards. This is a particular issue for lower thresholds of median income. To reflect this uncertainty in these tables, results for the 50 per cent of median threshold are presented in italics.

### 'Workless, other inactive' working-age adults

The 'Workless, other inactive' group consists of families in which all adults are economically inactive (i.e. where no adult is in work or unemployed). This includes working-age adults in receipt of sickness and disability benefits, who may have living

standards lower than those implied by the results presented because of additional costs associated with their disability (for which no adjustment has been made here).

Please see **Appendix 1** for the full definitions of other economic status categories.

### Definition of 'benefit units' and 'households'

A family, or benefit unit, is a single adult or a couple living as married, together with any dependent children. An adult living in the same household as his or her parents, for example, is a separate benefit unit from the parents.

A household is a single person or group of people living at the same address as their only or main residence, who either share one meal a day together, or share the living accommodation (i.e. the living room). A household will consist of one or more benefit units.

### Trends over time for headline figures

All time trends are based on thresholds of median income, are presented for the UK and based on the modified OECD equivalisation scales (see **Appendix 2** for a discussion of the modified OECD scales). Trends tables consist of:

- A **relative** low-income indicator – the proportions of working-age adults that are below thresholds of **contemporary** median income.
- An '**absolute**' low-income indicator – the proportions of working-age adults that are below thresholds of 1998/99 median income that have been **held constant in real terms**.
- **Relative** and '**absolute**' low-income indicators for adults aged up to 64.

Caution should be exercised when interpreting results over short time periods, as changes are often small in relation to sampling variation and other sources of measurement error.

### Economic status of the family

The economic status of the family classification is in line with the International Labour Organisation (ILO) economic status classification. This means that no economic status data are available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years. This also means the economic status of the family and economic status of the household classifications are aligned.

## 5 Working-age adults

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### Economic status of household

For the analysis of working and workless households, households are classified according to whether they contain a working-age adult or pensioner who works, but the status of non-working pensioners is ignored.

### Gender

In any analysis of gender, it must be remembered that HBAI attempts to measure the living standards of an individual as determined by household income. This assumes that both partners in a couple benefit equally from the household's income, and will therefore appear at the same position in the income distribution. Any differences in figures can only be driven by gender differences for single adults, which will themselves be diluted by the figures for couples. The lower level gender disaggregation in the family type classification is therefore likely to be more informative.

Research<sup>20</sup> has suggested that, particularly in low-income households, the above assumption with regard to income sharing is not always valid as men sometimes benefit at the expense of women from shared household income. This means that it is possible that HBAI results broken down by gender could understate differences between the two groups.

### Disability

For this analysis, disability is defined as having any long-standing illness, disability or impairment that leads to a substantial difficulty with one or more areas of the individual's life. Everyone classified as disabled under this definition would also be classified as disabled under the Equality Act 2010. However, some individuals classified as disabled under the Equality Act 2010 would not be captured by this definition.

No adjustment is made to disposable household income to take into account any additional costs that may be incurred due to the illness or disability in question. This means that the position in the income distribution of these groups, as shown here, may be somewhat upwardly biased.

### Ethnicity

Working-age individuals have been classified according to the ethnic group of the household reference person (see **Appendix 1** for definition of household reference person), which means that information about households of mixed composition is lost.

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<sup>20</sup> See, for instance, Goode, J., Callender, C. and Lister, R. (1998) *Purse or Wallet? Gender Inequalities and the Distribution of Income in Families on Benefits*. JRF/Policy Studies Institute.

Estimates showing ethnic breakdowns are presented as three-year averages because of small sample sizes. However, the figures must still be treated with some caution, as the sample sizes are still small for certain ethnic minority groups, especially in the case of households headed by a person of mixed or Black Caribbean ethnicity.

## Savings and investments

The data relating to investments and savings should be treated with caution. Questions relating to investments are a sensitive section of the questionnaire and have a low response rate. A high proportion of respondents do not know the interest received on their investments. It is likely that there is some under-reporting of capital by respondents, in terms of both the actual values of the savings and the investment income.

## Region and country

Disaggregation by geographical regions is presented as three-year averages. This presentation has been used as single-year regional estimates are considered too volatile. Estimates for the UK, however, are shown as single-year estimates for the latest available year.

The three-year average approach employed for the presentation of smaller geographic areas is consistent with the approach used for time series. It reduces year-on-year variation by smoothing out differences.

This issue was further discussed in **Appendix 5 of the 2004/05 HBAI publication**, where regional time series using three-year averages were presented.

Although the FRS sample is large enough to allow some analysis to be performed at a regional level, it should be noted that no adjustment has been made for regional cost of living differences, as the necessary data are not available. In the analysis here it is therefore assumed that there is no difference in the cost of living between regions, although the After Housing Costs measure will partly take into account differences in housing costs.

## Bills in arrears

This looks at the number of bills for which a family is in arrears. Bills considered are: electricity, gas, other fuel, Council Tax, insurance, telephone, television / video rental, hire purchase and water rates.

## 5 Working-age adults

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### Educational attainment

This looks at the highest level of educational attainment for each working-age adult. Information for students should be treated with some caution because they are often dependent on irregular flows of income. They also receive a large proportion of their income from loans, which, with the exception of student loans, are not counted as income in HBAI. The figures are also not necessarily representative of all students because HBAI only covers private households and this excludes halls of residence.

## Technical terms used in this chapter

For more information on these and other terms, see **Appendix 1**. For a detailed discussion of the methodology used throughout the publication, see **Appendix 2**.

### *Income*

The income measure used in HBAI is weekly net (disposable) equivalised household income. This comprises total income from all sources<sup>21</sup> of all household members including dependants. For *Before Housing Costs*, housing costs<sup>22</sup> are not deducted from income, while for *After Housing Costs* they are.

### *Equivalisation*

Equivalisation adjusts incomes for household size and composition, taking an adult couple with no children as the reference point. For example, the process of equivalisation would adjust the income of a single person upwards, so their income can be compared directly to the standard of living for a couple.

### *Median*

Median household income divides the population, when ranked by equivalised household income, into two equal-sized groups. *Contemporary median income* refers to the median income in the survey year being considered.

### *Low income*

Working-age adults are said to be in *relative low income* if they live in a household with an equivalised income below a percentage of contemporary median income, Before or After Housing Costs. Relative low-income statistics fall if income growth at lower end of the income distribution outstrips overall income growth.

Working-age adults are said to be in *absolute low income* if they live in a household with an equivalised income below a threshold of median income (for example 60 per cent of median income) in a specific year adjusted for inflation, Before or After Housing Costs. The year 1998/99 is used in this report, as this is the first year where some information is available for the United Kingdom. Absolute low-income statistics fall if low-income households are seeing their incomes rise faster than inflation.

### *Deciles, Quintiles and Percentiles*

These are income values which divide the population, when ranked by equivalised household income, into equal-sized groups. Deciles are ten equal-sized groups - the lowest decile describes individuals with incomes in the bottom 10 per cent of the income distribution. Quintiles are five equal-sized groups - the lowest quintile describes individuals with incomes in the bottom 20 per cent of the income distribution. Percentiles are 100 equal-sized groups.

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<sup>21</sup> This includes income from employment, self-employment, investments, occupational pensions, benefits and other sources, and is measured net of taxes and National Insurance. See Appendix 1 for full details of what is included.

<sup>22</sup> Housing costs include rent, water rates, mortgage interest payments, buildings insurance payments and ground rent and service charges.

## 5 Working-age adults

Table 5.1tr: Percentage of working-age adults falling below various thresholds of contemporary median income, United Kingdom<sup>1,2</sup>

Percentage of working-age adults		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
<b>FES (UK)<sup>4</sup></b>	1979	4	8	13	5	9	14
	1981	4	9	15	6	11	17
	1987	7	13	20	10	16	22
	1988 and 1989	9	14	20	12	17	22
	1990 and 1991	10	15	20	13	18	23
	1991 and 1992	10	16	22	14	19	25
	1992 and 1993	10	16	22	15	20	25
	1993/94 to 1994/95	9	15	21	14	19	24
	1994/95 to 1995/96	9	15	21	14	19	24
	1995/96 to 1996/97	9	15	21	15	20	25
<b>FRS (GB)</b>	1994/95	8	15	21	14	20	25
	1995/96	8	14	21	14	20	25
	1996/97	9	15	21	15	21	26
	1997/98	9	15	21	15	20	25
<b>FRS (UK)</b>	1998/99	8	15	21	14	19	25
	1999/00	9	15	21	14	20	25
	2000/01	9	15	21	14	19	25
	2001/02	9	15	21	14	19	24
	2002/03	9	15	21	14	19	24
	2003/04	9	15	21	14	19	24
	2004/05	9	14	21	13	19	24
	2005/06	9	15	22	15	20	26
	2006/07	9	15	21	15	20	26
	2007/08	10	15	22	15	21	26
	2008/09	10	16	22	16	22	27
	2009/10	10	16	22	16	22	28
2010/11	9	15	22	16	21	28	
<b>Change</b>	1998/99-2010/11 <sup>2,3</sup>	1	1	1	1	2	3
	2009/10-2010/11 <sup>2,3</sup>	0	-1	0	-1	-1	0

### Notes:

1. FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.

2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.

3. Due to rounding, the estimates of change in percentages of working-age adults below low-income thresholds may not equal the difference between the total percentage of working-age adults below thresholds for any pair of years shown.

4. FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

Table 5.2tr: Percentage of working-age adults falling below various thresholds of 1998/99 median income held constant in real terms, United Kingdom<sup>1,2</sup>

Percentage of working-age adults		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
<b>FES (UK)<sup>4</sup></b>	1979	12	21	33	14	24	36
	1981	14	24	35	17	26	37
	1987	13	20	28	17	24	31
	1988 and 1989	12	18	25	15	20	27
	1990 and 1991	12	18	24	15	21	27
	1991 and 1992	13	19	25	17	22	28
	1992 and 1993	12	19	25	17	23	28
	1993/94 to 1994/95	11	17	24	16	21	27
	1994/95 to 1995/96	10	16	23	15	21	26
1995/96 to 1996/97	10	16	22	16	21	26	
<b>FRS (GB)</b>	1994/95	11	18	25	17	23	29
	1995/96	10	17	24	17	23	29
	1996/97	10	16	23	16	22	27
	1997/98	9	16	22	15	20	25
<b>FRS (UK)</b>	1998/99	8	15	21	14	19	25
	1999/00	8	14	20	13	18	23
	2000/01	8	13	18	12	17	22
	2001/02	6	11	16	10	15	19
	2002/03	6	10	16	10	14	19
	2003/04	6	10	16	10	14	18
	2004/05	6	10	15	9	13	18
	2005/06	7	10	15	10	14	19
	2006/07	6	10	15	10	14	18
	2007/08	7	11	16	10	14	19
	2008/09	7	11	16	11	15	20
2009/10	6	10	15	11	16	20	
2010/11	7	10	16	12	16	21	
<b>Change</b>	1998/99-2010/11 <sup>2,3</sup>	-2	-4	-5	-2	-4	-4
	2009/10-2010/11 <sup>2,3</sup>	0	0	1	0	0	1

**Notes:**

- FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.
- Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.
- Due to rounding, the estimates of change in percentage of working-age adults below low-income thresholds may not equal the difference between the total number of working-age adults below thresholds for any pair of years shown.
- FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

## 5 Working-age adults

Table 5.3tr: Number of working-age adults falling below various thresholds of contemporary median income, United Kingdom<sup>1,2</sup>

Number of working-age adults (millions)		Source: FES/FRS						
		Before Housing Costs			After Housing Costs			All working-age adults
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
FES (UK) <sup>4</sup>	1979	1.2	2.3	4.0	1.5	2.7	4.3	31.2
	1981	1.3	3.0	4.8	2.0	3.4	5.3	31.6
	1987	2.2	4.4	6.5	3.4	5.4	7.2	33.1
	1988 and 1989	3.0	4.8	6.6	3.9	5.6	7.3	33.6
	1990 and 1991	3.3	5.1	6.8	4.4	5.9	7.6	33.5
	1991 and 1992	3.4	5.5	7.4	4.9	6.5	8.3	33.7
	1992 and 1993	3.4	5.6	7.6	4.9	6.8	8.5	33.9
	1993/94 to 1994/95	3.1	5.2	7.2	4.8	6.6	8.2	33.9
	1994/95 to 1995/96	2.9	5.0	7.1	4.7	6.5	8.1	34.1
	1995/96 to 1996/97	3.0	5.3	7.3	5.0	6.8	8.4	34.3
FRS (GB)	1994/95	2.6	4.8	7.0	4.7	6.6	8.2	32.8
	1995/96	2.6	4.6	6.8	4.5	6.5	8.2	32.8
	1996/97	2.8	5.0	7.1	5.0	6.8	8.5	32.9
	1997/98	2.9	5.0	7.1	4.8	6.5	8.1	33.1
FRS (UK)	1998/99	2.9	5.0	7.1	4.8	6.6	8.4	34.1
	1999/00	3.0	5.1	7.3	4.9	6.7	8.5	34.3
	2000/01	3.1	5.1	7.3	4.9	6.6	8.5	34.4
	2001/02	3.0	5.1	7.2	4.7	6.5	8.3	34.7
	2002/03	3.1	5.1	7.3	4.8	6.7	8.5	34.8
	2003/04	3.1	5.1	7.3	4.9	6.7	8.6	35.0
	2004/05	3.1	5.0	7.3	4.7	6.5	8.5	35.2
	2005/06	3.3	5.4	7.7	5.2	7.2	9.1	35.5
	2006/07	3.4	5.3	7.6	5.3	7.3	9.2	35.8
	2007/08	3.5	5.6	7.8	5.5	7.5	9.5	35.9
	2008/09	3.6	5.8	8.0	5.8	7.8	9.7	36.1
	2009/10	3.5	5.7	8.1	5.8	7.9	10.1	36.2
2010/11	3.4	5.5	8.0	5.7	7.8	10.0	36.4	
Change	1998/99-2010/11 <sup>2,3</sup>	0.5	0.5	0.9	0.8	1.1	1.6	2.3
	2009/10-2010/11 <sup>2,3</sup>	-0.1	-0.2	-0.1	-0.2	-0.1	-0.1	0.3

### Notes:

1. FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.

2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.

3. Due to rounding, the estimates of change in percentages of working-age adults below low-income thresholds may not equal the difference between the total percentage of working-age adults below thresholds for any pair of years shown.

4. FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

Table 5.4tr: Number of working-age adults falling below various thresholds of 1998/99 median income held constant in real terms, United Kingdom<sup>1,2</sup>

Number of working-age adults (millions)		Source: FES/FRS						
		Before Housing Costs			After Housing Costs			All working-age adults
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
<b>FES (UK)<sup>4</sup></b>	1979	3.6	6.7	10.4	4.2	7.5	11.2	31.2
	1981	4.5	7.5	11.1	5.3	8.3	11.8	31.6
	1987	4.3	6.7	9.2	5.6	7.9	10.2	33.1
	1988 and 1989	4.1	6.1	8.3	5.0	6.9	9.0	33.6
	1990 and 1991	4.1	6.0	8.0	5.1	7.0	9.0	33.5
	1991 and 1992	4.2	6.4	8.5	5.6	7.5	9.5	33.7
	1992 and 1993	4.2	6.5	8.6	5.9	7.7	9.5	33.9
	1993/94 to 1994/95	3.8	5.9	8.2	5.5	7.2	9.2	33.9
	1994/95 to 1995/96	3.4	5.6	7.7	5.2	7.1	8.9	34.1
1995/96 to 1996/97	3.3	5.6	7.6	5.3	7.1	8.8	34.3	
<b>FRS (GB)</b>	1994/95	3.5	5.9	8.1	5.7	7.5	9.4	32.8
	1995/96	3.3	5.7	7.9	5.5	7.5	9.4	32.8
	1996/97	3.2	5.4	7.6	5.4	7.3	8.9	32.9
	1997/98	3.0	5.2	7.3	5.0	6.7	8.4	33.1
<b>FRS (UK)</b>	1998/99	2.9	5.0	7.1	4.8	6.6	8.4	34.1
	1999/00	2.7	4.7	6.9	4.5	6.3	8.0	34.3
	2000/01	2.6	4.3	6.3	4.1	5.9	7.5	34.4
	2001/02	2.1	3.7	5.7	3.4	5.2	6.7	34.7
	2002/03	2.2	3.6	5.5	3.4	4.9	6.5	34.8
	2003/04	2.3	3.6	5.4	3.5	5.0	6.5	35.0
	2004/05	2.1	3.5	5.3	3.3	4.6	6.2	35.2
	2005/06	2.3	3.6	5.5	3.5	5.0	6.6	35.5
	2006/07	2.3	3.6	5.4	3.6	5.1	6.6	35.8
	2007/08	2.4	3.8	5.6	3.7	5.2	6.8	35.9
	2008/09	2.5	3.8	5.7	4.0	5.6	7.2	36.1
2009/10	2.3	3.7	5.6	4.1	5.6	7.3	36.2	
2010/11	2.5	3.8	5.9	4.2	5.8	7.6	36.4	
<b>Change</b>	1998/99-2010/11 <sup>2,3</sup>	-0.4	-1.2	-1.3	-0.6	-0.8	-0.7	2.3
	2009/10-2010/11 <sup>2,3</sup>	0.1	0.1	0.3	0.1	0.2	0.4	0.3

**Notes:**

- FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.
- Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.
- Due to rounding, the estimates of change in percentage of working-age adults below low-income thresholds may not equal the difference between the total number of working-age adults below thresholds for any pair of years shown.
- FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

## 5 Working-age adults

Table 5.5tr: Percentage of adults aged up to 64 falling below various thresholds of contemporary and 1998/99 median income held constant in real terms, United Kingdom<sup>1</sup>

Percentage of adults aged up to 64		Source: FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
<b>Contemporary income thresholds</b>							
FRS (GB)	1994/95	8	15	21	14	20	25
	1995/96	8	14	21	13	20	25
	1996/97	9	15	22	15	21	26
	1997/98	9	15	22	14	20	25
	1998/99	8	15	21	14	20	25
	1999/00	9	15	22	14	20	25
	2000/01	9	15	21	14	19	25
	2001/02	9	15	21	13	19	24
FRS (UK)	2002/03	9	15	21	14	19	25
	2003/04	9	15	21	14	19	25
	2004/05	9	14	21	13	19	24
	2005/06	9	15	22	14	20	26
	2006/07	9	15	21	15	20	26
	2007/08	10	16	22	15	21	26
	2008/09	10	16	22	16	21	27
	2009/10	10	16	22	16	22	28
	2010/11	9	15	22	15	21	27
<b>Change</b>	2009/10-2010/11 <sup>2,3</sup>	0	-1	0	0	0	0

Percentage of adults aged up to 64		Source: FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
<b>1998/99 income thresholds held constant in real terms</b>							
FRS (GB)	1994/95	11	18	25	17	23	29
	1995/96	10	17	25	17	23	29
	1996/97	10	17	23	16	22	27
	1997/98	9	16	22	15	20	25
	1998/99	8	15	21	14	20	25
	1999/00	8	14	20	13	19	24
	2000/01	8	13	19	12	17	22
	2001/02	6	11	17	10	15	20
FRS (UK)	2002/03	6	10	16	10	14	19
	2003/04	6	11	16	10	14	18
	2004/05	6	10	15	9	13	17
	2005/06	7	10	16	10	14	18
	2006/07	6	10	15	10	14	18
	2007/08	7	11	16	10	14	19
	2008/09	7	11	16	11	15	20
	2009/10	6	10	15	11	15	20
	2010/11	7	10	16	11	16	21
<b>Change</b>	2009/10-2010/11 <sup>2,3</sup>	0	0	1	0	0	1

### Notes:

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.
3. Due to rounding, the estimates of change in percentages of adults aged up to 64 below low-income thresholds may not equal the difference between the total percentage of adults aged up to 64 below thresholds for any pair of years shown.

**Table 5.6tr: Number of adults aged up to 64 falling below various thresholds of contemporary and 1998/99 median income held constant in real terms, United Kingdom<sup>1</sup>**

Number of adults aged up to 64 (millions)		Source: FRS						
		Before Housing Costs			After Housing Costs			Adults aged up to 64
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
<b>Contemporary income thresholds</b>								
FRS (GB)	1994/95	2.8	5.1	7.3	4.8	6.9	8.6	34.2
	1995/96	2.6	4.8	7.2	4.6	6.8	8.6	34.2
	1996/97	3.0	5.2	7.5	5.1	7.1	8.9	34.3
	1997/98	3.0	5.2	7.5	5.0	6.8	8.5	34.5
	1998/99	2.9	5.1	7.3	4.8	6.8	8.5	34.6
	1999/00	3.0	5.2	7.5	5.0	6.8	8.7	34.8
	2000/01	3.2	5.2	7.5	4.9	6.7	8.7	34.9
FRS (UK)	2001/02	3.0	5.2	7.4	4.7	6.6	8.4	35.1
	2002/03	3.3	5.4	7.7	5.0	7.0	8.9	36.3
	2003/04	3.3	5.4	7.7	5.0	7.0	9.0	36.5
	2004/05	3.2	5.3	7.7	4.8	6.8	8.9	36.8
	2005/06	3.5	5.6	8.1	5.3	7.4	9.5	37.1
	2006/07	3.5	5.6	8.0	5.5	7.5	9.6	37.4
	2007/08	3.8	5.9	8.3	5.7	7.8	9.9	37.7
	2008/09	3.8	6.1	8.4	6.0	8.1	10.2	38.1
	2009/10	3.7	6.0	8.5	6.0	8.2	10.5	38.0
	2010/11	3.6	5.8	8.4	5.8	8.1	10.4	38.2
<b>Change</b>	2009/10-2010/11 <sup>2,3</sup>	-0.1	-0.2	-0.1	-0.1	-0.1	-0.1	0.2

Number of adults aged up to 64 (millions)		Source: FRS						
		Before Housing Costs			After Housing Costs			Adults aged up to 64
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
<b>1998/99 income thresholds held constant in real terms</b>								
FRS (GB)	1994/95	3.7	6.2	8.6	5.9	7.9	9.8	34.2
	1995/96	3.4	6.0	8.4	5.7	7.8	9.8	34.2
	1996/97	3.3	5.7	8.0	5.6	7.6	9.4	34.3
	1997/98	3.1	5.4	7.7	5.2	7.0	8.8	34.5
	1998/99	2.9	5.1	7.3	4.8	6.8	8.5	34.6
	1999/00	2.8	4.8	7.1	4.5	6.4	8.2	34.8
	2000/01	2.7	4.4	6.5	4.1	6.0	7.6	34.9
FRS (UK)	2001/02	2.2	3.7	5.8	3.4	5.2	6.9	35.1
	2002/03	2.3	3.8	5.8	3.5	5.1	6.8	36.3
	2003/04	2.4	3.8	5.8	3.6	5.1	6.7	36.5
	2004/05	2.2	3.6	5.5	3.4	4.8	6.4	36.8
	2005/06	2.4	3.8	5.8	3.6	5.1	6.8	37.1
	2006/07	2.4	3.8	5.7	3.7	5.3	6.8	37.4
	2007/08	2.6	4.1	5.9	3.9	5.4	7.1	37.7
	2008/09	2.6	4.0	6.1	4.2	5.8	7.5	38.1
	2009/10	2.4	3.8	5.8	4.2	5.8	7.5	38.0
	2010/11	2.6	4.0	6.1	4.3	6.0	7.9	38.2
<b>Change</b>	2009/10-2010/11 <sup>2,3</sup>	0.2	0.2	0.3	0.1	0.2	0.4	0.2

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.
3. Due to rounding, the estimates of change in numbers of adults aged up to 64 below low-income thresholds may not equal the difference between the total number of adults aged up to 64 below thresholds for any pair of years shown.

## 5 Working-age adults

**Table 5.1db (BHC): Quintile distribution of income for working-age adults by various family and household characteristics, United Kingdom**

Percentage of working-age adults	Net equivalised disposable household income					All working-age adults (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Economic status of adults in the family</b>						
One or more full-time self-employed	23	16	17	18	27	4.0
Single/couple all in full-time work	4	8	18	31	38	13.1
Couple, one full-time, one part-time work	6	15	25	28	25	5.1
Couple, one full-time work, one not working	20	26	20	18	17	4.1
No full-time, one or more in part-time work	29	26	20	15	10	3.3
Workless, one or more aged 60 or over	38	25	16	13	8	1.0
Workless, one or more unemployed	62	17	9	8	4	1.7
Workless, other inactive	43	26	16	9	6	4.1
<b>Economic status of household<sup>1</sup></b>						
All adults in work	7	11	20	28	33	21.6
At least one adult in work, but not all	23	23	21	18	15	9.8
Workless households	55	25	11	5	3	5.0
<b>Family type<sup>2</sup> and marital status</b>						
Couples	15	14	19	23	28	23.7
Married or Civil Partnered	15	14	19	23	29	18.0
Cohabiting	17	15	17	25	25	5.7
Singles	24	20	19	20	17	12.7
All working-age adults with children	20	22	21	20	18	13.6
Couples	18	19	21	21	20	11.7
Married or Civil Partnered	17	18	21	22	22	9.4
Cohabiting	27	25	21	17	11	2.3
Singles	31	35	20	10	4	1.9
All working-age adults without children	17	13	18	24	28	22.8
Couples	12	10	16	26	36	12.0
Married or Civil Partnered	13	10	16	24	37	8.6
Cohabiting	11	8	15	30	35	3.4
Singles	23	18	19	22	19	10.8
Male	24	17	19	21	18	6.6
Female	21	18	19	22	20	4.2
<b>Gender by number of adults in the family and work status<sup>3</sup></b>						
Males	18	15	19	23	25	19.0
Couple, in work	12	14	19	25	31	11.1
Couple, workless	52	21	13	9	5	1.1
Single, in work	11	14	21	28	26	4.1
Single, workless	45	22	17	10	6	2.6
Females	18	18	19	22	24	17.4
Couple, in work	12	14	19	25	30	10.6
Couple, workless	57	21	12	7	3	0.9
Single, in work	12	21	23	24	20	3.7
Single, workless	43	28	14	9	6	2.2
<b>All working-age adults</b>	<b>18</b>	<b>16</b>	<b>19</b>	<b>22</b>	<b>24</b>	<b>36.4</b>

**Notes:**

1. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For example, a household with a pensioner in work, but a working-age person not in work, would be in the 'At least one adult in work, but not all' category. A household with all working-age adults in work and a pensioner not in work would be categorised as 'All adults in work'.

2. Lone parents have not been disaggregated by gender as sample sizes for lone-parent males are too small to allow robust estimates.

3. 'In work' is defined as one or more adults in the family in part-time or full-time work.

4. Percentages may not sum to 100 per cent due to rounding.

**Table 5.1db (AHC): Quintile distribution of income for working-age adults by various family and household characteristics, United Kingdom**

Percentage of working-age adults	Net equivalised disposable household income					All working-age adults (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Economic status of adults in the family</b>						
One or more full-time self-employed	24	15	17	18	26	4.0
Single/couple all in full-time work	5	9	19	30	37	13.1
Couple, one full-time, one part-time work	7	15	26	28	25	5.1
Couple, one full-time work, one not working	22	26	19	18	16	4.1
No full-time, one or more in part-time work	32	25	20	12	10	3.3
Workless, one or more aged 60 or over	32	28	18	13	10	1.0
Workless, one or more unemployed	66	15	9	6	3	1.7
Workless, other inactive	51	24	13	7	5	4.1
<b>Economic status of household<sup>1</sup></b>						
All adults in work	8	12	20	27	32	21.6
At least one adult in work, but not all	26	24	20	16	13	9.8
Workless households	61	21	10	4	4	5.0
<b>Family type<sup>2</sup> and marital status</b>						
Couples	16	15	19	23	27	23.7
Married or Civil Partnered	15	15	19	23	28	18.0
Cohabiting	20	16	18	24	22	5.7
Singles	28	19	18	18	17	12.7
All working-age adults with children	23	21	21	19	16	13.6
Couples	21	20	21	21	18	11.7
Married or Civil Partnered	18	18	21	22	20	9.4
Cohabiting	31	24	19	16	10	2.3
Singles	38	31	18	9	4	1.9
All working-age adults without children	19	14	17	23	27	22.8
Couples	12	11	16	26	35	12.0
Married or Civil Partnered	12	11	16	24	37	8.6
Cohabiting	13	10	17	29	30	3.4
Singles	26	17	18	19	19	10.8
Male	27	17	18	19	19	6.6
Female	25	18	19	19	19	4.2
<b>Gender by number of adults in the family and work status<sup>3</sup></b>						
Males	20	16	19	22	24	19.0
Couple, in work	13	14	19	25	29	11.1
Couple, workless	53	21	11	8	6	1.1
Single, in work	13	15	20	26	26	4.1
Single, workless	49	22	15	8	6	2.6
Females	21	17	19	21	22	17.4
Couple, in work	13	14	19	25	28	10.6
Couple, workless	59	23	9	5	4	0.9
Single, in work	15	21	22	22	20	3.7
Single, workless	52	24	12	7	6	2.2
<b>All working-age adults</b>	<b>20</b>	<b>17</b>	<b>19</b>	<b>21</b>	<b>23</b>	<b>36.4</b>

**Notes:**

1. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For example, a household with a pensioner in work, but a working-age person not in work, would be in the 'At least one adult in work, but not all' category. A household with all working-age adults in work and a pensioner not in work would be categorised as 'All adults in work'.
2. Lone parents have not been disaggregated by gender as sample sizes for lone-parent males are too small to allow robust estimates.
3. 'In work' is defined as one or more adults in the family in part-time or full-time work.
4. Percentages may not sum to 100 per cent due to rounding.

## 5 Working-age adults

**Table 5.2db (BHC): Quintile distribution of income for working-age adults by various family and household characteristics, United Kingdom**

Percentage of working-age adults	Net equivalised disposable household income					All working-age adults (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Source: FRS 2010/11</b>						
<b>Age of head of family</b>						
With children						
16 - 24	42	33	16	8	2	0.7
25 - 29	25	33	23	14	4	1.2
30 - 34	21	26	21	17	15	1.9
35 - 39	18	19	21	21	21	2.8
40 - 44	18	20	21	21	19	3.0
45 - 49	18	17	20	22	23	2.3
50 - 54	16	17	20	22	23	1.1
55 +	18	20	23	21	18	0.5
Without children						
16 - 19	24	22	20	20	14	1.3
20 - 24	19	17	22	26	18	3.7
25 - 29	13	10	17	30	30	2.7
30 - 34	12	8	14	25	41	1.9
35 - 39	13	10	14	22	41	1.4
40 - 44	18	12	15	21	34	1.6
45 - 49	16	13	17	24	30	2.2
50 - 54	15	12	17	24	32	2.9
55 +	21	15	18	21	26	5.3
<b>Tenure</b>						
Owners	12	12	19	25	31	23.8
Owned outright	17	14	18	23	28	7.2
Buying with mortgage	10	12	19	27	33	16.6
Social rented sector tenants	40	29	17	10	3	5.3
All rented privately	22	21	21	20	16	7.4
<b>Ethnic group of head (3-year average)</b>						
White	16	16	19	23	25	32.2
Mixed	23	20	17	20	20	0.4
Asian or Asian British	33	20	15	14	17	2.1
Indian	24	18	18	17	23	1.0
Pakistani and Bangladeshi	49	24	12	9	6	0.8
Black or Black British	30	22	16	18	15	1.0
Black Caribbean	25	19	18	19	19	0.4
Black Non-Caribbean	33	23	15	17	12	0.6
Chinese or other ethnic group	26	19	17	14	24	0.6
<b>Region/Country (3-year average)</b>						
England	18	16	19	22	25	30.4
North East	21	19	20	21	18	1.5
North West	20	19	21	22	18	4.0
Yorkshire and the Humber	21	18	20	21	19	3.1
East Midlands	20	17	22	23	19	2.6
West Midlands	22	19	19	23	18	3.1
East of England	15	15	18	23	29	3.3
London	17	15	14	18	36	4.9
Inner	20	15	12	16	37	1.8
Outer	16	14	15	20	36	3.1
South East	12	13	18	23	34	4.9
South West	16	17	21	24	22	2.9
Wales	21	19	20	23	18	1.7
Scotland	18	16	20	24	23	3.1
Northern Ireland	21	19	23	22	15	1.0
<b>All working-age adults<sup>1</sup></b>	<b>18</b>	<b>16</b>	<b>19</b>	<b>22</b>	<b>24</b>	<b>36.4</b>

**Notes:**

1. The totals for all working-age adults are shown for the United Kingdom for the latest year and are not three-year averages.
2. Percentages may not sum to 100 per cent due to rounding.

**Table 5.2db (AHC): Quintile distribution of income for working-age adults by various family and household characteristics, United Kingdom**

Percentage of working-age adults	Net equivalised disposable household income					All working-age adults (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Age of head of family</b>						
With children						
16 - 24	50	31	12	5	2	0.7
25 - 29	33	31	20	13	4	1.2
30 - 34	26	23	22	16	13	1.9
35 - 39	22	19	19	21	20	2.8
40 - 44	19	20	22	20	19	3.0
45 - 49	19	18	21	22	21	2.3
50 - 54	17	17	22	23	21	1.1
55 +	18	21	23	20	19	0.5
Without children						
16 - 19	29	23	18	18	12	1.3
20 - 24	26	18	21	20	15	3.7
25 - 29	17	11	17	30	25	2.7
30 - 34	15	9	15	24	36	1.9
35 - 39	15	11	11	24	39	1.4
40 - 44	20	11	14	21	34	1.6
45 - 49	17	12	17	24	30	2.2
50 - 54	15	11	18	22	34	2.9
55 +	17	15	18	21	28	5.3
<b>Tenure</b>						
Owners	10	13	19	26	32	23.8
Owned outright	12	13	18	25	33	7.2
Buying with mortgage	10	12	20	26	31	16.6
Social rented sector tenants	44	29	16	8	3	5.3
All rented privately	36	20	18	15	11	7.4
<b>Ethnic group of head (3-year average)</b>						
White	18	16	19	22	24	32.2
Mixed	32	17	14	18	18	0.4
Asian or Asian British	37	22	13	13	15	2.1
Indian	28	20	16	16	20	1.0
Pakistani and Bangladeshi	50	27	9	7	6	0.8
Black or Black British	37	20	14	16	12	1.0
Black Caribbean	29	21	16	17	17	0.4
Black Non-Caribbean	43	20	13	15	9	0.6
Chinese or other ethnic group	34	18	13	14	21	0.6
<b>Region/Country (3-year average)</b>						
England	20	16	18	21	24	30.4
North East	20	19	21	21	18	1.5
North West	21	17	21	22	18	4.0
Yorkshire and the Humber	21	18	20	21	19	3.1
East Midlands	20	17	21	23	19	2.6
West Midlands	23	18	19	22	18	3.1
East of England	17	16	18	22	28	3.3
London	26	13	13	16	32	4.9
Inner	30	14	11	14	31	1.8
Outer	23	13	13	17	33	3.1
South East	15	14	17	22	31	4.9
South West	19	18	21	22	21	2.9
Wales	20	18	21	22	19	1.7
Scotland	18	15	19	24	23	3.1
Northern Ireland	18	20	24	22	16	1.0
<b>All working-age adults<sup>1</sup></b>	<b>20</b>	<b>17</b>	<b>19</b>	<b>21</b>	<b>23</b>	<b>36.4</b>

**Notes:**

1. The totals for all working-age adults are shown for the United Kingdom for the latest year and are not three-year averages.
2. Percentages may not sum to 100 per cent due to rounding.

## 5 Working-age adults

**Table 5.3db (BHC): Quintile distribution of income for working-age adults by various family and household characteristics, United Kingdom**

Percentage of working-age adults	Net equivalised disposable household income					All working-age adults (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Disability, and receipt of disability benefits<sup>1</sup> and work status</b>						
Those living in families where no-one is disabled	16	15	19	23	27	28.2
At least one adult working	11	14	19	26	30	24.4
No adults working	48	20	14	10	8	3.8
Those living in families where someone is disabled	26	22	19	18	14	8.2
1 or more disabled adult, no disabled child	27	21	19	18	14	7.0
Those living in families with disabled children	23	28	22	15	11	1.2
With no disabled adult	21	24	22	18	15	0.7
With 1 or more disabled adult	26	36	23	11	5	0.5
In receipt of disability benefits	20	29	26	17	8	2.5
Not in receipt of disability benefits	30	19	17	18	16	5.7
At least one adult working	15	19	22	23	21	5.2
No adults working	46	28	15	9	2	3.0
<b>State support received by family<sup>2</sup></b>						
Disability Living Allowance	20	30	26	17	8	2.5
Carer's Allowance	17	34	31	13	5	0.6
Jobseeker's Allowance	66	17	7	6	4	1.5
Incapacity Benefit	31	28	24	14	3	1.5
Employment and Support Allowance	51	30	12	5	2	0.4
Child Tax Credit	24	29	25	17	5	8.2
Working Tax Credit	28	35	23	11	3	3.1
Income Support	43	36	15	6	1	1.7
Housing Benefit	50	32	13	5	0	3.8
Not in receipt of any state support listed above	12	10	17	26	35	23.4
<b>Savings and investments</b>						
No savings	29	23	19	17	11	14.5
Less than £1,500	15	18	22	26	19	5.9
£1,500 but less than £3,000	12	14	22	26	26	2.6
£3,000 but less than £8,000	11	12	19	27	32	4.5
£8,000 but less than £10,000	10	9	20	28	33	1.0
£10,000 but less than £16,000	9	10	17	26	38	2.1
£16,000 but less than £20,000	9	7	15	30	39	0.8
£20,000 or more	8	7	13	21	51	5.0
<b>Household bills in arrears<sup>3</sup></b>						
No bills in arrears	16	15	19	23	26	31.6
One or more bills in arrears	43	28	16	8	5	3.1
<b>Educational attainment</b>						
Qualification degree level or above	9	8	13	24	46	9.0
Qualification below degree level	17	18	21	24	20	19.9
Student	26	19	23	17	14	2.1
No qualifications	35	25	18	15	7	5.4
<b>All working-age adults</b>	<b>18</b>	<b>16</b>	<b>19</b>	<b>22</b>	<b>24</b>	<b>36.4</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.

2. The population figures given for receipt of benefits/tax credits do not sum to all working-age adults as they are not mutually exclusive groups, since people can receive more than one benefit/tax credit.

3. Figures relate to the number of adults who answered the questions on arrears, some adults have not been included in these breakdowns due to either: a skipped response, doesn't know the answer or refusal to answer the question.

4. Percentages may not sum to 100 per cent due to rounding.

**Table 5.3db (AHC): Quintile distribution of income for working-age adults by various family and household characteristics, United Kingdom**

Percentage of working-age adults	Net equivalised disposable household income					All working-age adults (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Disability, and receipt of disability benefits<sup>1</sup> and work status</b>						
Those living in families where no-one is disabled	18	15	18	22	26	28.2
At least one adult working	13	15	19	24	29	24.4
No adults working	55	18	11	8	8	3.8
Those living in families where someone is disabled	27	22	20	18	13	8.2
1 or more disabled adult, no disabled child	28	21	19	18	14	7.0
Those living in families with disabled children	25	27	22	16	10	1.2
With no disabled adult	23	23	22	19	14	0.7
With 1 or more disabled adult	28	33	22	13	4	0.5
In receipt of disability benefits	19	31	26	16	8	2.5
Not in receipt of disability benefits	31	18	17	18	16	5.7
At least one adult working	15	18	23	24	20	5.2
No adults working	48	28	15	7	2	3.0
<b>State support received by family<sup>2</sup></b>						
Disability Living Allowance	19	32	26	16	7	2.5
Carer's Allowance	17	37	29	12	6	0.6
Jobseeker's Allowance	70	14	8	5	3	1.5
Incapacity Benefit	29	30	22	15	4	1.5
Employment and Support Allowance	55	28	11	5	1	0.4
Child Tax Credit	28	28	23	17	5	8.2
Working Tax Credit	31	35	21	11	3	3.1
Income Support	52	30	13	4	0	1.7
Housing Benefit	63	25	9	2	0	3.8
Not in receipt of any state support listed above	13	11	17	25	34	23.4
<b>Savings and investments</b>						
No savings	34	22	18	16	10	14.5
Less than £1,500	16	19	22	25	18	5.9
£1,500 but less than £3,000	13	15	23	25	24	2.6
£3,000 but less than £8,000	11	14	19	27	30	4.5
£8,000 but less than £10,000	10	10	20	27	32	1.0
£10,000 but less than £16,000	9	9	19	27	37	2.1
£16,000 but less than £20,000	8	8	15	29	40	0.8
£20,000 or more	8	6	13	22	52	5.0
<b>Household bills in arrears<sup>3</sup></b>						
No bills in arrears	18	16	19	23	25	31.6
One or more bills in arrears	51	25	14	7	4	3.1
<b>Educational attainment</b>						
Qualification degree level or above	11	8	14	24	43	9.0
Qualification below degree level	19	18	21	23	20	19.9
Student	38	22	17	11	13	2.1
No qualifications	36	24	19	14	8	5.4
<b>All working-age adults</b>	<b>20</b>	<b>17</b>	<b>19</b>	<b>21</b>	<b>23</b>	<b>36.4</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.
2. The population figures given for receipt of benefits/tax credits do not sum to all working-age adults as they are not mutually exclusive groups, since people can receive more than one benefit/tax credit.
3. Figures relate to the number of adults who answered the questions on arrears, some adults have not been included in these breakdowns due to either: a skipped response, doesn't know the answer or refusal to answer the question.
4. Percentages may not sum to 100 per cent due to rounding.

## 5 Working-age adults

**Table 5.4db: Composition of low-income groups of working-age adults by various family and household characteristics, United Kingdom**

Percentage of working-age adults	Source: FRS 2010/11						
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	All working-age adults
<b>Economic status of adults in the family</b>							
One or more full-time self-employed	16	14	13	13	13	12	11
Single/couple all in full-time work	6	7	8	7	9	10	36
Couple, one full-time, one part-time work	3	4	5	4	4	6	14
Couple, one full-time work, one not working	8	11	14	11	12	14	11
No full-time, one or more in part-time work	15	14	15	14	14	14	9
Workless, one or more aged 60 or over	7	6	5	4	4	5	3
Workless, one or more unemployed	18	17	14	17	15	12	5
Workless, other inactive	27	28	26	30	28	26	11
<b>Economic status of household<sup>1</sup></b>							
All adults in work	22	23	25	24	25	27	59
At least one adult in work, but not all	32	33	36	32	34	36	27
Workless households	45	43	39	45	41	37	14
<b>Family type<sup>2</sup> and marital status</b>							
Couples	54	54	56	51	53	54	65
Married or Civil Partnered	40	40	41	36	37	38	49
Cohabiting	14	15	15	16	16	16	16
Singles	46	46	44	49	47	46	35
All working-age adults with children	34	39	44	39	42	44	37
Couples	29	32	34	30	32	34	32
Married or Civil Partnered	21	22	25	21	23	24	26
Cohabiting	8	9	9	9	9	9	6
Singles	5	8	10	9	10	10	5
All working-age adults without children	66	61	56	61	58	56	63
Couples	25	22	22	21	20	20	33
Married or Civil Partnered	19	17	16	15	14	14	24
Cohabiting	6	5	6	6	6	6	9
Singles	41	38	35	40	37	36	30
Male	27	25	22	25	23	22	18
Female	13	13	13	15	14	13	11
<b>Gender by number of adults in the family and work status<sup>3</sup></b>							
Males	56	54	51	52	51	51	52
Couple, in work	18	19	20	18	19	21	31
Couple, workless	10	9	8	9	8	7	3
Single, in work	7	7	7	7	7	7	11
Single, workless	21	19	16	19	17	16	7
Females	44	46	49	48	49	49	48
Couple, in work	17	18	20	17	19	20	29
Couple, workless	9	8	7	8	7	6	2
Single, in work	6	7	8	7	8	9	10
Single, workless	12	13	14	16	15	14	6
<b>All working-age adults (millions =100%)</b>	<b>3.4</b>	<b>5.5</b>	<b>8.0</b>	<b>5.7</b>	<b>7.8</b>	<b>10.0</b>	<b>36.4</b>

**Notes:**

1. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For example, a household with a pensioner in work, but a working-age person not in work, would be in the 'At least one adult in work, but not all' category. A household with all working-age adults in work and a pensioner not in work would be categorised as 'All adults in work'.
2. Lone parents have not been disaggregated by gender as sample sizes for lone-parent males are too small to allow robust estimates.
3. 'In work' is defined as one or more adults in the family in part-time or full-time work.
4. Percentages may not sum to 100 per cent due to rounding.

**Table 5.5db: Composition of low-income groups of working-age adults by various family and household characteristics, United Kingdom**

Percentage of working-age adults	Source: FRS 2010/11						All working-age adults
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
<b>Age of head of family</b>							
With children							
16 - 24	3	4	4	4	4	4	2
25 - 29	4	4	5	5	5	6	3
30 - 34	4	6	7	6	7	7	5
35 - 39	7	8	8	7	8	8	8
40 - 44	7	7	9	7	8	8	8
45 - 49	5	6	6	6	6	6	6
50 - 54	2	3	3	2	3	3	3
55 +	2	1	1	1	1	1	1
Without children							
16 - 19	5	5	4	5	5	5	3
20 - 24	11	11	10	13	13	12	10
25 - 29	7	6	5	7	6	6	7
30 - 34	3	3	3	4	4	3	5
35 - 39	3	3	3	3	3	3	4
40 - 44	4	4	4	5	4	4	4
45 - 49	6	5	5	5	5	5	6
50 - 54	8	7	6	6	6	6	8
55 +	19	17	16	13	13	13	15
<b>Tenure</b>							
Owners	49	44	44	33	33	36	65
Owned outright	23	19	19	11	11	12	20
Buying with mortgage	26	25	25	21	22	24	45
Social rented sector tenants	27	32	32	32	32	31	15
All rented privately	24	24	24	36	35	33	20
<b>Ethnic group of head (3-year average)</b>							
White	79	81	82	79	80	82	89
Mixed	1	1	1	2	2	2	1
Asian or Asian British	12	11	10	11	10	10	6
Indian	4	4	3	4	4	3	3
Pakistani and Bangladeshi	7	6	6	5	5	5	2
Black or Black British	5	4	4	5	5	5	3
Black Caribbean	2	1	1	2	1	1	1
Black Non-Caribbean	3	3	3	4	3	3	2
Chinese or other ethnic group	3	2	2	3	3	2	2
<b>Region/Country (3-year average)</b>							
England	83	83	83	86	85	85	84
North East	5	5	5	4	4	5	4
North West	12	12	12	11	12	12	11
Yorkshire and the Humber	10	10	10	9	9	9	9
East Midlands	8	8	8	7	7	7	7
West Midlands	11	11	11	10	10	10	9
East of England	8	8	7	8	8	8	9
London	14	13	13	19	17	16	14
Inner	6	6	5	8	8	7	5
Outer	9	7	7	10	10	9	9
South East	8	9	9	10	10	10	13
South West	8	7	8	8	8	8	8
Wales	5	5	5	5	5	5	5
Scotland	9	9	8	8	8	8	9
Northern Ireland	3	3	3	2	3	3	3
<b>All working-age adults (millions=100%)<sup>1</sup></b>	<b>3.4</b>	<b>5.5</b>	<b>8.0</b>	<b>5.7</b>	<b>7.8</b>	<b>10.0</b>	<b>36.4</b>

**Notes:**

1. The totals for all working-age adults are shown for the United Kingdom for the latest year and are not three-year averages.
2. Percentages may not sum to 100 per cent due to rounding.

## 5 Working-age adults

**Table 5.6db: Composition of low-income groups of working-age adults by various family and household characteristics, United Kingdom**

Percentage of working-age adults	Source: FRS 2010/11						
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						All working-age adults
50%	60%	70%	50%	60%	70%		
<b>Disability, and receipt of disability benefits<sup>1</sup> and work status</b>							
Those living in families where no-one is disabled	71	68	68	70	70	69	77
At least one adult working	37	38	42	39	42	44	67
No adults working	34	29	26	31	28	25	11
Those living in families where someone is disabled	29	32	32	30	30	31	23
1 or more disabled adult, no disabled child	27	29	28	27	26	26	19
Those living in families with disabled children	3	4	4	3	4	4	3
With no disabled adult	2	2	2	2	2	2	2
With 1 or more disabled adult	1	2	2	1	2	2	1
In receipt of disability benefits	5	6	8	6	7	8	7
Not in receipt of disability benefits	24	26	25	25	23	23	16
At least one adult working	11	12	12	10	11	12	14
No adults working	18	21	20	20	19	19	8
<b>State support received by family<sup>2</sup></b>							
Disability Living Allowance	5	6	8	6	7	8	7
Carer's Allowance	1	1	2	1	1	2	2
Jobseeker's Allowance	17	16	14	17	14	12	4
Incapacity Benefit	5	6	7	6	6	7	4
Employment and Support Allowance	3	3	3	3	3	3	1
Child Tax Credit	21	27	33	27	31	33	23
Working Tax Credit	9	12	15	11	13	15	9
Income Support	6	10	11	11	12	11	5
Housing Benefit	22	27	28	33	32	29	10
Not in receipt of any state support listed above	49	43	39	43	42	41	64
<b>Savings and investments</b>							
No savings	61	63	63	66	66	64	40
Less than £1,500	11	13	14	12	13	14	16
£1,500 but less than £3,000	6	5	5	4	5	5	7
£3,000 but less than £8,000	7	7	7	6	7	7	12
£8,000 but less than £10,000	2	2	2	1	1	1	3
£10,000 but less than £16,000	3	3	3	3	3	3	6
£16,000 but less than £20,000	1	1	1	1	1	1	2
£20,000 or more	9	7	6	6	5	5	14
<b>Household bills in arrears<sup>3</sup></b>							
No bills in arrears	77	75	75	74	75	76	87
One or more bills in arrears	18	20	20	22	21	19	9
<b>Educational attainment</b>							
Qualification degree level or above	15	13	12	14	13	13	25
Qualification below degree level	47	50	52	49	50	52	55
Student	10	9	8	11	11	10	6
No qualifications	28	28	28	26	26	25	15
<b>All working-age adults (millions=100%)</b>	<b>3.4</b>	<b>5.5</b>	<b>8.0</b>	<b>5.7</b>	<b>7.8</b>	<b>10.0</b>	<b>36.4</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.
2. The figures given for benefits/tax credits receipt do not sum to 100 as they are not mutually exclusive groups since people can receive more than one benefit/tax credit.
3. Figures relate to the number of adults who answered the questions on arrears, some adults have not been included in these breakdowns due to either: a skipped response, doesn't know the answer or refusal to answer the question.
4. Percentages may not sum to 100 per cent due to rounding.

**Table 5.7db: Percentage of working-age adults in low-income groups by various family and household characteristics, United Kingdom**

Percentage of working-age adults	Source: FRS 2010/11						All working-age adults (millions)
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
<b>Economic status of adults in the family</b>							
One or more full-time self-employed	14	20	26	19	25	30	4.0
Single/couple all in full-time work	1	3	5	3	5	8	13.1
Couple, one full-time, one part-time work	2	4	8	4	7	12	5.1
Couple, one full-time work, one not working	7	15	27	15	23	34	4.1
No full-time, one or more in part-time work	15	24	36	24	33	44	3.3
Workless, one or more aged 60 or over	24	32	45	25	35	47	1.0
Workless, one or more unemployed	36	54	66	57	67	73	1.7
Workless, other inactive	22	37	51	41	53	64	4.1
<b>Economic status of household<sup>1</sup></b>							
All adults in work	4	6	9	6	9	13	21.6
At least one adult in work, but not all	11	19	30	18	27	37	9.8
Workless households	31	48	62	50	63	73	5.0
<b>Family type<sup>2</sup> and marital status</b>							
Couples	8	13	19	12	17	23	23.7
Married or Civil Partnered	8	12	18	11	16	21	18.0
Cohabiting	8	14	21	15	21	27	5.7
Singles	12	20	28	22	29	36	12.7
All working-age adults with children	9	16	26	16	24	32	13.6
Couples	8	15	23	15	22	29	11.7
Married or Civil Partnered	8	13	21	13	19	26	9.4
Cohabiting	12	22	32	23	31	41	2.3
Singles	10	22	41	26	41	54	1.9
All working-age adults without children	10	15	20	15	20	25	22.8
Couples	7	10	14	10	13	17	12.0
Married or Civil Partnered	7	11	15	10	13	16	8.6
Cohabiting	6	9	13	11	14	18	3.4
Singles	13	20	26	21	27	33	10.8
Male	14	21	27	22	28	34	6.6
Female	11	17	25	20	26	32	4.2
<b>Gender by number of adults in the family and work status<sup>3</sup></b>							
Males	10	16	22	16	21	27	19.0
Couple, in work	5	9	15	9	13	18	11.1
Couple, workless	31	45	59	43	55	63	1.1
Single, in work	6	9	13	10	13	18	4.1
Single, workless	27	40	49	41	51	61	2.6
Females	9	15	23	15	22	28	17.4
Couple, in work	5	9	15	9	14	19	10.6
Couple, workless	34	50	65	49	61	70	0.9
Single, in work	5	10	16	11	17	23	3.7
Single, workless	19	34	52	41	54	65	2.2
<b>All working-age adults</b>	<b>9</b>	<b>15</b>	<b>22</b>	<b>16</b>	<b>21</b>	<b>28</b>	<b>36.4</b>

**Notes:**

1. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. For example, a household with a pensioner in work, but a working-age person not in work, would be in the 'At least one adult in work, but not all' category. A household with all working-age adults in work and a pensioner not in work would be categorised as 'All adults in work'.
2. Lone parents have not been disaggregated by gender as sample sizes for lone-parent males are too small to allow robust estimates.
3. 'In work' is defined as one or more adults in the family in part-time or full-time work.

## 5 Working-age adults

**Table 5.8db: Percentage of working-age adults in low-income groups by various family and household characteristics, United Kingdom**

Percentage of working-age adults	Source: FRS 2010/11						All working-age adults (millions)
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
<b>Age of head of family</b>							
With children							
16 - 24	17	35	53	37	51	65	0.7
25 - 29	10	19	33	22	34	48	1.2
30 - 34	7	16	28	17	27	37	1.9
35 - 39	8	15	23	15	23	29	2.8
40 - 44	8	14	24	14	21	28	3.0
45 - 49	8	15	22	14	20	26	2.3
50 - 54	7	13	20	10	18	24	1.1
55 +	11	14	22	14	18	28	0.5
Without children							
16 - 19	14	21	28	23	30	38	1.3
20 - 24	10	16	22	19	27	33	3.7
25 - 29	9	12	15	14	18	21	2.7
30 - 34	6	10	14	12	16	18	1.9
35 - 39	7	11	15	13	15	20	1.4
40 - 44	9	15	20	17	20	24	1.6
45 - 49	9	13	19	14	17	22	2.2
50 - 54	9	13	17	13	16	20	2.9
55 +	12	18	24	14	19	24	5.3
<b>Tenure</b>							
Owners	7	10	15	8	11	15	23.8
Owned outright	11	15	21	9	12	17	7.2
Buying with mortgage	5	8	12	7	10	14	16.6
Social rented sector tenants	18	33	49	34	47	59	5.3
All rented privately	11	18	26	28	37	45	7.4
<b>Ethnic group of head (3-year average)</b>							
White	9	14	20	14	20	25	32.2
Mixed	12	20	26	27	34	40	0.4
Asian or Asian British	21	30	39	29	39	47	2.1
Indian	15	21	28	21	29	35	1.0
Pakistani and Bangladeshi	32	45	58	41	53	64	0.8
Black or Black British	17	27	36	32	40	47	1.0
Black Caribbean	14	22	30	24	32	40	0.4
Black Non-Caribbean	18	30	39	37	45	51	0.6
Chinese or other ethnic group	17	24	32	29	36	42	0.6
<b>Region/Country (3-year average)</b>							
England	10	15	22	16	22	28	30.4
North East	10	19	26	16	23	30	1.5
North West	10	17	25	16	23	29	4.0
Yorkshire and the Humber	11	19	26	16	23	30	3.1
East Midlands	11	17	24	16	22	27	2.6
West Midlands	12	20	28	18	25	31	3.1
East of England	9	13	18	14	18	24	3.3
London	10	15	21	22	28	33	4.9
Inner	11	17	23	26	32	37	1.8
Outer	10	14	19	19	25	30	3.1
South East	6	10	15	12	16	21	4.9
South West	9	14	21	15	20	26	2.9
Wales	10	18	26	15	22	29	1.7
Scotland	10	15	22	14	19	24	3.1
Northern Ireland	11	18	26	13	19	26	1.0
<b>All working-age adults<sup>1</sup></b>	<b>9</b>	<b>15</b>	<b>22</b>	<b>16</b>	<b>21</b>	<b>28</b>	<b>36.4</b>

**Note:**

1. The totals for all working-age adults are shown for the United Kingdom for the latest year and are not three-year averages.

**Table 5.9db: Percentage of working-age adults in low-income groups by various family and household characteristics, United Kingdom**

Percentage of working-age adults	Source: FRS 2010/11						All working-age adults (millions)
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
<b>Disability, and receipt of disability benefits<sup>1</sup> and work status</b>							
Those living in families where no-one is disabled	9	13	19	14	19	25	28.2
At least one adult working	5	9	14	9	13	18	24.4
No adults working	30	42	54	45	56	65	3.8
Those living in families where someone is disabled	12	22	32	21	29	38	8.2
1 or more disabled adult, no disabled child	13	23	32	22	29	38	7.0
Those living in families with disabled children	8	17	29	16	26	37	1.2
With no disabled adult	8	16	26	17	23	33	0.7
With 1 or more disabled adult	8	18	33	15	30	44	0.5
In receipt of disability benefits	7	14	25	12	21	33	2.5
Not in receipt of disability benefits	15	25	35	25	32	40	5.7
At least one adult working	7	12	19	11	16	23	5.2
No adults working	21	38	54	39	51	63	3.0
<b>State support received by family<sup>2</sup></b>							
Disability Living Allowance	7	14	26	13	21	34	2.5
Carer's Allowance	5	12	23	11	17	30	0.6
Jobseeker's Allowance	38	58	71	62	71	77	1.5
Incapacity Benefit	11	22	38	21	32	44	1.5
Employment and Support Allowance	26	43	59	48	59	68	0.4
Child Tax Credit	9	18	32	18	30	41	8.2
Working Tax Credit	10	21	37	20	33	48	3.1
Income Support	12	32	55	36	54	68	1.7
Housing Benefit	20	40	60	49	65	78	3.8
Not in receipt of any state support listed above	7	10	14	10	14	18	23.4
<b>Savings and investments</b>							
No savings	14	24	35	26	35	44	14.5
Less than £1,500	6	12	18	12	17	24	5.9
£1,500 but less than £3,000	7	10	15	9	14	20	2.6
£3,000 but less than £8,000	6	9	12	8	12	16	4.5
£8,000 but less than £10,000	7	9	12	8	11	14	1.0
£10,000 but less than £16,000	5	8	10	7	9	12	2.1
£16,000 but less than £20,000	5	7	10	7	8	10	0.8
£20,000 or more	6	8	10	7	8	10	5.0
<b>Household bills in arrears<sup>3</sup></b>							
No bills in arrears	8	13	19	13	18	24	31.6
One or more bills in arrears	20	36	51	40	52	62	3.1
<b>Educational attainment</b>							
Qualification degree level or above	6	8	11	9	11	14	9.0
Qualification below degree level	8	14	21	14	20	26	19.9
Student	17	23	30	30	39	49	2.1
No qualifications	18	29	41	28	38	47	5.4
<b>All working-age adults</b>	<b>9</b>	<b>15</b>	<b>22</b>	<b>16</b>	<b>21</b>	<b>28</b>	<b>36.4</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.
2. The population figures given for receipt of benefits/tax credits do not sum to all working-age adults as they are not mutually exclusive groups since people can receive more than one benefit/tax credit.
3. Figures relate to the number of adults who answered the questions on arrears, some adults have not been included in these breakdowns due to either: a skipped response, doesn't know the answer or refusal to answer the question.

Table 5.1ts: Population of working-age adults by family type, United Kingdom<sup>1</sup>

	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Source: FRS</b>																	
<b>Number of working-age adults whose family type is: (millions)</b>																	
Working-age adults without children	20.5	20.5	20.6	20.8	20.9	21.1	21.3	21.6	22.4	22.5	22.6	22.9	23.0	23.1	23.1	22.7	22.8
Couples	11.6	11.5	11.5	11.7	11.7	11.8	12.0	12.0	12.6	12.5	12.4	12.4	12.6	12.5	12.4	12.1	12.0
Single male	5.4	5.5	5.5	5.6	5.7	5.7	5.8	5.9	6.0	6.1	6.2	6.4	6.4	6.4	6.6	6.5	6.6
Single female	3.5	3.5	3.5	3.5	3.6	3.6	3.6	3.7	3.8	3.9	4.0	4.1	4.1	4.1	4.1	4.1	4.2
Working-age adults with children	12.3	12.4	12.4	12.3	12.2	12.2	12.1	12.1	12.5	12.5	12.6	12.6	12.7	12.9	13.1	13.5	13.6
Couples	10.8	10.8	10.8	10.6	10.5	10.4	10.3	10.3	10.6	10.6	10.7	10.7	10.8	11.0	11.1	11.5	11.7
Singles	1.5	1.6	1.6	1.6	1.7	1.8	1.8	1.8	1.9	1.9	1.9	1.9	1.9	1.9	2.0	1.9	1.9
<b>All working-age adults (millions)</b>	<b>32.8</b>	<b>32.8</b>	<b>32.9</b>	<b>33.1</b>	<b>33.2</b>	<b>33.3</b>	<b>33.5</b>	<b>33.7</b>	<b>34.8</b>	<b>35.0</b>	<b>35.2</b>	<b>35.5</b>	<b>35.8</b>	<b>35.9</b>	<b>36.1</b>	<b>36.2</b>	<b>36.4</b>
<b>Percentage of working-age adults whose family type is:</b>																	
Working-age adults without children	62	62	62	63	63	63	64	64	64	64	64	64	64	64	64	63	63
Couples	35	35	35	35	35	36	36	36	36	36	35	35	35	35	34	33	33
Single male	17	17	17	17	17	17	17	17	17	18	18	18	18	18	18	18	18
Single female	11	11	11	11	11	11	11	11	11	11	11	12	11	11	11	11	11
Working-age adults with children	38	38	38	37	37	37	36	36	36	36	36	36	36	36	36	37	37
Couples	33	33	33	32	32	31	31	31	30	30	30	30	30	31	31	32	32
Singles	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
<b>All working-age adults (per cent)</b>	<b>100</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

Table 5.2ts: Population of working-age adults by family type and economic status of the family, United Kingdom<sup>1,2</sup>

	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
Source: FRS																	
<b>Number of working-age adults whose economic status is: (millions)</b>																	
Working-age adults without children	20.5	20.5	20.6	20.8	20.9	21.1	21.3	21.6	22.4	22.5	22.6	22.9	23.0	23.1	23.1	22.7	22.8
One or more full-time self-employed	..	..	2.2	2.1	2.1	2.0	2.0	2.1	2.2	2.3	2.1	2.3	2.2	2.3	2.2	2.1	2.1
Single/couple all in full-time work	..	..	9.0	9.3	9.5	9.7	9.9	10.0	10.3	10.4	10.4	10.3	10.6	10.6	10.5	9.8	9.8
Couple, one full-time, one part-time work	..	..	1.7	1.9	1.9	1.9	1.9	1.9	2.0	2.0	2.0	1.9	2.0	1.9	1.8	1.8	1.8
Couple, one full-time work, one not working	..	..	1.7	1.7	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.9	1.8	1.8	1.9	1.7
No full-time, one or more in part-time work	..	..	1.5	1.6	1.6	1.7	1.6	1.8	1.9	1.9	2.0	2.1	2.0	2.0	2.0	2.2	2.2
Workless, one or more unemployed	..	..	1.3	1.1	0.9	0.9	0.8	0.7	0.8	0.7	0.7	0.8	0.8	0.7	1.0	1.2	1.2
Workless, other inactive <sup>3</sup>	..	..	3.1	3.1	3.3	3.3	3.3	3.4	3.5	3.5	3.6	3.5	3.7	3.6	3.9	3.8	4.0
Working-age adults with children	12.3	12.4	12.4	12.3	12.2	12.2	12.1	12.1	12.5	12.5	12.6	12.6	12.7	12.9	13.1	13.5	13.6
One or more full-time self-employed	..	..	1.8	1.7	1.7	1.7	1.6	1.7	1.6	1.6	1.8	1.7	1.8	1.9	1.8	1.8	1.9
Single/couple all in full-time work	..	..	2.4	2.5	2.3	2.5	2.6	2.6	2.7	2.8	2.7	2.9	2.9	2.9	3.3	3.3	3.3
Couple, one full-time, one part-time work	..	..	3.3	3.5	3.5	3.4	3.3	3.3	3.4	3.3	3.4	3.3	3.2	3.3	3.3	3.2	3.3
Couple, one full-time work, one not working	..	..	2.2	2.2	2.2	2.1	2.2	2.1	2.3	2.2	2.2	2.1	2.2	2.3	2.2	2.3	2.4
No full-time, one or more in part-time work	..	..	0.7	0.8	0.8	0.8	0.8	0.8	0.9	1.0	0.9	1.0	1.0	0.9	1.0	1.1	1.1
Workless, one or more unemployed	..	..	0.7	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.3	0.5	0.5
Workless, other inactive <sup>3</sup>	..	..	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.4	1.3	1.3	1.2	1.3	1.1	1.2	1.1
<b>All working-age adults (millions)</b>	<b>32.8</b>	<b>32.8</b>	<b>32.9</b>	<b>33.1</b>	<b>33.2</b>	<b>33.3</b>	<b>33.5</b>	<b>33.7</b>	<b>34.8</b>	<b>35.0</b>	<b>35.2</b>	<b>35.5</b>	<b>35.8</b>	<b>35.9</b>	<b>36.1</b>	<b>36.2</b>	<b>36.4</b>
<b>Percentage of working-age adults whose economic status is:</b>																	
Working-age adults without children	62	62	62	63	63	63	64	64	64	64	64	64	64	64	64	63	63
One or more full-time self-employed	..	..	7	6	6	6	6	6	6	6	6	7	6	7	6	6	6
Single/couple all in full-time work	..	..	27	28	29	29	30	30	30	30	30	29	29	30	29	27	27
Couple, one full-time, one part-time work	..	..	5	6	6	6	6	6	6	6	6	5	5	5	5	5	5
Couple, one full-time work, one not working	..	..	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
No full-time, one or more in part-time work	..	..	5	5	5	5	5	5	5	6	6	6	5	6	6	6	6
Workless, one or more unemployed	..	..	4	3	3	3	2	2	2	2	2	2	2	2	3	3	3
Workless, other inactive <sup>3</sup>	..	..	10	9	10	10	10	10	10	10	10	10	10	10	11	10	11
Working-age adults with children	38	38	38	37	37	37	36	36	36	36	36	36	36	36	36	37	37
One or more full-time self-employed	..	..	5	5	5	5	5	5	4	5	5	5	5	5	5	5	5
Single/couple all in full-time work	..	..	7	7	7	7	8	8	8	8	8	8	8	8	9	9	9
Couple, one full-time, one part-time work	..	..	10	10	11	10	10	10	10	9	10	9	9	9	9	9	9
Couple, one full-time work, one not working	..	..	7	7	7	6	6	6	7	6	6	6	6	6	6	6	7
No full-time, one or more in part-time work	..	..	2	2	2	3	3	2	3	3	3	3	3	3	3	3	3
Workless, one or more unemployed	..	..	2	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Workless, other inactive <sup>3</sup>	..	..	4	4	4	4	4	4	4	4	4	4	3	4	3	3	3
<b>All working-age adults (per cent)</b>	<b>100</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

- Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
- The economic status of the family classification has been revised to be in line with the International Labour Organisation economic status classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years.
- Workless, other inactive category includes workless, one or more aged 60 or over.
- Percentages may not sum to 100 per cent due to rounding.

Table 5.3ts: Population of working-age adults by disability<sup>3</sup>, and receipt of disability benefits<sup>2</sup>, and work status, United Kingdom<sup>1</sup>

	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
	Source: FRS																
<b>Number of working-age adults who are: (millions)</b>																	
Working-age adults in families where no-one is disabled	..	25.5	26.1	25.3	25.3	25.8	25.6	26.2	26.9	27.2	27.6	27.3	28.2	28.3	28.3	28.1	28.2
At least one adult working <sup>4</sup>	..	..	22.4	22.2	22.3	22.7	22.8	23.3	23.8	24.2	24.6	24.2	25.0	25.2	24.8	24.3	24.4
No adults working <sup>4</sup>	..	..	3.7	3.1	2.9	3.0	2.8	2.9	3.0	3.0	3.0	3.1	3.2	3.1	3.5	3.8	3.8
Working-age adults in families where someone is disabled	..	7.3	6.9	7.8	7.9	7.5	7.9	7.5	8.0	7.8	7.6	8.2	7.6	7.6	7.8	8.1	8.2
1 or more disabled adult, no disabled child	..	6.3	5.9	6.7	6.8	6.6	6.8	6.6	6.9	6.8	6.6	7.1	6.6	6.5	6.7	6.9	7.0
Those living in families with disabled children	..	1.1	1.0	1.1	1.1	1.0	1.1	0.9	1.0	1.0	1.0	1.1	1.0	1.1	1.1	1.2	1.2
With no disabled adult	..	0.8	0.7	0.7	0.7	0.6	0.7	0.6	0.6	0.7	0.6	0.6	0.6	0.7	0.7	0.7	0.7
With 1 or more disabled adult	..	0.3	0.3	0.3	0.4	0.3	0.4	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5
In receipt of disability benefits	..	1.6	1.7	1.8	1.8	1.9	1.9	1.8	2.2	2.3	2.3	2.3	2.2	2.3	2.3	2.3	2.5
Not in receipt of disability benefits	..	5.7	5.1	6.0	6.0	5.6	5.9	5.7	5.8	5.5	5.3	5.9	5.4	5.2	5.5	5.8	5.7
At least one adult working <sup>4</sup>	..	..	4.1	4.9	4.9	4.7	5.0	4.8	5.2	5.0	4.8	5.4	4.9	4.8	5.0	5.2	5.2
No adults working <sup>4</sup>	..	..	2.8	2.8	2.9	2.8	2.9	2.8	2.8	2.8	2.8	2.8	2.7	2.8	2.8	2.9	3.0
<b>All working-age adults (millions)</b>	32.8	32.8	32.9	33.1	33.2	33.3	33.5	33.7	34.8	35.0	35.2	35.5	35.8	35.9	36.1	36.2	36.4
<b>Percentage of working-age adults who are:</b>																	
Working-age adults in families where no-one is disabled	..	78	79	77	76	77	76	78	77	78	78	77	79	79	78	78	77
At least one adult working <sup>4</sup>	..	..	68	67	67	68	68	69	68	69	70	68	70	70	69	67	67
No adults working <sup>4</sup>	..	..	11	9	9	9	8	9	9	9	9	9	9	9	10	10	11
Working-age adults in families where someone is disabled	..	22	21	23	24	23	24	22	23	22	22	23	21	21	22	22	23
1 or more disabled adult, no disabled child	..	19	18	20	21	20	20	20	20	19	19	20	18	18	19	19	19
Those living in families with disabled children	..	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
With no disabled adult	..	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
With 1 or more disabled adult	..	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
In receipt of disability benefits	..	5	5	5	6	6	6	5	6	6	7	6	6	7	6	6	7
Not in receipt of disability benefits	..	17	16	18	18	17	18	17	17	16	15	17	15	15	15	16	16
At least one adult working <sup>4</sup>	..	..	12	15	15	14	15	14	15	14	14	15	14	13	14	14	14
No adults working <sup>4</sup>	..	..	8	9	9	8	9	8	8	8	8	8	8	8	8	8	8
<b>All working-age adults (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

- Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
- Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled. Splits for at least one adult working and no adults working are also shown only for those living in families where someone is disabled.
- The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.
- The economic status of the family classification has been revised to be in line with the International Labour Organisation economic status classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years.
- Percentages may not sum to 100 per cent due to rounding.

**Table 5.4ts: Composition of working-age adults living in households with less than 60 per cent of contemporary median household income, by family type, United Kingdom<sup>1</sup>**

Percentage of working-age adults	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Working-age adults without children	49	50	50	50	50	51	55	55	56	56	57	57	57	58	59	60	61
Couples	21	21	21	21	22	22	23	23	22	24	23	22	23	23	23	22	22
Single male	18	17	18	18	18	19	19	20	20	20	21	22	22	21	23	24	25
Single female	10	11	11	11	11	11	13	12	13	12	13	13	12	14	14	14	13
Working-age adults with children	51	50	50	50	50	49	45	45	44	44	43	43	43	42	41	40	39
Couples	39	39	37	36	36	34	31	31	30	30	30	31	31	31	30	31	32
Singles	12	11	14	14	14	15	14	14	14	13	13	12	12	11	11	9	8
<b>All working-age adults (per cent)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>After Housing Costs</b>																	
Working-age adults without children	51	51	52	51	50	52	54	53	55	56	56	56	56	56	57	57	58
Couples	19	19	18	20	19	19	21	20	21	22	20	20	21	21	21	19	20
Single male	21	19	20	19	19	20	19	20	21	21	22	22	22	21	22	24	23
Single female	12	12	13	13	12	13	13	13	13	13	14	14	13	14	14	14	14
Working-age adults with children	49	49	48	49	50	48	46	47	45	44	44	44	44	44	43	43	42
Couples	35	36	34	34	34	32	31	31	30	30	30	31	31	32	31	32	32
Singles	13	14	15	15	16	15	15	16	15	14	14	13	13	12	12	11	10
<b>All working-age adults (per cent)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

**Table 5.5ts: Composition of working-age adults living in households with less than 60 per cent of contemporary median household income, by family type and economic status of the family, United Kingdom<sup>1</sup>**

Percentage of working-age adults	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Working-age adults without children	49	50	50	50	50	51	55	55	56	56	57	57	57	58	59	60	61
One or more full-time self-employed	..	..	6	6	6	6	6	6	5	6	5	6	5	7	7	6	7
Single/couple all in full-time work	..	..	4	4	4	5	6	5	6	6	6	6	6	6	5	5	5
Couple, one full-time, one part-time work	..	..	0	1	1	1	1	1	1	1	2	1	1	1	1	1	1
Couple, one full-time work, one not working	..	..	3	3	3	2	3	3	4	3	4	4	4	3	4	5	3
No full-time, one or more in part-time work	..	..	6	6	6	6	6	7	7	7	8	8	7	8	8	8	8
Workless, one or more unemployed	..	..	13	12	10	10	9	7	8	8	7	8	7	8	8	11	11
Workless, other inactive <sup>3</sup>	..	..	18	18	20	20	23	26	25	24	26	24	27	25	25	24	25
Working-age adults with children	51	50	50	50	50	49	45	45	44	44	43	43	43	42	41	40	39
One or more full-time self-employed	..	..	7	8	8	8	7	7	7	6	8	8	7	7	6	7	7
Single/couple all in full-time work	..	..	1	1	1	1	1	1	2	2	2	2	2	2	2	2	2
Couple, one full-time, one part-time work	..	..	2	3	3	3	2	3	2	2	2	3	2	2	2	2	3
Couple, one full-time work, one not working	..	..	9	9	9	9	8	7	8	7	7	7	9	8	9	7	8
No full-time, one or more in part-time work	..	..	6	6	7	7	6	7	6	6	6	6	6	6	6	7	6
Workless, one or more unemployed	..	..	10	7	7	5	5	5	5	4	4	4	4	4	5	6	6
Workless, other inactive <sup>3</sup>	..	..	15	15	15	16	15	16	15	16	14	13	13	13	11	10	8
<b>All working-age adults (per cent)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>After Housing Costs</b>																	
Working-age adults without children	51	51	52	51	50	52	54	53	55	56	56	56	56	56	57	57	58
One or more full-time self-employed	..	..	5	6	5	6	6	5	5	6	5	6	5	6	6	5	6
Single/couple all in full-time work	..	..	5	5	6	6	7	6	7	8	7	7	7	8	7	7	6
Couple, one full-time, one part-time work	..	..	0	1	1	1	1	1	1	1	2	1	1	1	2	1	1
Couple, one full-time work, one not working	..	..	3	3	3	3	4	3	4	3	3	4	5	3	4	4	4
No full-time, one or more in part-time work	..	..	6	6	6	6	6	7	7	7	7	8	7	8	8	7	8
Workless, one or more unemployed	..	..	13	11	9	10	8	7	7	7	7	7	6	6	7	10	9
Workless, other inactive <sup>3</sup>	..	..	20	19	21	22	22	25	25	25	24	23	25	23	23	22	23
Working-age adults with children	49	49	48	49	50	48	46	47	45	44	44	44	44	44	43	43	42
One or more full-time self-employed	..	..	7	7	7	7	7	7	6	7	7	7	7	7	6	6	7
Single/couple all in full-time work	..	..	1	2	1	1	2	2	2	2	2	2	3	3	3	3	3
Couple, one full-time, one part-time work	..	..	3	4	3	3	3	4	3	3	3	4	3	3	3	3	3
Couple, one full-time work, one not working	..	..	9	9	10	9	9	8	9	8	8	8	10	9	10	9	9
No full-time, one or more in part-time work	..	..	6	6	7	7	6	7	6	6	6	6	6	5	6	6	6
Workless, one or more unemployed	..	..	9	6	6	5	4	4	4	3	3	3	3	4	4	5	6
Workless, other inactive <sup>3</sup>	..	..	15	15	15	16	15	16	15	16	15	13	12	13	10	11	9
<b>All working-age adults (per cent)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. The economic status of the family classification has been revised to be in line with the International Labour Organisation economic status classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years.
3. Workless, other inactive category includes workless, one or more aged 60 or over.
4. Percentages may not sum to 100 per cent due to rounding.

**Table 5.6ts: Composition of working-age adults living in households with less than 60 per cent of contemporary median household income, by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, and work status, United Kingdom<sup>1</sup>**

Percentage of working-age adults	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Working-age adults in families where no-one is disabled	..	71	72	67	63	66	64	64	65	67	66	67	66	66	68	69	68
At least one adult working <sup>4</sup>	..	..	34	36	35	36	35	35	35	37	37	38	38	39	40	38	38
No adults working <sup>4</sup>	..	..	37	31	28	30	29	29	30	30	28	29	28	27	28	31	29
Working-age adults in families where someone is disabled	..	29	28	33	37	34	36	36	35	33	34	33	34	34	32	31	32
1 or more disabled adult, no disabled child	..	24	23	27	31	28	31	32	30	29	30	30	30	30	27	27	29
Those living in families with disabled children	..	6	5	7	6	5	5	4	4	4	4	4	4	5	4	4	4
With no disabled adult	..	4	3	4	4	3	3	2	2	2	2	2	2	2	2	2	2
With 1 or more disabled adult	..	2	2	2	2	3	2	2	2	2	2	2	2	2	2	2	2
In receipt of disability benefits	..	3	4	4	5	5	5	5	6	6	7	7	8	8	8	6	6
Not in receipt of disability benefits	..	27	25	29	32	29	31	31	28	27	27	26	27	26	24	25	26
At least one adult working <sup>4</sup>	..	..	9	12	13	12	12	11	12	11	11	12	11	11	11	11	12
No adults working <sup>4</sup>	..	..	19	22	24	22	24	25	23	22	23	21	23	23	21	20	21
<b>All working-age adults (per cent)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>After Housing Costs</b>																	
Working-age adults in families where no-one is disabled	..	70	72	67	65	66	65	66	67	68	68	68	69	68	71	70	70
At least one adult working <sup>4</sup>	..	..	35	37	37	37	38	37	38	39	41	41	42	43	44	41	42
No adults working <sup>4</sup>	..	..	37	30	28	29	27	28	29	29	27	27	26	25	26	29	28
Working-age adults in families where someone is disabled	..	30	28	33	35	34	35	34	33	32	32	32	31	32	29	30	30
1 or more disabled adult, no disabled child	..	25	23	27	29	29	30	30	29	28	28	28	27	27	25	26	26
Those living in families with disabled children	..	6	5	6	6	5	5	4	4	4	4	4	4	5	4	4	4
With no disabled adult	..	3	3	4	4	3	3	2	2	2	2	2	2	3	3	2	2
With 1 or more disabled adult	..	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
In receipt of disability benefits	..	3	4	4	5	6	5	6	7	7	7	7	7	8	7	6	7
Not in receipt of disability benefits	..	27	25	29	30	28	30	29	27	25	25	25	24	24	22	23	23
At least one adult working <sup>4</sup>	..	..	9	11	12	11	12	11	11	10	11	12	11	11	11	11	11
No adults working <sup>4</sup>	..	..	20	22	24	23	23	23	22	22	22	20	21	21	19	19	19
<b>All working-age adults (per cent)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled. Splits for at least one adult working and no adults working are also shown only for those living in families where someone is disabled.
3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.
4. The economic status of the family classification has been revised to be in line with the International Labour Organisation economic status classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years.
5. Percentages may not sum to 100 per cent due to rounding.

Table 5.7ts: Composition of working-age adults living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by family type, United Kingdom<sup>1</sup>

Percentage of working-age adults	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Working-age adults without children	50	50	50	50	50	52	57	57	60	61	61	61	61	63	62	64	65
Couples	21	21	21	21	22	22	24	24	24	26	25	24	24	25	24	23	25
Single male	19	17	18	18	18	19	20	21	22	22	23	24	25	23	24	26	27
Single female	10	11	11	11	11	11	13	12	13	13	13	13	12	15	14	15	13
Working-age adults with children	50	50	50	50	50	48	43	43	40	39	39	39	39	37	38	36	35
Couples	38	38	37	36	36	34	31	31	29	28	28	30	29	28	30	29	30
Singles	12	12	14	14	14	14	12	12	11	11	10	9	9	9	8	7	6
<b>All working-age adults (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
Working-age adults without children	51	50	52	51	50	52	54	55	57	58	59	59	59	59	60	61	60
Couples	20	20	19	20	19	19	21	21	21	22	20	20	20	21	20	20	21
Single male	20	19	20	19	19	21	20	21	22	22	24	24	25	23	25	26	25
Single female	11	12	13	13	12	13	13	13	14	14	15	14	14	16	15	15	15
Working-age adults with children	49	50	48	49	50	48	46	45	43	42	41	41	41	41	40	39	40
Couples	36	36	34	34	34	32	30	30	28	28	28	29	29	30	30	30	31
Singles	13	13	14	15	16	16	16	16	15	14	13	12	12	11	11	9	9
<b>All working-age adults (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

**Table 5.8ts: Composition of working-age adults living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by family type and economic status of the family, United Kingdom<sup>1</sup>**

	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Working-age adults without children	50	50	50	50	50	52	57	57	60	61	61	61	61	63	62	64	65
One or more full-time self-employed	..	..	6	6	6	7	7	7	6	8	6	7	6	8	8	7	8
Single/couple all in full-time work	..	..	4	5	4	5	6	5	6	6	6	6	6	6	5	5	4
Couple, one full-time, one part-time work	..	..	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Couple, one full-time work, one not working	..	..	3	3	3	2	3	3	3	3	3	3	3	3	3	4	3
No full-time, one or more in part-time work	..	..	6	6	6	6	7	7	7	8	8	8	7	9	8	7	9
Workless, one or more unemployed	..	..	13	12	10	11	10	8	10	10	9	10	8	9	9	13	13
Workless, other inactive <sup>3</sup>	..	..	18	18	20	20	24	26	26	26	27	26	30	27	27	27	27
Working-age adults with children	50	50	50	50	50	48	43	43	40	39	39	39	39	37	38	36	35
One or more full-time self-employed	..	..	7	8	8	8	7	8	7	7	8	8	8	7	8	7	8
Single/couple all in full-time work	..	..	1	1	1	1	1	1	2	1	2	1	2	2	2	2	1
Couple, one full-time, one part-time work	..	..	3	3	3	2	2	2	2	2	2	3	2	1	3	2	2
Couple, one full-time work, one not working	..	..	9	9	9	9	8	5	6	6	5	6	6	6	6	5	6
No full-time, one or more in part-time work	..	..	6	6	7	7	6	7	6	7	5	5	6	5	6	6	6
Workless, one or more unemployed	..	..	10	7	7	6	5	5	5	4	4	4	4	4	4	5	6
Workless, other inactive <sup>3</sup>	..	..	15	15	15	16	14	13	13	13	13	11	11	11	9	9	7
<b>All working-age adults (per cent)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>After Housing Costs</b>																	
Working-age adults without children	51	50	52	51	50	52	54	55	57	58	59	59	59	59	60	61	60
One or more full-time self-employed	..	..	5	6	5	5	6	6	5	6	5	7	5	7	6	6	7
Single/couple all in full-time work	..	..	5	5	6	6	7	5	6	7	7	7	6	7	7	6	5
Couple, one full-time, one part-time work	..	..	1	1	1	1	1	1	1	1	1	1	1	1	2	1	1
Couple, one full-time work, one not working	..	..	3	3	3	3	4	3	4	3	3	4	4	3	3	4	3
No full-time, one or more in part-time work	..	..	6	6	6	6	6	6	7	7	8	7	6	8	8	7	8
Workless, one or more unemployed	..	..	12	11	9	10	9	7	9	8	8	9	7	8	9	12	11
Workless, other inactive <sup>3</sup>	..	..	20	19	21	22	23	26	25	26	26	25	28	26	25	24	25
Working-age adults with children	49	50	48	49	50	48	46	45	43	42	41	41	41	41	40	39	40
One or more full-time self-employed	..	..	7	7	7	7	7	7	6	6	7	8	7	7	7	7	7
Single/couple all in full-time work	..	..	1	2	1	1	2	1	2	2	1	2	2	2	2	2	2
Couple, one full-time, one part-time work	..	..	3	4	3	3	3	3	2	2	2	3	2	2	3	2	3
Couple, one full-time work, one not working	..	..	9	9	10	9	8	6	6	6	7	6	8	8	8	7	7
No full-time, one or more in part-time work	..	..	6	6	7	7	6	7	6	6	5	5	6	5	6	6	6
Workless, one or more unemployed	..	..	8	6	6	5	5	5	5	4	4	4	4	4	4	6	6
Workless, other inactive <sup>3</sup>	..	..	14	15	15	16	16	17	16	15	14	13	12	12	10	10	9
<b>All working-age adults (per cent)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. The economic status of the family classification has been revised to be in line with the International Labour Organisation economic status classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years.
3. Workless, other inactive category includes workless, one or more aged 60 or over.
4. Percentages may not sum to 100 per cent due to rounding.

**Table 5.9ts: Composition of working-age adults living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by disability<sup>3</sup>, and receipt of disability benefits<sup>2</sup>, and work status, United Kingdom<sup>1</sup>**

Percentage of working-age adults	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Working-age adults in families where no-one is disabled	..	69	71	67	63	67	64	66	66	69	67	69	67	67	71	71	70
At least one adult working <sup>4</sup>	..	..	35	36	35	36	35	36	34	37	37	37	37	38	41	36	37
No adults working <sup>4</sup>	..	..	36	31	28	31	29	30	32	32	30	32	29	29	30	35	33
Working-age adults in families where someone is disabled	..	31	29	33	37	33	36	34	34	31	33	31	33	33	29	29	30
1 or more disabled adult, no disabled child	..	25	24	27	31	28	31	31	30	28	30	28	30	29	26	26	27
Those living in families with disabled children	..	6	5	6	6	5	5	3	4	3	3	3	3	4	3	3	3
With no disabled adult	..	4	3	4	4	3	3	2	2	2	2	2	2	2	2	1	2
With 1 or more disabled adult	..	2	2	2	2	3	2	2	2	1	2	2	2	2	2	2	1
In receipt of disability benefits	..	4	4	4	5	5	5	5	6	5	7	6	7	7	6	5	5
Not in receipt of disability benefits	..	27	25	29	32	28	31	29	28	26	26	26	26	27	23	24	25
At least one adult working <sup>4</sup>	..	..	9	12	13	12	12	11	11	10	11	12	10	11	10	10	11
No adults working <sup>4</sup>	..	..	19	22	24	22	24	23	22	21	23	19	23	23	19	19	19
<b>All working-age adults (per cent)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>After Housing Costs</b>																	
Working-age adults in families where no-one is disabled	..	69	71	67	65	66	65	66	67	70	68	69	69	69	72	71	69
At least one adult working <sup>4</sup>	..	..	36	37	37	36	36	35	35	38	38	39	39	40	42	39	39
No adults working <sup>4</sup>	..	..	35	29	28	30	29	31	32	33	30	30	30	29	29	32	30
Working-age adults in families where someone is disabled	..	31	29	33	35	34	35	34	33	30	32	31	31	31	28	29	31
1 or more disabled adult, no disabled child	..	25	24	27	29	29	30	31	29	27	28	28	28	26	24	26	27
Those living in families with disabled children	..	6	5	6	6	5	5	4	4	3	3	3	3	4	4	3	4
With no disabled adult	..	3	3	4	4	3	3	2	2	2	2	2	2	2	2	1	2
With 1 or more disabled adult	..	2	2	2	2	2	2	2	2	1	2	1	1	2	2	2	1
In receipt of disability benefits	..	4	4	4	5	5	5	4	5	5	6	5	6	6	6	5	5
Not in receipt of disability benefits	..	27	25	29	30	28	30	30	28	25	26	26	25	25	23	24	25
At least one adult working <sup>4</sup>	..	..	9	11	12	11	11	10	10	9	10	11	9	10	10	10	10
No adults working <sup>4</sup>	..	..	20	22	24	23	24	24	23	21	22	20	22	21	19	19	20
<b>All working-age adults (per cent)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled. Splits for at least one adult working and no adults working are also shown only for those living in families where someone is disabled.
3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.
4. The economic status of the family classification has been revised to be in line with the International Labour Organisation economic status classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years.
5. Percentages may not sum to 100 per cent due to rounding.

Table 5.10ts: Percentage of working-age adults living in households with less than 60 per cent of contemporary median household income, by family type, United Kingdom<sup>1</sup>

	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
Source: FRS																	
<b>Before Housing Costs</b>																	
Working-age adults without children	12	11	12	12	12	12	13	12	13	13	13	13	13	14	15	15	15
Couples	9	8	9	9	9	9	10	9	9	10	9	9	10	10	10	10	10
Single male	16	15	16	16	15	16	17	17	17	17	17	18	18	18	20	21	21
Single female	14	15	15	16	14	15	17	16	17	16	16	17	16	19	19	19	17
Working-age adults with children	20	18	20	20	20	20	18	18	18	18	17	18	18	18	18	17	16
Couples	17	16	17	17	16	16	15	15	15	15	14	16	15	16	16	16	15
Singles	37	33	42	42	40	41	37	38	37	36	34	33	33	33	33	26	22
<b>All working-age adults (per cent)</b>	15	14	15	15	15	15	15	15	15	15	14	15	15	15	16	16	15
<b>After Housing Costs</b>																	
Working-age adults without children	17	16	17	16	16	16	16	16	16	17	16	18	18	18	19	20	20
Couples	11	11	11	11	10	11	11	11	11	12	11	12	12	12	13	13	13
Single male	25	23	25	22	22	23	22	22	24	23	23	25	25	25	26	29	28
Single female	22	23	25	23	22	23	23	22	23	22	22	24	23	26	27	27	26
Working-age adults with children	26	26	27	26	26	26	25	24	24	24	23	25	25	26	26	25	24
Couples	22	22	21	21	21	20	20	19	19	19	18	21	21	22	22	22	22
Singles	58	57	62	58	59	57	54	55	53	49	49	48	49	48	48	45	41
<b>All working-age adults (per cent)</b>	20	20	21	20	19	20	19	19	19	19	19	20	20	21	22	22	21

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

**Table 5.11ts: Percentage of working-age adults living in households with less than 60 per cent of contemporary median household income, by family type and economic status of the family, United Kingdom<sup>1</sup>**

	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Working-age adults without children	12	11	12	12	12	12	13	12	13	13	13	13	13	14	15	15	15
One or more full-time self-employed	..	..	13	15	13	16	16	13	12	15	12	14	13	16	17	16	18
Single/couple all in full-time work	..	..	2	2	2	2	3	2	3	3	3	3	3	3	3	3	3
Couple, one full-time, one part-time work	..	..	1	3	3	2	2	3	3	3	4	4	3	3	5	4	4
Couple, one full-time work, one not working	..	..	8	8	7	7	9	9	10	10	10	11	12	11	12	14	11
No full-time, one or more in part-time work	..	..	18	17	18	19	19	19	19	19	19	20	19	23	24	20	22
Workless, one or more unemployed	..	..	49	53	53	56	58	53	55	58	53	54	52	58	51	54	50
Workless, other inactive <sup>3</sup>	..	..	29	29	30	31	34	38	36	35	36	37	39	38	38	36	35
Working-age adults with children	20	18	20	20	20	20	18	18	18	18	17	18	18	18	18	17	16
One or more full-time self-employed	..	..	20	24	23	23	20	21	21	20	21	26	21	21	21	22	22
Single/couple all in full-time work	..	..	2	3	2	1	2	2	3	3	3	3	3	4	4	3	3
Couple, one full-time work, one part-time work	..	..	4	4	4	4	4	4	3	4	4	5	4	4	4	4	4
Couple, one full-time work, one not working	..	..	20	20	20	21	19	16	17	17	16	19	21	20	22	18	18
No full-time, one or more in part-time work	..	..	41	42	39	42	34	41	35	33	30	31	33	35	36	33	28
Workless, one or more unemployed	..	..	78	77	79	76	80	82	82	74	76	80	79	77	76	71	65
Workless, other inactive <sup>3</sup>	..	..	56	61	57	60	58	59	61	58	54	56	57	56	54	46	41
<b>All working-age adults (per cent)</b>	<b>15</b>	<b>14</b>	<b>15</b>	15	15	15	15	15	15	15	<b>14</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>16</b>	<b>16</b>	<b>15</b>
<b>After Housing Costs</b>																	
Working-age adults without children	17	16	17	16	16	16	16	16	16	17	16	18	18	18	19	20	20
One or more full-time self-employed	..	..	16	18	15	18	18	15	15	17	14	18	16	19	21	20	21
Single/couple all in full-time work	..	..	4	4	4	4	5	4	4	5	5	5	5	5	6	5	5
Couple, one full-time, one part-time work	..	..	2	3	4	2	3	4	4	3	5	6	4	6	8	5	6
Couple, one full-time work, one not working	..	..	12	12	10	10	13	12	14	12	13	15	18	14	17	19	16
No full-time, one or more in part-time work	..	..	25	23	23	24	22	24	25	24	24	26	24	29	30	27	29
Workless, one or more unemployed	..	..	66	66	65	67	66	61	63	66	62	63	60	64	60	64	59
Workless, other inactive <sup>3</sup>	..	..	43	40	42	44	43	47	47	47	43	46	50	48	47	47	45
Working-age adults with children	26	26	27	26	26	26	25	24	24	24	23	25	25	26	26	25	24
One or more full-time self-employed	..	..	26	27	28	28	27	26	24	24	25	30	28	28	28	28	28
Single/couple all in full-time work	..	..	3	4	4	3	4	4	6	5	5	6	6	7	7	6	6
Couple, one full-time, one part-time work	..	..	6	7	6	6	7	7	6	5	6	8	7	8	8	7	7
Couple, one full-time work, one not working	..	..	26	27	29	28	27	23	25	25	25	29	31	31	34	30	29
No full-time, one or more in part-time work	..	..	54	54	53	52	47	53	47	42	41	42	46	43	47	45	43
Workless, one or more unemployed	..	..	90	90	91	89	90	91	92	88	85	91	91	93	91	91	88
Workless, other inactive <sup>3</sup>	..	..	77	78	77	78	75	78	78	76	74	74	74	74	72	70	65
<b>All working-age adults (per cent)</b>	<b>20</b>	<b>20</b>	<b>21</b>	<b>20</b>	<b>19</b>	<b>20</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>20</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>22</b>	<b>21</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. The economic status of the family classification has been revised to be in line with the International Labour Organisation economic status classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years.
3. Workless, other inactive category includes workless, one or more aged 60 or over.

**Table 5.12ts: Percentage of working-age adults living in households with less than 60 per cent of contemporary median household income, by disability<sup>3</sup>, and receipt of disability benefits<sup>2</sup>, and work status, United Kingdom<sup>1</sup>**

Percentage of working-age adults	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Working-age adults in families where no-one is disabled	..	13	14	13	12	13	12	12	12	13	12	13	12	13	14	14	13
At least one adult working <sup>4</sup>	..	..	8	8	8	8	8	7	8	8	8	8	8	9	9	9	9
No adults working <sup>4</sup>	..	..	50	50	46	50	51	49	50	50	46	50	47	47	46	47	42
Working-age adults in families where someone is disabled	..	18	20	21	22	22	23	24	22	21	22	22	24	25	23	22	22
1 or more disabled adult, no disabled child	..	17	20	20	22	22	23	24	22	22	23	22	24	25	23	22	23
Those living in families with disabled children	..	25	25	30	28	27	23	21	22	19	20	18	23	24	24	18	17
With no disabled adult	..	22	23	27	25	21	21	17	19	16	15	17	21	20	20	13	16
With 1 or more disabled adult	..	31	31	36	33	37	26	30	27	25	27	21	26	30	29	25	18
In receipt of disability benefits	..	9	10	12	13	13	13	14	15	14	16	16	18	19	19	15	14
Not in receipt of disability benefits	..	21	24	24	25	25	26	27	25	24	25	24	26	28	25	24	25
At least one adult working <sup>4</sup>	..	..	11	12	12	12	12	12	11	11	12	12	12	13	12	12	12
No adults working <sup>4</sup>	..	..	35	38	40	39	40	44	42	40	41	40	45	46	43	39	38
<b>All working-age adults (per cent)</b>	<b>15</b>	<b>14</b>	<b>15</b>	15	15	15	15	15	15	15	<b>14</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>16</b>	<b>16</b>	<b>15</b>
<b>After Housing Costs</b>																	
Working-age adults in families where no-one is disabled	..	18	19	17	17	17	16	16	17	17	16	18	18	18	19	20	19
At least one adult working <sup>4</sup>	..	..	11	11	11	11	11	10	11	11	11	12	12	13	14	14	13
No adults working <sup>4</sup>	..	..	68	63	62	63	61	62	64	64	58	62	60	59	59	61	56
Working-age adults in families where someone is disabled	..	27	28	28	29	29	29	29	28	27	28	28	30	31	29	29	29
1 or more disabled adult, no disabled child	..	26	27	26	28	29	29	29	28	27	28	28	30	31	29	30	29
Those living in families with disabled children	..	35	35	35	35	33	30	29	28	26	26	26	29	33	32	26	26
With no disabled adult	..	30	33	32	32	26	29	23	24	23	20	22	28	28	29	20	23
With 1 or more disabled adult	..	44	41	44	42	45	33	40	33	33	34	33	31	41	38	36	30
In receipt of disability benefits	..	13	15	16	17	19	18	20	20	21	21	23	24	25	25	22	21
Not in receipt of disability benefits	..	31	33	31	33	33	32	32	31	30	31	30	32	34	31	32	32
At least one adult working <sup>4</sup>	..	..	15	15	15	16	16	15	15	13	15	16	16	17	16	16	16
No adults working <sup>4</sup>	..	..	48	50	52	52	51	54	53	52	50	51	55	55	53	52	51
<b>All working-age adults (per cent)</b>	<b>20</b>	<b>20</b>	<b>21</b>	<b>20</b>	<b>19</b>	<b>20</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>20</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>22</b>	<b>21</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled. Splits for at least one adult working and no adults working are also shown only for those living in families where someone is disabled.
3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.
4. The economic status of the family classification has been revised to be in line with the International Labour Organisation economic status classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years.
5. Percentages may not sum to 100 per cent due to rounding.

Table 5.13ts: Percentage of working-age adults living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by family type, United Kingdom<sup>1</sup>

	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Working-age adults without children	14	14	13	12	12	11	11	9	10	10	9	10	10	11	10	10	11
Couples	11	10	10	9	9	9	8	7	7	8	7	7	7	8	7	7	8
Single male	20	18	18	16	15	15	15	13	13	13	13	14	14	14	14	15	15
Single female	17	18	17	17	14	14	15	11	13	12	12	12	11	14	13	13	12
Working-age adults with children	24	23	22	21	20	18	15	12	12	11	11	11	11	11	11	10	10
Couples	21	20	18	18	16	15	12	11	10	10	9	10	10	10	10	9	10
Singles	47	44	46	43	40	37	29	23	21	21	19	16	17	18	16	12	11
<b>All working-age adults (per cent)</b>	<b>18</b>	<b>17</b>	<b>16</b>	<b>16</b>	<b>15</b>	<b>14</b>	<b>13</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>
<b>After Housing Costs</b>																	
Working-age adults without children	19	18	18	16	16	15	15	13	13	13	12	13	13	13	14	15	15
Couples	13	13	12	11	10	10	10	9	8	9	7	8	8	9	9	9	10
Single male	28	26	26	22	22	22	20	18	18	18	18	19	20	19	21	23	22
Single female	24	26	26	24	22	22	21	18	19	18	18	18	17	20	20	21	20
Working-age adults with children	30	30	29	27	26	24	22	19	17	17	15	16	17	16	17	16	17
Couples	25	25	23	22	21	19	17	15	13	13	12	14	14	14	15	14	15
Singles	64	64	65	60	59	55	49	43	39	36	31	31	31	31	30	27	27
<b>All working-age adults (per cent)</b>	<b>23</b>	<b>23</b>	<b>22</b>	<b>20</b>	<b>19</b>	<b>19</b>	<b>17</b>	<b>15</b>	<b>14</b>	<b>14</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>16</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

**Table 5.14ts: Percentage of working-age adults living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by family type and economic status of the family, United Kingdom<sup>1</sup>**

	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Working-age adults without children	14	14	13	12	12	11	11	9	10	10	9	10	10	11	10	10	11
One or more full-time self-employed	..	..	14	16	13	15	14	11	10	12	10	11	10	13	14	12	14
Single/couple all in full-time work	..	..	2	3	2	2	3	2	2	2	2	2	2	2	2	2	2
Couple, one full-time, one part-time work	..	..	1	3	3	2	1	2	2	2	2	2	2	3	3	2	3
Couple, one full-time work, one not working	..	..	10	8	7	7	8	7	7	6	6	7	7	7	7	8	7
No full-time, one or more in part-time work	..	..	20	18	18	17	17	15	14	15	14	13	13	17	16	12	16
Workless, one or more unemployed	..	..	52	54	53	53	52	43	48	50	45	43	39	47	37	39	40
Workless, other inactive <sup>3</sup>	..	..	32	31	30	28	30	28	27	27	26	27	29	28	26	26	25
Working-age adults with children	24	23	22	21	20	18	15	12	12	11	11	11	11	11	11	10	10
One or more full-time self-employed	..	..	22	25	23	22	18	18	15	16	16	17	16	14	17	15	16
Single/couple all in full-time work	..	..	2	3	2	1	2	1	2	2	2	2	2	2	3	2	1
Couple, one full-time work, one part-time work	..	..	4	5	4	3	2	2	2	2	2	3	2	2	3	2	2
Couple, one full-time work, one not working	..	..	23	21	20	19	15	9	10	9	8	11	10	10	11	8	10
No full-time, one or more in part-time work	..	..	43	43	39	39	28	31	24	25	19	19	21	21	21	19	19
Workless, one or more unemployed	..	..	80	78	79	72	71	63	63	52	54	61	57	56	48	44	43
Workless, other inactive <sup>3</sup>	..	..	60	63	57	55	46	37	38	35	33	31	32	33	29	27	25
<b>All working-age adults (per cent)</b>	<b>18</b>	<b>17</b>	<b>16</b>	<b>16</b>	<b>15</b>	<b>14</b>	<b>13</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>
<b>After Housing Costs</b>																	
Working-age adults without children	19	18	18	16	16	15	15	13	13	13	12	13	13	13	14	15	15
One or more full-time self-employed	..	..	17	18	15	17	17	13	12	14	12	14	12	16	15	16	18
Single/couple all in full-time work	..	..	4	4	4	4	4	3	3	3	3	3	3	3	4	4	3
Couple, one full-time, one part-time work	..	..	2	4	4	2	2	3	3	3	3	3	3	4	5	4	4
Couple, one full-time work, one not working	..	..	13	12	10	9	11	9	10	8	8	10	12	9	11	13	11
No full-time, one or more in part-time work	..	..	27	23	23	23	20	19	18	18	18	18	17	19	23	19	22
Workless, one or more unemployed	..	..	68	67	65	65	63	55	56	58	53	52	48	55	50	56	52
Workless, other inactive <sup>3</sup>	..	..	46	42	42	41	40	39	36	36	33	35	39	37	36	35	36
Working-age adults with children	30	30	29	27	26	24	22	19	17	17	15	16	17	16	17	16	17
One or more full-time self-employed	..	..	27	28	28	26	24	22	19	19	19	24	20	20	21	21	21
Single/couple all in full-time work	..	..	4	5	4	3	4	2	3	3	3	3	3	4	4	3	4
Couple, one full-time, one part-time work	..	..	6	8	6	5	5	4	3	3	3	4	3	4	5	4	5
Couple, one full-time work, one not working	..	..	30	28	29	26	21	15	14	14	14	15	18	17	21	16	18
No full-time, one or more in part-time work	..	..	58	56	53	49	41	40	32	30	25	25	30	27	30	29	29
Workless, one or more unemployed	..	..	92	91	91	88	89	85	83	80	73	79	80	76	71	75	71
Workless, other inactive <sup>3</sup>	..	..	80	79	77	75	70	66	62	55	50	50	50	49	48	45	47
<b>All working-age adults (per cent)</b>	<b>23</b>	<b>23</b>	<b>22</b>	<b>20</b>	<b>19</b>	<b>19</b>	<b>17</b>	<b>15</b>	<b>14</b>	<b>14</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>16</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. The economic status of the family classification has been revised to be in line with the International Labour Organisation economic status classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years.
3. Workless, other inactive category includes workless, one or more aged 60 or over.

**Table 5.15ts: Percentage of working-age adults living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by disability<sup>3</sup>, and receipt of disability benefits<sup>2</sup>, and work status, United Kingdom<sup>1</sup>**

Percentage of working-age adults	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Working-age adults in families where no-one is disabled	..	15	15	14	12	12	11	9	9	9	8	9	9	9	10	9	9
At least one adult working <sup>4</sup>	..	..	9	8	8	7	6	5	5	6	5	6	5	6	6	5	6
No adults working <sup>4</sup>	..	..	53	52	46	46	44	37	39	38	34	37	33	35	32	34	33
Working-age adults in families where someone is disabled	..	24	23	22	22	20	19	16	15	14	15	14	16	17	14	13	14
1 or more disabled adult, no disabled child	..	23	22	21	22	20	19	16	16	15	16	14	16	17	15	14	15
Those living in families with disabled children	..	32	28	30	28	24	18	13	14	11	11	11	13	15	12	10	9
With no disabled adult	..	29	25	28	25	19	17	11	12	10	9	10	11	13	9	7	10
With 1 or more disabled adult	..	40	33	36	33	35	21	17	17	14	15	13	15	18	16	13	9
In receipt of disability benefits	..	14	12	13	13	11	11	9	10	8	10	9	12	11	10	9	8
Not in receipt of disability benefits	..	27	26	25	25	23	22	18	17	17	17	16	18	20	16	15	17
At least one adult working <sup>4</sup>	..	..	12	12	12	11	10	8	8	7	8	8	8	9	7	7	8
No adults working <sup>4</sup>	..	..	38	39	40	35	34	29	29	27	28	25	31	31	27	24	24
<b>All working-age adults (per cent)</b>	<b>18</b>	<b>17</b>	<b>16</b>	<b>16</b>	<b>15</b>	<b>14</b>	<b>13</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>
<b>After Housing Costs</b>																	
Working-age adults in families where no-one is disabled	..	20	20	18	17	16	15	13	12	13	11	13	12	13	14	14	14
At least one adult working <sup>4</sup>	..	..	12	11	11	10	9	8	7	8	7	8	8	8	10	9	9
No adults working <sup>4</sup>	..	..	70	64	62	61	59	54	52	53	46	49	47	48	46	48	46
Working-age adults in families where someone is disabled	..	31	31	29	29	27	25	23	20	19	19	19	21	21	20	20	22
1 or more disabled adult, no disabled child	..	30	30	27	28	27	25	24	21	20	20	19	21	21	20	21	22
Those living in families with disabled children	..	39	38	37	35	30	26	19	18	16	15	15	18	21	20	16	17
With no disabled adult	..	35	36	33	32	24	25	15	15	13	12	14	17	18	17	12	17
With 1 or more disabled adult	..	48	42	44	42	41	28	27	24	20	20	16	19	25	24	22	18
In receipt of disability benefits	..	19	18	17	17	16	14	12	12	11	12	12	13	13	14	12	13
Not in receipt of disability benefits	..	35	35	32	33	31	29	27	24	22	22	22	24	25	23	23	26
At least one adult working <sup>4</sup>	..	..	16	16	15	14	13	11	10	9	10	10	10	11	11	10	11
No adults working <sup>4</sup>	..	..	52	51	52	49	46	44	40	37	35	36	41	39	38	38	39
<b>All working-age adults (per cent)</b>	<b>23</b>	<b>23</b>	<b>22</b>	<b>20</b>	<b>19</b>	<b>19</b>	<b>17</b>	<b>15</b>	<b>14</b>	<b>14</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>16</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled. Splits for at least one adult working and no adults working are also shown only for those living in families where someone is disabled.
3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.
4. The economic status of the family classification has been revised to be in line with the International Labour Organisation economic status classification. This means that no economic status data is available for 1994/95 and 1995/96 as the relevant information was not collected in the Family Resources Survey for these years.
5. Percentages may not sum to 100 per cent due to rounding.

## Pensioners

### Commentary

#### 1. Key findings

- In general, there was a decrease<sup>1</sup> in the percentage of pensioners in *relative low income*<sup>2</sup> between 1998/99 and 2010/11. The percentage of pensioners in *relative low income*, both *Before* and *After Housing Costs*, was close to a historic low<sup>3</sup> in 2010/11 and pensioners are less likely to be in *relative low income* than the population as a whole, *After Housing Costs*.
- Between 2009/10 and 2010/11, there were slight reductions<sup>4</sup> in the percentage of pensioners in *relative low income*. These reductions were driven primarily by *incomes* for pensioners at the lower end of the income distribution falling less than *incomes* around the *median*. There was a small increase in the proportion of pensioners in *absolute low income*, as *low-income* households containing pensioners saw their *income* fall in real terms. There has been a small decrease in the proportion of pensioners aged 65 or over in *material deprivation*.
- Pensioners living in families with certain characteristics were more likely to live in *low-income households*. These characteristics included living alone, being older, living in families with disabled members not in receipt of disability benefits, living in a household with a head from an ethnic minority and not having either an occupational or personal pension.
- Some similar characteristics increased the likelihood of pensioners aged 65 or over being in *material deprivation*. Differences included older pensioners being less likely than younger pensioners to be in *material deprivation*, single pensioners living with others having higher levels and little difference in rates between pensioners in families containing disabled members in receipt and those not in receipt of disability benefits.

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<sup>1</sup> The statistical significance of movements based on the relative and absolute low-income threshold of 60 per cent of median, Before and After Housing Costs, have been tested. The reductions between 1998/99 and 2010/11 are statistically significant.

<sup>2</sup> Technical terms in the key findings in italics are explained immediately before the tables.

<sup>3</sup> Figures from the Institute for Fiscal Studies (IFS) which present data since 1961 show rates of pensioner relative low income were only lower than their 2010/11 levels in 1984 (see <http://www.ifs.org.uk/fiscalFacts/povertyStats>).

<sup>4</sup> Based on a threshold of 60 per cent of median income, only the After Housing Costs reduction is statistically significant.

## 6 Pensioners

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### 2. How is this information used?

The Department for Work and Pensions has an Impact Indicator<sup>5</sup> focussing on the rate of pensioner low income. The indicator measures the percentage of pensioners with incomes below 60 per cent of contemporary median income, After Housing Costs. It is used to monitor progress on pensioner poverty over time.

The pensioner low-income indicator, split by various Equality Act Protected Characteristics, is also reported in the annual DWP Equality Report<sup>6</sup>.

The material deprivation indicator introduced in 2009/10<sup>7</sup>, is an additional way of measuring living standards for pensioners. This indicator is comprised of a suite of 15 questions based on access to specific goods, services and experiences. It measures how many pensioners are in material deprivation and the reasons for lacking access to the goods, services or experiences. The indicator is also used to explore a broader definition of pensioner poverty and captures both the financial and non-financial reasons for being in material deprivation.

### 3. Drivers

As described in **Chapter 2**, median equivalised household income fell between 2009/10 and 2010/11, which in turn reduced the relative poverty thresholds. Individual median earnings as shown in the FRS in 2010/11 were about the same as in 2009/10 in cash terms, and fell by around 4 per cent in real terms over this period because of a higher inflation rate than most past years (see **Table 2.1tr**). This was one of the main factors leading to the reduction in median incomes.

Benefit and tax credit income grew in cash terms and fell only slightly in real terms. This meant that low-income households in receipt of benefits saw their income fall less in 2010/11 than households at the median, tending to decrease the overall rate of relative low income, Before and After Housing Costs.

As shown in **Figure 2.2** in **Chapter 2**, households containing pensioners in the lowest quintiles generally received a larger proportion of their income from benefits and a smaller proportion from other sources. So because benefit income grew more than earned income, households with pensioners saw their overall income fall less in real terms in 2010/11 than other households with more income from earnings. In addition, many benefits and tax credit elements were uprated<sup>8</sup> in 2010/11 by 1.5 per cent or 1.8 per cent, but the Basic State Pension increased by 2.5 per cent, while Pension Credit rates increased by 2 per cent.

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<sup>5</sup> See <http://www.dwp.gov.uk/publications/corporate-publications/dwp-business-plan-2011-2015/business-plan-transparency> for details of DWP Impact Indicators.

<sup>6</sup> Equality information can be found at <http://www.dwp.gov.uk/about%2Ddwp/diversity%2Dand%2Dequality/dwp%2Dequality%2Dinformation/>.

<sup>7</sup> See [http://research.dwp.gov.uk/asd/hbai/technical\\_note\\_20110307.pdf](http://research.dwp.gov.uk/asd/hbai/technical_note_20110307.pdf) for the background to this measure.

<sup>8</sup> See the DWP Abstract of Statistics at <http://research.dwp.gov.uk/asd/index.php?page=abstract> for benefit rates and details of the various uprating series used.

In contrast to relative low income, levels of absolute low income for pensioners rose between 2009/10 and 2010/11<sup>9</sup>. This is because, despite the increases in benefits, equivalised household incomes for low-income pensioners in 2010/11 rose by less than inflation.

#### 4. What the figures show<sup>10</sup>

**Trends in relative low income:** As shown in **Figure 1.4** in **Chapter 1** and **Table 6.1tr**, there was a reduction in the proportion of pensioners in relative low income between the years 1998/99<sup>11</sup> and 2010/11 both Before and After Housing Costs<sup>12</sup>. The figures initially fell between 1998/99 and 2005/06, rose between 2005/06 and 2006/07, and then decreased between 2006/07 and 2010/11<sup>13</sup>.

At 14 per cent for 2010/11, relative low income After Housing Costs was close to its lowest ever rate, with much of the reduction since 1998/99 driven by increased entitlements to state support<sup>14</sup>. There was a 1 percentage point decrease between 2009/10 and 2010/11<sup>15</sup>, with this reduction driven primarily by households containing pensioners receiving a larger proportion of their incomes from benefits, the increases to the Basic State Pension and Pension Credit, and the reduction in median incomes, as described above. Before Housing Costs, relative low income also fell by 1 percentage point to 17 per cent between 2009/10 and 2010/11<sup>16</sup>.

**Trends in absolute low income:** Looking at **Table 6.2tr**, over the period 1998/99 to 2010/11, there was a marked fall in the proportion of pensioners in absolute low income both Before and After Housing Costs. This reduction occurred between 1998/99 and 2004/05, with levels broadly unchanged since then.

In 2010/11, the proportion of pensioners in absolute low income, After Housing Costs, was 9 per cent, an increase of 1 percentage point compared to 2009/10. Before Housing Costs, the proportion of pensioners in absolute low income increased by 1 percentage point to 11 per cent<sup>17</sup>. This is because, as noted above, low-income households with pensioners saw their incomes fall in real terms.

**Trends in material deprivation:** As shown in **Figure 1.4** in **Chapter 1** and **Table 6.7tr**, the proportion of pensioners who were living in material deprivation fell by 1 percentage point from 2009/10 to 9 per cent in 2010/11<sup>18</sup>.

<sup>9</sup> Looking at a threshold of 60 per cent of median, this is a statistically significant increase, both Before and After Housing Costs.

<sup>10</sup> This analysis is based on a 60 per cent of median income threshold.

<sup>11</sup> 1998/99 is the first year where results are available for the United Kingdom.

<sup>12</sup> This reduction is statistically significant, both Before and After Housing Costs.

<sup>13</sup> These movements are all statistically significant, both Before and After Housing Costs, with the exception of the Before Housing Costs increase from 2005/06 to 2006/07.

<sup>14</sup> See Table 4.3 of the 2011 IFS commentary available at <http://www.ifs.org.uk/publications/5584>.

<sup>15</sup> This reduction is statistically significant.

<sup>16</sup> This reduction is not statistically significant.

<sup>17</sup> Both Before and After Housing Costs increases are statistically significant.

<sup>18</sup> Table 6.7tr shows the level of material deprivation remaining at 9 per cent in 2009/10 and 2010/11, but a reduction on 1 percentage point between 2009/10 and 2010/11. This apparent inconsistency is due to rounding. To ensure that the figures produced from the survey can provide reliable estimates, we round the figures to the nearest percentage point at the final point of any calculation. This can

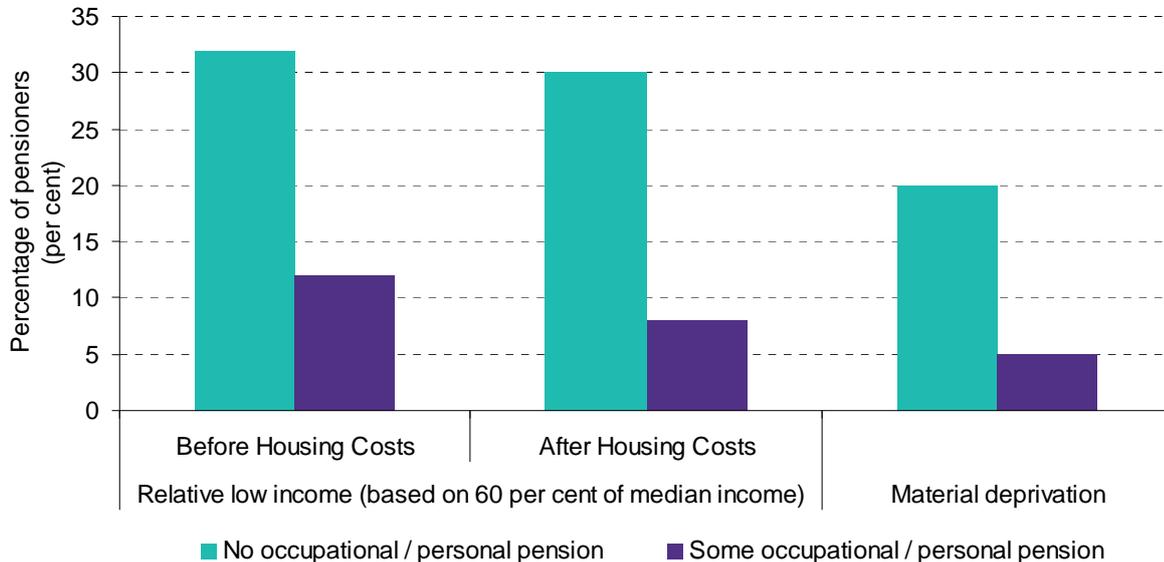
## 6 Pensioners

Looking at **Table 6.11db**, around half of pensioners in the lowest quintile (i.e. the bottom 20 per cent) of the income distribution were unable to take a holiday away from home. The most common reason across all quintiles for this was health or disability preventing them. Over four-fifths of pensioners in the lowest quintile of the income distribution would be able to pay an unexpected expense of £200. The most common way of doing this across all quintiles was to use savings.

**Quintile distributions:** In 2010/11, pensioners were more likely to be in the lowest to middle quintiles, and less likely to be in the top quintile (i.e. the top 20 per cent) of the income distribution than the population as a whole (see **Table 6.1db**). This is consistent with past years and is mainly due to households containing pensioners receiving a higher proportion of their income from benefits and therefore less likely to live in higher-income households.

**Pensions receipt:** After Housing Costs, around 40 per cent of pensioners with incomes below 60 per cent of contemporary median household income are in receipt of an occupational or personal pension (about half, Before Housing Costs) compared to around three-quarters of all pensioners (see **Table 6.4db**). Pensioners with some occupational or personal pension are much less likely to be materially deprived compared to those with no occupational or personal pension (see **Chart 6.1** sourced from **Table 6.6db** and **Table 6.10db**).

**Chart 6.1: Percentage of pensioners in low-income groups by pensions receipt, 2010/11**



**Age:** In general, the older the age of the pensioners, the greater the likelihood of low income (see **Table 6.5db**). However the converse appears to be true for material deprivation, in that older pensioners have a lower likelihood of being in material deprivation (see **Table 6.9db**).

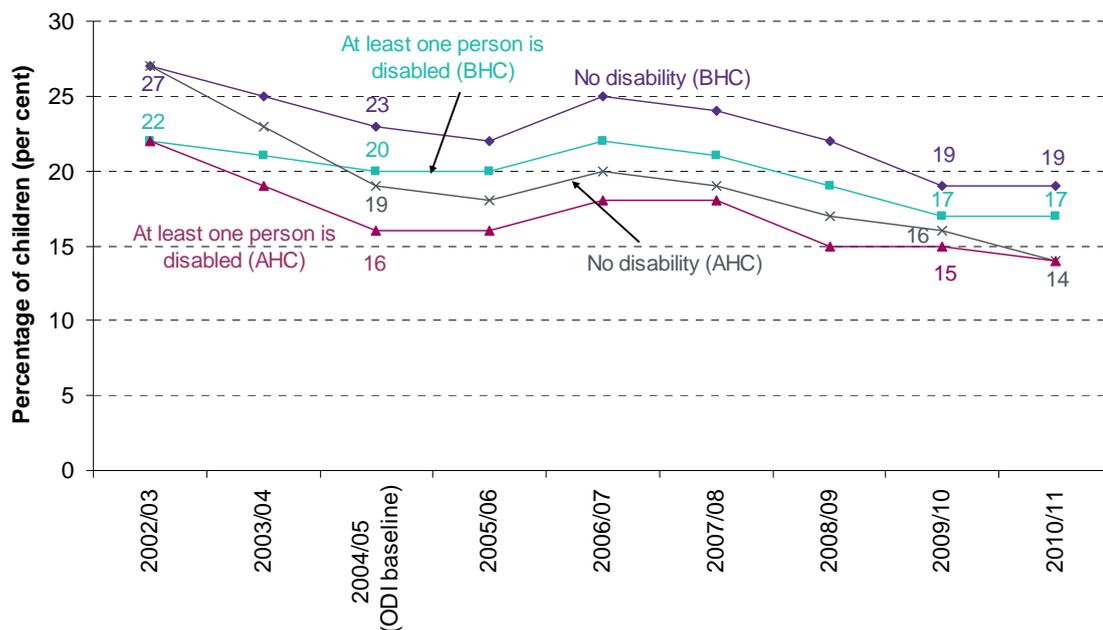
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mean that figures may not sum due to this rounding. Only rounding figures at the final point of calculation of a statistic produces the best estimate.

**Disability:** Chart 6.2 shows that pensioners living in families containing one or more disabled individuals had similar rates of low income to pensioners living in families not containing any disabled individuals, and show similar profiles over time falling between 2002/03 and 2005/06, rising between 2005/06 and 2006/07, before falling since then. However, pensioners living in families containing one or more disabled individuals and not receiving disability benefits<sup>19</sup> were much more likely to be in low-income households compared to those in receipt of disability benefits. Changes in rates of low income for pensioners living in families containing one or more disabled individuals will affect the Office for Disability Issues (ODI) indicator<sup>20</sup> on the percentage of individuals living in families containing one or more disabled individuals. Additionally, pensioners living in families where someone is disabled were more than twice as likely to be in material deprivation compared to those living in families where no-one is disabled (see Table 6.5db and 6.9db).

From 2009/10 to 2010/11, the proportion of pensioners living in families containing one or more disabled individuals in relative low income reduced by 1 percentage point to 14 per cent<sup>21</sup>, After Housing Costs and stayed at 17 per cent, Before Housing Costs (see Table 6.12ts).

Chart 6.2: Percentage of pensioners in relative low-income by family disability status, 2002/03 to 2010/11, United Kingdom



<sup>19</sup> Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.

<sup>20</sup> ODI Disability Equality indicators are available at <http://odi.dwp.gov.uk/roadmap-to-disability-equality/indicators.php>. Indicator C3 looks at individuals in low income by whether they live in a family containing someone who is disabled.

<sup>21</sup> Table 6.12ts shows a reduction from 16 per cent in 2009/10 to 14 per cent in 2010/11. This apparent inconsistency is due to rounding.

## Background information

### Introduction

This chapter examines the position of pensioners in the income distribution in 2010/11 and looks in more detail at how this might be linked to their family or household characteristics. High-level trends over time from 1994/95 onwards are also examined, with data for Great Britain from 1994/95 to 1997/98 and for the United Kingdom for some groups from 1998/99 to 2001/02 and all groups from 2002/03 onwards.

Pensioners are defined as all those adults above State Pension age. Prior to 6th April 2010, women reached the State Pension age at 60. From 6th April 2010, the qualifying age for women has been gradually increasing. The changes do not affect the State Pension age of men, currently 65. This chapter includes results only for those individuals above State Pension age. Thus, any partners below State Pension age will be excluded from results in this chapter, but will be included in **Chapter 5**. This differs from **Chapter 3**, where both adults in a couple with one adult above State Pension age and one below are classified as a *pensioner couple*. For material deprivation, the information is presented for those pensioners aged 65 or over.

### The position of pensioners in the overall income distribution

**Figure 6.1** compares the income distribution of pensioners in 2010/11 with that of the entire population. An explanation of how negative incomes can occur After Housing Costs and zero incomes Before Housing Costs is given in **Appendix 1**.

Figure 6.1 (BHC): Income distribution; all individuals and pensioners by income band, 2010/11

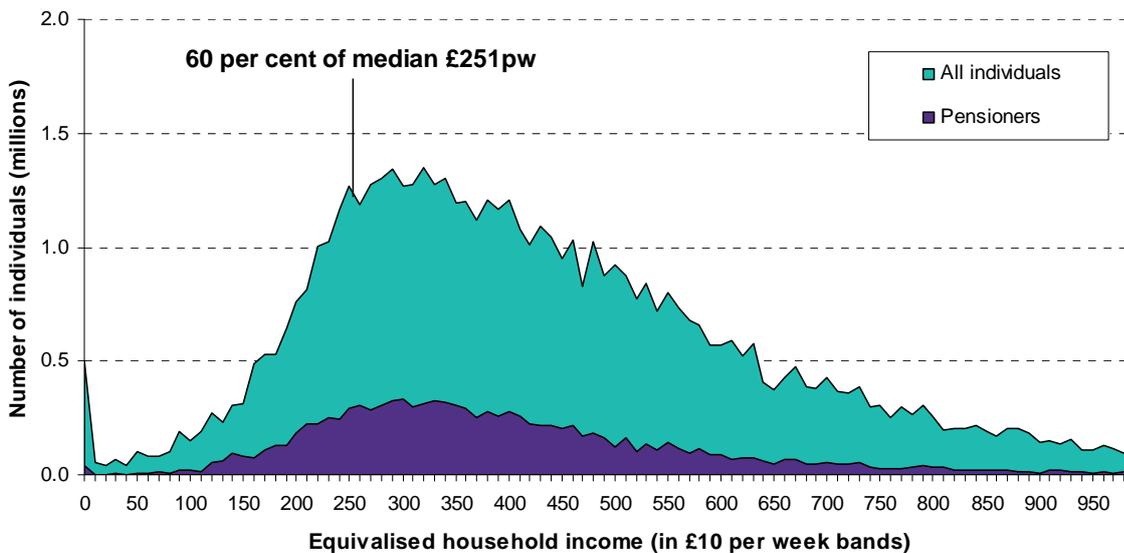
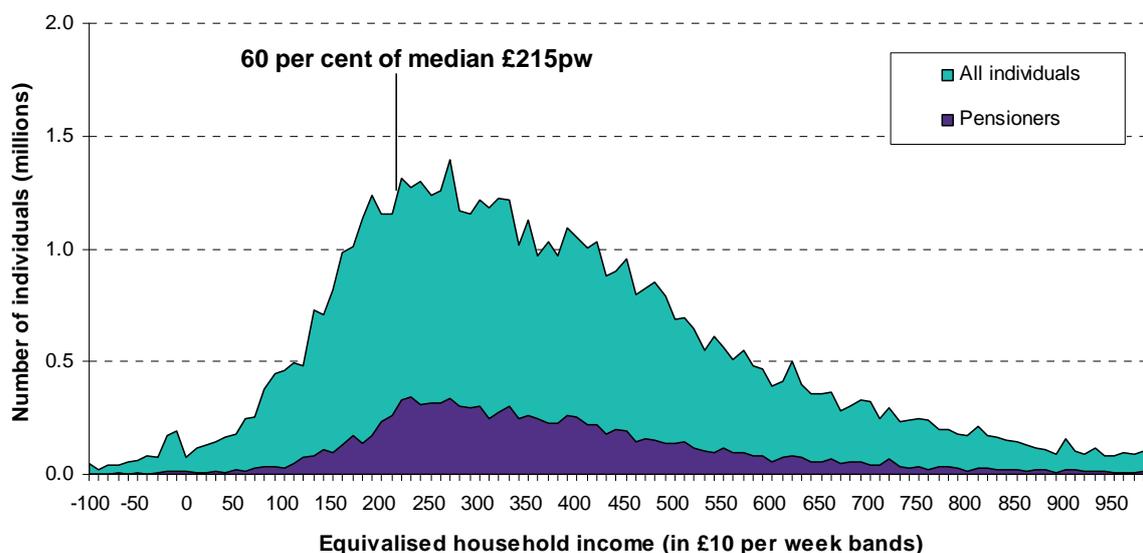


Figure 6.1 (AHC): Income distribution; all individuals and pensioners by income band, 2010/11



## Revisions

Results for 2008/09 and 2009/10 have been revised following incorporation of changes to the direct tax system in Northern Ireland and new tenure data from the Department of Communities and Local Government (CLG). More information can be found at:

[http://research.dwp.gov.uk/asd/hbai/hbai\\_revision\\_due\\_to\\_ni\\_tax\\_changes.pdf](http://research.dwp.gov.uk/asd/hbai/hbai_revision_due_to_ni_tax_changes.pdf).

Revised tables for earlier years are available on request. The grossing issue will particularly affect analysis by tenure.

## Tables in this chapter are:

**6.1tr – 6.7tr Trends over time** for headline figures for years covered by the Family Expenditure Survey (FES) and the Family Resources Survey (FRS). **Tables 6.1tr** and **6.2tr** show the percentage falling below various thresholds of contemporary median income and 1998/99 median income held constant in real terms respectively. **Tables 6.3tr** and **6.4tr** show numbers for the same measures as outlined for **Tables 6.1tr** and **6.2tr**, while **Tables 6.5tr** and **6.6tr** present a series that only includes pensioners aged 65 or over. This is in line with international measures of poverty and will provide a consistent time series going forward in light of the equalisation of State Pension age for men and women that began in 2010. **Table 6.7tr** presents the pensioner material deprivation indicator for pensioners aged 65 or over, see **Appendix 2** for further details on how material deprivation is calculated.

**6.1db Quintile distribution** of income by: economic status of adults in the family; age; family type; gender; marital status; disability and receipt of disability benefits; tenure; ethnic group (three-year average).

## 6 Pensioners

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**6.2db** **Quintile distribution** of income by: pensions receipt; state support received by family; savings and investments; region and country (three-year average).

**6.3db – 6.4db** **Composition** of low-income groups of pensioners with categories as outlined for **Tables 6.1db – 6.2db**.

**6.5db – 6.6db** **Percentage** of pensioners falling into low-income groups with categories as outlined for **Tables 6.1db – 6.2db**.

**6.7db – 6.8db** **Composition** of pensioners in material deprivation with categories outlined for **Tables 6.1db – 6.2db** for pensioners aged 65 or over.

**6.9db – 6.10db** **Percentage** of pensioners aged 65 or over in material deprivation with categories outlined for **Tables 6.1db – 6.2db**.

**6.11db** **Material deprivation** Quintile distribution of income for pensioners aged 65 or over by whether they have the material deprivation items and services.

**6.1ts – 6.4ts** **Populations over time** **Tables 6.1ts to 6.4ts** present populations over time by: age and gender; tenure; region and country (three-year average); disability and receipt of disability benefits.

**6.5ts – 6.7ts** **Composition** of pensioners in households with incomes below 60 per cent of contemporary median income over time by: age and gender; tenure; disability and receipt of disability benefits.

**6.8ts – 6.12ts** **Percentage** of pensioners in households with incomes below 60 per cent of contemporary median income over time by: age and gender; tenure; region and country (three-year average, the number of pensioners can be found in **Table 6.11ts**); disability and receipt of disability benefits.

**6.13ts – 6.17ts** **Percentage** of pensioners in households with incomes below 60 per cent of 1998/99 median income held constant in real terms over time by the categories outlined for **Tables 6.8ts – 6.12ts**. The number of pensioners by region and country (three-year average) can be found in **Table 6.16ts**.

Following user consultation, time series tables looking at pensioners in households with incomes below 50 per cent of median have been removed.

### Definition of low income

‘Low income’ is defined using thresholds derived from percentages of median income for the whole population. Households reporting the lowest incomes may not have the lowest living standards. The bottom 10 per cent of the income distribution should not, therefore, be interpreted as having the bottom 10 per cent of living standards. This is a particular issue for lower thresholds of median income. To reflect this uncertainty in these tables, results for the 50 per cent of median threshold are presented in italics.

## Definition of ‘benefit units’ and ‘households’

A family, or benefit unit, is a single adult or a couple living as married, together with any dependent children. An adult living in the same household as his or her parents, for example, is a separate benefit unit from the parents.

A household is a single person or group of people living at the same address as their only or main residence, who either share one meal a day together, or share the living accommodation (i.e. the living room). A household will consist of one or more benefit units.

## Trends over time for headline figures

All time trends are based on thresholds of median income, are presented for the UK and based on the modified OECD equivalisation scales (see **Appendix 2** for a discussion of the modified OECD scales). Trend tables consist of:

- A **relative** low-income indicator – the proportions of pensioners that are below thresholds of **contemporary** median income.
- An **‘absolute’** low-income indicator – the proportions of pensioners that are below thresholds of 1998/99 median income that have been **held constant in real terms**.
- **Relative** and **‘absolute’** low-income indicators for pensioners aged 65 or over.
- A **material deprivation** indicator – the proportion of pensioners aged 65 or over who are materially deprived.

Caution should be exercised when interpreting results over short time periods, as changes are often small in relation to sampling variation and other sources of measurement error.

## Economic status of the family

The economic status of the family classification is in line with the International Labour Organisation economic status classification.

## Age and gender

This is based on the age of pensioners in the household. The first age band of 60 to 64 year olds will be made up only of females above State Pension age.

In any analysis of gender or age, it must be remembered that HBAI attempts to measure the living standards of an individual as determined by household income. This assumes that both partners in a couple benefit equally from the household’s

## 6 Pensioners

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income, and will therefore appear at the same position in the income distribution. Any differences in gender figures can only be driven by gender differences for single adults, which will themselves be diluted by the figures for couples.

Research<sup>22</sup> has suggested that, particularly in low-income households, the above assumption with regard to income sharing is not always valid as men sometimes benefit at the expense of women from shared household income. This means that it is possible that HBAI results broken down by gender could understate differences between the two groups.

### Disability

For this analysis, disability is defined as having any long-standing illness, disability or impairment that leads to a substantial difficulty with one or more areas of the individual's life. Everyone classified as disabled under this definition would also be classified as disabled under the Equality Act 2010. However, some individuals classified as disabled under the Equality Act 2010 would not be captured by this definition.

No adjustment is made to disposable household income to take into account any additional costs that may be incurred due to the illness or disability in question. This means that the position in the income distribution of these groups, as shown here, may be somewhat upwardly biased.

### Ethnicity

Pensioners have been classified according to the ethnic group of the household reference person (see **Appendix 1** for definition of household reference person), which means that information about households of mixed composition is lost.

Estimates showing ethnic breakdowns are presented as three-year averages because of small sample sizes. However, the figures must still be treated with some caution, as the sample sizes are still small for most ethnic minority groups. Categories with very small sample sizes have been suppressed.

### Savings and investments

The data relating to investments and savings should be treated with caution. Questions relating to investments are a sensitive section of the questionnaire and have a low response rate. A high proportion of respondents do not know the interest received on their investments. It is likely that there is some under-reporting of capital by respondents, in terms of both the actual values of the savings and the investment income.

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<sup>22</sup> See, for instance, Goode, J., Callender, C. and Lister, R. (1998) *Purse or Wallet? Gender Inequalities and the Distribution of Income in Families on Benefits*. JRF/Policy Studies Institute.

## Region and country

Disaggregation by geographical regions is presented as three-year averages. This presentation has been used as single-year regional estimates are considered too volatile. Estimates for the UK, however, are shown as single-year estimates for the latest available year.

The three-year average approach employed for the presentation of smaller geographic areas is consistent with the approach used for time series. It reduces year-on-year variation by smoothing out differences.

This issue was further discussed in **Appendix 5 of the 2004/05 HBAI publication**, where regional time series using three-year averages were presented.

Although the FRS sample is large enough to allow some analysis to be performed at a regional level, it should be noted that no adjustment has been made for regional cost of living differences, as the necessary data are not available. In the analysis here it is therefore assumed that there is no difference in the cost of living between regions, although the After Housing Costs measure will partly take into account differences in housing costs.

## Material deprivation

A suite of questions designed to capture the material deprivation experienced by pensioners aged 65 or over has been included in the Family Resources Survey since May 2008.

Respondents are asked whether they have access to 15 goods, services and experiences. Where they do not have a good or service, they are asked whether this is because:

- they do not have the money for this;
- it is not a priority on their current income;
- their health / disability prevents them;
- it is too much trouble or tiring;
- they have no one to do this with or help them;
- it is not something they want; it is not relevant to them;
- other.

Where a pensioner lacks one of the material deprivation items for one of the following reasons:

- they do not have the money for this;
- it is not a priority on their current income;
- their health / disability prevents them;
- it is too much trouble or tiring;
- they have no one to do this with or help them;
- other,

they are counted as being deprived for that item.

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The exception to this is for the unexpected expense question, where the follow up question was asked to explore how those who responded 'yes' would pay. Options were:

- use own income but cut back on essentials;
- use own income but not need to cut back on essentials;
- use savings;
- use a form of credit;
- get money from friends or family;
- other.

Pensioners are counted as materially deprived for this item if and only if they responded 'no' to the initial question.

An analysis of how pensioners responded to these questions by their location on the income distribution is given in this chapter (see **Table 6.11db**).

These questions are used as an additional way of measuring living standards for pensioners in a new indicator as outlined in the "Pensioner material deprivation indicator technical note" published on the DWP website on 8<sup>th</sup> March 2011, at the following URL:

[http://research.dwp.gov.uk/asd/index.php?page=hbai\\_arc](http://research.dwp.gov.uk/asd/index.php?page=hbai_arc)

Analysis has been included in **Table 6.7tr** and **Tables 6.7db** to **6.10db** for pensioners aged 65 or over who are materially deprived.

A prevalence weighted approach has been used. Prevalence weighting is a technique of scoring deprivation in which more weight in the deprivation measure is given to families lacking those items that most families already have. This means a greater importance, when an item is lacked, is assigned to those items that are more commonly owned in the population. See **Appendix 2** for further details on how material deprivation is calculated.

### Pensioners' Income series

A further DWP National Statistics publication, the Pensioners' Income Series, available at [http://research.dwp.gov.uk/asd/index.php?page=pensioners\\_income\\_arc](http://research.dwp.gov.uk/asd/index.php?page=pensioners_income_arc), examines in more detail how the incomes of pensioners have changed over time, including looking at changes by different groups of pensioners, by type of income and by pensioners in different parts of the income distribution.

## Technical terms used in this chapter

For more information on these and other terms, see **Appendix 1**. For a detailed discussion of the methodology used throughout the publication, see **Appendix 2**.

### *Income*

The income measure used in HBAI is weekly net (disposable) equivalised household income. This comprises total income from all sources<sup>23</sup> of all household members including dependants. For *Before Housing Costs*, housing costs<sup>24</sup> are not deducted from income, while for *After Housing Costs* they are.

### *Equivalisation*

Equivalisation adjusts incomes for household size and composition, taking an adult couple with no children as the reference point. For example, the process of equivalisation would adjust the income of a single person upwards, so their income can be compared directly to the standard of living for a couple.

### *Median*

Median household income divides the population, when ranked by equivalised household income, into two equal-sized groups. *Contemporary median income* refers to the median income in the survey year being considered.

### *Low income*

Pensioners are said to be in *relative low income* if they live in a household with an equivalised income below a percentage of contemporary median income, Before or After Housing Costs. Relative low-income statistics fall if income growth at lower end of the income distribution outstrips overall income growth.

Pensioners are said to be in *absolute low income* if they live in a household with an equivalised income below a threshold of median income (for example 60 per cent of median income) in a specific year adjusted for inflation, Before or After Housing Costs. The year 1998/99 is used in this report, as this is the first year where some information is available for the United Kingdom. Absolute low-income statistics fall if low-income households are seeing their incomes rise faster than inflation.

### *Material deprivation*

A suite of questions designed to capture material deprivation experienced by pensioners aged 65 or over has been included in the Family Resources Survey since May 2008. Respondents are asked whether they have access to 15 goods, services and experiences, and reasons why they do not have a good or service. The items are scored, with higher scores allocated to those items that most families already have via a system of prevalence weighting. The material deprivation score for a family is the sum of the score of each item which they lack. Pensioner material deprivation is a wider concept than child material deprivation, and it is therefore not appropriate to combine the measure with low income.

<sup>23</sup> This includes income from employment, self-employment, investments, occupational pensions, benefits and other sources, and is measured net of taxes and National Insurance. See **Appendix 1** for full details of what is included.

<sup>24</sup> Housing costs include rent, water rates, mortgage interest payments, buildings insurance payments and ground rent and service charges.

## 6 Pensioners

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### *Deciles, Quintiles and Percentiles*

These are income values which divide the population, when ranked by equivalised household income, into equal-sized groups. Deciles are ten equal-sized groups - the lowest decile describes individuals with incomes in the bottom 10 per cent of the income distribution. Quintiles are five equal-sized groups - the lowest quintile describes individuals with incomes in the bottom 20 per cent of the income distribution. Percentiles are 100 equal-sized groups.

Please see overleaf for tables

## 6 Pensioners

Table 6.1tr: Percentage of pensioners falling below various thresholds of contemporary median income, United Kingdom<sup>1,2</sup>

Percentage of pensioners		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
FES (UK) <sup>4</sup>	1979	10	33	53	7	29	49
	1981	5	22	44	4	20	43
	1987	11	28	48	8	29	45
	1988 and 1989	17	40	54	16	39	50
	1990 and 1991	17	37	50	18	36	45
	1991 and 1992	14	33	46	16	33	43
	1992 and 1993	13	28	44	13	31	42
	1993/94 to 1994/95	12	25	41	10	29	40
	1994/95 to 1995/96	10	23	40	10	29	39
	1995/96 to 1996/97	11	24	40	12	29	39
FRS (GB)	1994/95	12	24	41	11	28	40
	1995/96	12	24	40	10	28	40
	1996/97	13	25	40	13	29	39
	1997/98	13	25	40	13	29	38
FRS (UK)	1998/99	14	27	41	13	29	38
	1999/00	14	25	40	13	28	38
	2000/01	13	25	39	11	26	36
	2001/02	14	25	39	11	26	37
	2002/03	13	24	39	11	24	37
	2003/04	12	23	36	10	21	34
	2004/05	11	21	34	8	18	30
	2005/06	11	21	33	8	17	29
	2006/07	13	23	35	10	19	31
	2007/08	13	23	34	10	18	29
	2008/09	11	20	31	9	16	26
	2009/10	9	18	28	8	15	25
2010/11	9	17	28	8	14	24	
Change	1998/99-2010/11 <sup>2,3</sup>	-5	-9	-13	-5	-14	-14
	2009/10-2010/11 <sup>2,3</sup>	0	-1	0	0	-1	-1

### Notes:

1. FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.

2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.

3. Due to rounding, the estimates of change in percentages of pensioners below low-income thresholds may not equal the difference between the total percentage of pensioners below thresholds for any pair of years shown.

4. FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

Table 6.2tr: Percentage of pensioners falling below various thresholds of 1998/99 median income held constant in real terms, United Kingdom<sup>1,2</sup>

Percentage of pensioners		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
FES (UK) <sup>4</sup>	1979	49	64	73	48	62	71
	1981	42	60	71	43	57	68
	1987	28	50	62	31	49	58
	1988 and 1989	29	50	61	33	48	57
	1990 and 1991	26	45	56	29	42	51
	1991 and 1992	21	40	52	25	39	48
	1992 and 1993	17	37	50	21	37	47
	1993/94 to 1994/95	15	31	47	16	35	45
	1994/95 to 1995/96	13	28	45	15	32	42
1995/96 to 1996/97	12	27	43	15	31	40	
FRS (GB)	1994/95	16	32	48	19	36	47
	1995/96	16	32	47	18	35	46
	1996/97	14	28	43	16	32	42
	1997/98	14	27	42	15	31	40
FRS (UK)	1998/99	14	27	41	13	29	38
	1999/00	12	23	37	10	25	35
	2000/01	10	20	33	8	20	31
	2001/02	8	18	29	7	14	28
	2002/03	7	16	27	6	12	23
	2003/04	7	15	25	6	10	19
	2004/05	6	13	23	5	8	15
	2005/06	6	12	21	5	8	14
	2006/07	7	15	23	6	10	16
	2007/08	7	14	23	6	9	15
	2008/09	7	12	20	5	9	14
Change	1998/99-2010/11 <sup>2,3</sup>	-9	-16	-22	-8	-20	-25
	2009/10-2010/11 <sup>2,3</sup>	1	1	1	1	1	1

**Notes:**

1. FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.

2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.

3. Due to rounding, the estimates of change in percentages of pensioners below low-income thresholds may not equal the difference between the total percentage of pensioners below thresholds for any pair of years shown.

4. FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

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Table 6.3tr: Number of pensioners falling below various thresholds of contemporary median income, United Kingdom<sup>1,2</sup>

Number of pensioners (millions)		Source: FES/FRS						
		Before Housing Costs Below median			After Housing Costs Below median			All pensioners
		50%	60%	70%	50%	60%	70%	
FES (UK) <sup>4</sup>	1979	0.9	3.0	4.8	0.6	2.6	4.4	9.1
	1981	0.5	2.1	4.2	0.4	1.9	4.1	9.5
	1987	1.1	2.8	4.8	0.8	2.9	4.5	9.9
	1988 and 1989	1.7	3.9	5.3	1.6	3.9	5.0	9.9
	1990 and 1991	1.8	3.8	5.0	1.8	3.7	4.6	10.1
	1991 and 1992	1.5	3.4	4.7	1.6	3.4	4.4	10.2
	1992 and 1993	1.3	2.9	4.5	1.3	3.1	4.3	10.2
	1993/94 to 1994/95	1.2	2.5	4.2	1.0	3.0	4.1	10.2
	1994/95 to 1995/96	1.1	2.3	4.1	1.0	2.9	4.0	10.1
	1995/96 to 1996/97	1.1	2.5	4.1	1.2	3.0	3.9	10.2
FRS (GB)	1994/95	1.2	2.4	4.0	1.1	2.8	4.0	9.9
	1995/96	1.2	2.4	3.9	1.0	2.8	3.9	9.9
	1996/97	1.3	2.4	4.0	1.2	2.9	3.9	9.9
	1997/98	1.3	2.5	4.0	1.3	2.9	3.8	10.0
FRS (UK)	1998/99	1.5	2.8	4.2	1.4	2.9	3.9	10.3
	1999/00	1.4	2.6	4.1	1.3	2.8	3.9	10.3
	2000/01	1.4	2.6	4.0	1.2	2.7	3.7	10.3
	2001/02	1.4	2.6	4.0	1.2	2.7	3.8	10.4
	2002/03	1.4	2.5	4.0	1.1	2.5	3.8	10.5
	2003/04	1.3	2.4	3.8	1.0	2.2	3.6	10.5
	2004/05	1.2	2.3	3.7	0.9	1.9	3.2	10.7
	2005/06	1.2	2.2	3.6	0.9	1.8	3.1	10.8
	2006/07	1.4	2.5	3.8	1.1	2.1	3.4	10.9
	2007/08	1.4	2.5	3.7	1.1	2.0	3.2	11.1
	2008/09	1.2	2.3	3.5	1.1	1.8	3.0	11.3
Change	1998/99-2010/11 <sup>2,3</sup>	-0.4	-0.7	-0.9	-0.4	-1.3	-1.1	1.4
	2009/10-2010/11 <sup>2,3</sup>	0.0	0.0	0.1	0.0	-0.1	-0.1	0.1

### Notes:

1. FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.

2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.

3. Due to rounding, the estimates of change in numbers of pensioners below low-income thresholds may not equal the difference between the total number of pensioners below thresholds for any pair of years shown.

4. FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

Table 6.4tr: Number of pensioners falling below various thresholds of 1998/99 median income held constant in real terms, United Kingdom<sup>1,2</sup>

Number of pensioners (millions)		Source: FES/FRS						All pensioners
		Before Housing Costs			After Housing Costs			
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
FES (UK) <sup>4</sup>	1979	4.4	5.8	6.7	4.4	5.6	6.5	9.1
	1981	4.0	5.7	6.7	4.1	5.5	6.4	9.5
	1987	2.8	4.9	6.1	3.1	4.8	5.8	9.9
	1988 and 1989	2.9	5.0	6.1	3.3	4.7	5.7	9.9
	1990 and 1991	2.7	4.6	5.6	3.0	4.2	5.2	10.1
	1991 and 1992	2.1	4.1	5.3	2.6	4.0	4.9	10.2
	1992 and 1993	1.8	3.7	5.1	2.1	3.8	4.8	10.2
	1993/94 to 1994/95	1.5	3.2	4.8	1.7	3.5	4.6	10.2
	1994/95 to 1995/96	1.4	2.9	4.5	1.5	3.3	4.3	10.1
	1995/96 to 1996/97	1.2	2.7	4.4	1.6	3.2	4.1	10.2
FRS (GB)	1994/95	1.6	3.2	4.7	1.9	3.6	4.6	9.9
	1995/96	1.6	3.1	4.7	1.8	3.5	4.5	9.9
	1996/97	1.4	2.8	4.2	1.6	3.2	4.1	9.9
	1997/98	1.4	2.7	4.2	1.4	3.0	4.0	10.0
FRS (UK)	1998/99	1.5	2.8	4.2	1.4	2.9	3.9	10.3
	1999/00	1.3	2.3	3.8	1.1	2.5	3.6	10.3
	2000/01	1.1	2.0	3.4	0.8	2.0	3.2	10.3
	2001/02	0.9	1.8	3.1	0.7	1.5	2.9	10.4
	2002/03	0.8	1.7	2.8	0.6	1.2	2.4	10.5
	2003/04	0.7	1.6	2.6	0.6	1.1	2.0	10.5
	2004/05	0.6	1.4	2.4	0.5	0.9	1.6	10.7
	2005/06	0.6	1.3	2.3	0.5	0.8	1.5	10.8
	2006/07	0.8	1.6	2.5	0.7	1.1	1.7	10.9
	2007/08	0.8	1.6	2.5	0.6	1.0	1.6	11.1
2008/09	0.7	1.4	2.3	0.6	1.0	1.5	11.3	
2009/10	0.6	1.1	2.0	0.5	0.9	1.5	11.5	
2010/11	0.6	1.3	2.2	0.6	1.0	1.6	11.7	
Change	1998/99-2010/11 <sup>2,3</sup>	-0.8	-1.5	-2.0	-0.8	-1.9	-2.4	1.4
	2009/10-2010/11 <sup>2,3</sup>	0.1	0.1	0.2	0.1	0.1	0.1	0.1

**Notes:**

1. FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.

2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.

3. Due to rounding, the estimates of change in numbers of pensioners below low-income thresholds may not equal the difference between the total number of pensioners below thresholds for any pair of years shown.

4. FES figures are for the United Kingdom. These are single calendar years for 1979, 1981, and 1987; two combined calendar years from 1988 to 1993 and two financial years combined from 1993/94 to 1996/97.

## 6 Pensioners

Table 6.5tr: Percentage of pensioners aged 65 or over falling below various thresholds of contemporary and 1998/99 median income held constant in real terms, United Kingdom<sup>1</sup>

Percentage of pensioners aged 65 or over		Source: FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
<b>Contemporary income thresholds</b>							
FRS (GB)	1994/95	13	25	43	12	29	42
	1995/96	13	25	42	11	29	42
	1996/97	13	26	42	13	30	41
	1997/98	14	27	42	13	31	40
	1998/99	15	28	43	14	30	40
	1999/00	14	26	41	13	29	39
	2000/01	14	26	40	11	27	38
FRS (UK)	2001/02	14	26	40	11	26	38
	2002/03	13	25	40	11	25	38
	2003/04	12	24	38	10	21	35
	2004/05	11	22	35	8	18	31
	2005/06	11	21	34	8	17	30
	2006/07	13	24	36	11	19	32
	2007/08	13	23	35	10	18	30
	2008/09	11	21	33	9	16	27
	2009/10	9	19	29	8	16	26
	2010/11	9	18	29	8	14	25
<b>Change</b>	2009/10-2010/11 <sup>2,3</sup>	0	-1	0	0	-2	-1

Percentage of pensioners aged 65 or over		Source: FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
<b>1998/99 income thresholds held constant in real terms</b>							
FRS (GB)	1994/95	17	34	50	20	38	49
	1995/96	17	33	49	19	37	48
	1996/97	15	29	45	16	33	44
	1997/98	15	28	44	15	32	42
	1998/99	15	28	43	14	30	40
	1999/00	13	24	39	11	26	37
	2000/01	11	20	34	8	20	32
FRS (UK)	2001/02	9	18	30	7	15	29
	2002/03	7	16	28	5	12	23
	2003/04	7	15	26	6	10	19
	2004/05	6	14	24	4	8	15
	2005/06	6	12	22	4	8	14
	2006/07	8	15	24	6	10	16
	2007/08	7	14	24	5	9	15
	2008/09	6	12	21	5	8	13
	2009/10	5	10	18	4	8	13
	2010/11	6	11	19	5	9	14
<b>Change</b>	2009/10-2010/11 <sup>2,3</sup>	1	1	1	0	1	1

### Notes:

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.

3. Due to rounding, the estimates of change in percentages of pensioners below low-income thresholds may not equal the difference between the total percentage of pensioners below thresholds for any pair of years shown.

Table 6.6tr: Number of pensioners aged 65 or over falling below various thresholds of contemporary and 1998/99 median income held constant in real terms, United Kingdom<sup>1</sup>

Numbers of pensioners aged 65 or over (millions)		Source: FRS						
		Before Housing Costs			After Housing Costs			Pensioners aged 65 or over
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
<b>Contemporary income thresholds</b>								
FRS (GB)	1994/95	1.1	2.1	3.6	1.0	2.5	3.6	8.5
	1995/96	1.1	2.1	3.6	0.9	2.5	3.5	8.5
	1996/97	1.1	2.2	3.6	1.1	2.6	3.5	8.5
	1997/98	1.2	2.3	3.6	1.1	2.6	3.4	8.6
	1998/99	1.3	2.4	3.7	1.2	2.6	3.4	8.6
	1999/00	1.2	2.3	3.5	1.1	2.5	3.4	8.6
	2000/01	1.2	2.2	3.5	1.0	2.3	3.2	8.7
	2001/02	1.2	2.3	3.5	1.0	2.3	3.3	8.7
FRS (UK)	2002/03	1.2	2.3	3.6	1.0	2.2	3.4	9.0
	2003/04	1.1	2.1	3.4	0.9	1.9	3.2	9.0
	2004/05	1.0	2.0	3.2	0.7	1.6	2.8	9.1
	2005/06	1.0	2.0	3.1	0.8	1.6	2.7	9.2
	2006/07	1.2	2.2	3.4	1.0	1.8	2.9	9.2
	2007/08	1.2	2.2	3.2	0.9	1.7	2.8	9.3
	2008/09	1.0	1.9	3.1	0.9	1.5	2.5	9.4
	2009/10	0.9	1.8	2.8	0.8	1.5	2.5	9.6
2010/11	0.9	1.8	2.9	0.8	1.4	2.4	9.8	
<b>Change</b>	2009/10-2010/11 <sup>2,3</sup>	0.0	0.0	0.1	0.0	-0.1	-0.1	0.2

Numbers of pensioners aged 65 or over (millions)		Source: FRS						
		Before Housing Costs			After Housing Costs			Pensioners aged 65 or over
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
<b>1998/99 income thresholds held constant in real terms</b>								
FRS (GB)	1994/95	1.5	2.8	4.2	1.7	3.2	4.1	8.5
	1995/96	1.5	2.8	4.2	1.6	3.2	4.1	8.5
	1996/97	1.3	2.5	3.8	1.4	2.8	3.7	8.5
	1997/98	1.3	2.4	3.7	1.3	2.7	3.6	8.6
	1998/99	1.3	2.4	3.7	1.2	2.6	3.4	8.6
	1999/00	1.1	2.0	3.3	0.9	2.2	3.1	8.6
	2000/01	0.9	1.8	3.0	0.7	1.7	2.8	8.7
	2001/02	0.7	1.6	2.6	0.6	1.3	2.5	8.7
FRS (UK)	2002/03	0.6	1.5	2.5	0.5	1.0	2.1	9.0
	2003/04	0.6	1.3	2.3	0.5	0.9	1.7	9.0
	2004/05	0.5	1.2	2.2	0.4	0.7	1.4	9.1
	2005/06	0.6	1.1	2.0	0.4	0.7	1.3	9.2
	2006/07	0.7	1.4	2.2	0.5	0.9	1.5	9.2
	2007/08	0.7	1.3	2.2	0.5	0.8	1.4	9.3
	2008/09	0.6	1.1	1.9	0.5	0.8	1.3	9.4
	2009/10	0.5	1.0	1.7	0.4	0.8	1.2	9.6
2010/11	0.5	1.1	1.9	0.5	0.8	1.3	9.8	
<b>Change</b>	2009/10-2010/11 <sup>2,3</sup>	0.1	0.1	0.2	0.0	0.1	0.1	0.2

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.
3. Due to rounding, the estimates of change in numbers of pensioners below low-income thresholds may not equal the difference between the total number of pensioners below thresholds for any pair of years shown.

## 6 Pensioners

Table 6.7tr: Percentage and number of pensioners aged 65 or over in material deprivation<sup>1</sup>, United Kingdom

		Source: FRS		
		Percentage	Number (millions)	Pensioners aged 65 or over
<b>FRS (UK)</b>	2009/10	9	0.9	9.6
	2010/11	9	0.8	9.8
<b>Change</b>	2009/10-2010/11 <sup>2,3</sup>	-1	-0.1	0.2

**Notes:**

1. A family is in material deprivation if they have a material deprivation score of 20 or more. See Appendix 2 for further details.
2. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties; see references to sampling errors in Appendix 2.
3. Due to rounding, the estimates of change in numbers of pensioners in material deprivation may not equal the difference between the total number of pensioners in material deprivation for any pair of years shown.

Tables continue overleaf

## 6 Pensioners

**Table 6.1db (BHC): Quintile distribution of income for pensioners by various family and household characteristics, United Kingdom**

Percentage of pensioners	Net equivalised disposable household income					All pensioners (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Source: FRS 2010/11</b>						
<b>Economic status of adults in the family</b>						
One or more working	9	13	22	24	31	2.1
No one working	25	28	23	15	9	9.6
<b>Age</b>						
60 - 64	18	19	21	20	22	1.8
65 - 69	18	24	22	20	16	2.9
70 - 74	21	29	24	15	10	2.4
75 - 79	26	28	24	13	9	1.9
80 - 84	27	27	23	14	9	1.6
85 +	29	25	25	13	7	1.1
<b>Family type</b>						
Couple living with others	10	20	23	28	19	0.7
Couple living alone	20	25	23	16	16	6.4
Single living with others	16	25	26	22	11	0.7
Single living alone	29	27	23	14	7	3.9
<b>Gender</b>						
Male	20	26	23	17	14	4.4
Female	24	25	23	16	12	7.3
<b>Marital status</b>						
Couple	20	24	23	17	16	7.1
Married or Civil Partnered	20	24	23	17	16	6.8
Cohabiting	18	29	22	15	16	0.3
Single	27	27	23	15	8	4.5
<b>Disability and receipt of disability benefits<sup>1</sup></b>						
Those living in families where no-one is disabled	24	22	20	16	19	5.2
Those living in families where someone is disabled	22	28	26	17	8	6.5
One or more disabled adults	21	28	26	17	8	6.5
In receipt of disability benefits	10	29	34	21	6	2.7
Not in receipt of disability benefits	30	27	20	14	10	3.8
<b>Tenure</b>						
Owners	24	22	22	17	15	9.3
Owned outright	24	23	22	16	14	8.5
Buying with mortgage	17	16	21	20	26	0.7
Social rented sector tenants	15	40	28	15	2	1.9
All rented privately	22	28	29	15	5	0.5
<b>Ethnic group of head (3-year average)<sup>2</sup></b>						
White	22	26	22	17	12	11.1
Mixed	..	..	..	..	..	0.0
Asian or Asian British	36	25	15	13	11	0.2
Indian	38	21	18	10	13	0.1
Pakistani and Bangladeshi	43	27	8	14	8	0.1
Black or Black British	31	28	19	12	10	0.1
Black Caribbean	29	30	19	10	11	0.1
Black Non-Caribbean	..	..	..	..	..	0.0
Chinese or other ethnic group	36	19	20	10	15	0.1
<b>All pensioners<sup>3</sup></b>	<b>22</b>	<b>25</b>	<b>23</b>	<b>16</b>	<b>13</b>	<b>11.7</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.

2. The figures for Mixed and Black Non-Caribbean have been suppressed due to small sample sizes.

3. The totals for all pensioners are shown for the United Kingdom for the latest year and are not three-year averages.

4. Percentages may not sum to 100 per cent due to rounding.

Table 6.1db (AHC): Quintile distribution of income for pensioners by various family and household characteristics, United Kingdom

Percentage of pensioners	Net equivalised disposable household income					All pensioners (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Economic status of adults in the family</b>						
One or more working	5	12	19	28	36	2.1
No one working	14	30	26	18	12	9.6
<b>Age</b>						
60 - 64	13	19	20	22	26	1.8
65 - 69	11	26	22	21	21	2.9
70 - 74	11	28	27	20	14	2.4
75 - 79	13	30	27	18	12	1.9
80 - 84	15	29	25	18	13	1.6
85 +	17	27	27	21	9	1.1
<b>Family type</b>						
Couple living with others	8	18	27	28	20	0.7
Couple living alone	12	25	25	20	19	6.4
Single living with others	13	23	27	23	13	0.7
Single living alone	15	30	22	19	13	3.9
<b>Gender</b>						
Male	11	26	25	20	17	4.4
Female	13	27	24	20	16	7.3
<b>Marital status</b>						
Couple	11	24	25	20	19	7.1
Married or Civil Partnered	11	24	25	20	19	6.8
Cohabiting	17	26	26	16	16	0.3
Single	15	29	23	20	13	4.5
<b>Disability and receipt of disability benefits<sup>1</sup></b>						
Those living in families where no-one is disabled	13	24	21	19	23	5.2
Those living in families where someone is disabled	12	28	27	21	11	6.5
One or more disabled adults	12	28	27	21	11	6.5
In receipt of disability benefits	5	24	34	27	9	2.7
Not in receipt of disability benefits	17	31	22	17	13	3.8
<b>Tenure</b>						
Owners	11	23	25	22	20	9.3
Owned outright	11	23	25	22	19	8.5
Buying with mortgage	12	17	24	20	27	0.7
Social rented sector tenants	19	42	23	14	2	1.9
All rented privately	28	35	19	13	6	0.5
<b>Ethnic group of head (3-year average)<sup>2</sup></b>						
White	12	27	24	21	16	11.1
Mixed	..	..	..	..	..	0.0
Asian or Asian British	28	31	13	16	11	0.2
Indian	27	29	16	15	13	0.1
Pakistani and Bangladeshi	35	36	8	14	8	0.1
Black or Black British	23	33	18	16	10	0.1
Black Caribbean	21	34	19	14	11	0.1
Black Non-Caribbean	..	..	..	..	..	0.0
Chinese or other ethnic group	27	29	14	12	18	0.1
<b>All pensioners<sup>3</sup></b>	<b>13</b>	<b>26</b>	<b>24</b>	<b>20</b>	<b>17</b>	<b>11.7</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.

2. The figures for Mixed and Black Non-Caribbean have been suppressed due to small sample sizes.

3. The totals for all pensioners are shown for the United Kingdom for the latest year and are not three-year averages.

4. Percentages may not sum to 100 per cent due to rounding.

## 6 Pensioners

**Table 6.2db (BHC): Quintile distribution of income for pensioners by various family and household characteristics, United Kingdom**

Percentage of pensioners	Net equivalised disposable household income					All pensioners (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
<b>Pensions receipt</b>						
No occupational/personal pensions	38	27	18	11	7	3.2
Some occupational/personal pensions	17	25	25	18	15	8.5
<b>Couples</b>						
No occupational/personal pensions	38	27	16	9	10	1.4
Only one with occupational/personal pension	20	25	25	17	13	3.3
Both with occupational/personal pensions	9	22	24	22	23	2.4
<b>Single</b>						
No occupational/personal pensions	37	27	19	12	4	1.8
Occupational/personal pension	20	27	25	17	10	2.8
<b>State support received by family<sup>1</sup></b>						
Disability Living Allowance	10	30	35	20	4	1.5
Attendance Allowance	8	26	35	24	7	1.3
Pension Credit	28	34	24	12	1	2.0
Housing Benefit	10	43	31	15	1	1.5
Not in receipt of any benefit listed above	23	21	21	17	18	7.5
<b>Savings and investments</b>						
No savings	28	32	22	13	4	2.4
Less than £1,500	25	31	24	15	5	1.3
£1,500 but less than £3,000	26	28	25	13	8	0.7
£3,000 but less than £8,000	28	28	22	15	7	1.7
£8,000 but less than £10,000	24	30	23	14	8	0.4
£10,000 but less than £16,000	25	25	27	14	9	1.0
£16,000 but less than £20,000	28	24	22	15	11	0.4
£20,000 or more	13	17	23	21	26	3.7
<b>Region/Country (3-year average)</b>						
England	22	26	22	17	13	9.6
North East	22	33	25	14	6	0.5
North West	21	30	25	15	9	1.3
Yorkshire and the Humber	25	31	22	14	9	1.0
East Midlands	26	26	23	16	9	0.9
West Midlands	24	28	21	17	10	1.0
East of England	23	24	22	18	13	1.1
London	22	23	19	19	17	1.0
Inner	22	21	21	19	17	0.3
Outer	22	23	18	19	17	0.7
South East	20	22	22	18	19	1.6
South West	21	25	22	17	14	1.1
Wales	23	27	23	17	11	0.6
Scotland	21	28	25	16	10	1.0
Northern Ireland	29	24	23	15	9	0.3
<b>All pensioners<sup>2</sup></b>	<b>22</b>	<b>25</b>	<b>23</b>	<b>16</b>	<b>13</b>	<b>11.7</b>

**Notes:**

1. The population figures given for benefit receipt do not sum to all pensioners as they are not mutually exclusive groups, since people can receive more than one benefit.
2. The totals for all pensioners are shown for the United Kingdom for the latest year and are not three-year averages.
3. Percentages may not sum to 100 per cent due to rounding.

Table 6.2db (AHC): Quintile distribution of income for pensioners by various family and household characteristics, United Kingdom

Percentage of pensioners	Net equivalised disposable household income					Source: FRS 2010/11
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All pensioners (millions)
<b>Pensions receipt</b>						
No occupational/personal pensions	28	33	19	12	8	3.2
Some occupational/personal pensions	7	24	26	23	20	8.5
<b>Couples</b>						
No occupational/personal pensions	11	24	25	20	19	7.1
No occupational/personal pensions	30	31	20	9	11	1.4
Only one with occupational/personal pension	9	27	27	22	16	3.3
Both with occupational/personal pensions	4	17	26	25	27	2.4
<b>Single</b>						
No occupational/personal pensions	15	29	23	20	13	4.5
No occupational/personal pensions	26	36	19	14	5	1.8
Occupational/personal pension	8	25	26	23	18	2.8
<b>State support received by family<sup>1</sup></b>						
Disability Living Allowance	5	28	36	25	6	1.5
Attendance Allowance	5	19	35	30	12	1.3
Pension Credit	14	46	23	15	2	2.0
Housing Benefit	16	46	23	13	2	1.5
Not in receipt of any benefit listed above	13	21	23	21	22	7.5
<b>Savings and investments</b>						
No savings	20	36	24	14	6	2.4
Less than £1,500	16	32	26	19	7	1.3
£1,500 but less than £3,000	17	26	27	19	11	0.7
£3,000 but less than £8,000	13	33	24	21	10	1.7
£8,000 but less than £10,000	12	28	27	20	12	0.4
£10,000 but less than £16,000	11	28	27	21	12	1.0
£16,000 but less than £20,000	13	29	22	22	14	0.4
£20,000 or more	7	14	23	24	33	3.7
<b>Region/Country (3-year averages)</b>						
England	13	27	23	20	17	9.6
North East	12	31	29	18	10	0.5
North West	12	28	26	21	13	1.3
Yorkshire and the Humber	14	33	22	19	12	1.0
East Midlands	13	29	25	21	13	0.9
West Midlands	13	28	25	20	14	1.0
East of England	14	25	22	21	18	1.1
London	18	24	18	20	20	1.0
Inner	23	25	14	18	19	0.3
Outer	15	23	20	21	21	0.7
South East	12	22	22	20	24	1.6
South West	12	26	22	21	19	1.1
Wales	12	26	26	21	14	0.6
Scotland	10	28	27	22	14	1.0
Northern Ireland	16	26	26	21	11	0.3
<b>All pensioners<sup>2</sup></b>	<b>13</b>	<b>26</b>	<b>24</b>	<b>20</b>	<b>17</b>	<b>11.7</b>

**Notes:**

1. The population figures given for benefit receipt do not sum to all pensioners as they are not mutually exclusive groups, since people can receive more than one benefit.
2. The totals for all pensioners are shown for the United Kingdom for the latest year and are not three-year averages.
3. Percentages may not sum to 100 per cent due to rounding.

## 6 Pensioners

**Table 6.3db: Composition of low-income groups of pensioners by various family and household characteristics, United Kingdom**

Percentage of pensioners	Source: FRS 2010/11						
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						All pensioners
50%	60%	70%	50%	60%	70%		
<b>Economic status of adults in the family</b>							
One or more working	8	7	7	8	7	8	18
No one working	92	93	93	92	93	92	82
<b>Age</b>							
60 - 64	15	13	13	18	16	14	16
65 - 69	19	20	21	20	22	23	25
70 - 74	18	18	20	17	18	19	20
75 - 79	18	18	18	16	16	17	16
80 - 84	16	17	16	16	16	15	14
85 +	14	13	12	12	12	11	10
<b>Family type</b>							
Couple living with others	3	3	3	4	4	4	6
Couple living alone	46	50	52	47	51	50	55
Single living with others	5	4	4	6	6	5	6
Single living alone	47	44	41	43	40	41	33
<b>Gender</b>							
Male	31	33	35	32	34	34	38
Female	69	67	65	68	66	66	62
<b>Marital status</b>							
Couple	49	52	55	51	55	54	61
Married or Civil Partnered	46	50	52	48	51	52	59
Cohabiting	2	2	2	3	3	3	2
Single	51	48	45	49	45	46	39
<b>Disability and receipt of disability benefits<sup>1</sup></b>							
Those living in families where no-one is disabled	49	47	46	48	45	45	45
Those living in families where someone is disabled	51	53	54	52	55	55	55
One or more disabled adults	51	53	54	52	54	55	55
In receipt of disability benefits	6	9	12	9	10	12	23
Not in receipt of disability benefits	44	43	42	44	44	44	32
<b>Tenure</b>							
Owners	87	86	83	64	66	66	80
Owned outright	82	81	79	57	60	60	73
Buying with mortgage	5	5	5	7	6	5	6
Social rented sector tenants	8	10	12	25	25	26	16
All rented privately	5	5	4	11	9	8	5
<b>Ethnic group of head (3-year average)</b>							
White	93	95	95	92	93	94	97
Mixed	0	0	0	0	0	0	0
Asian or Asian British	4	3	3	4	4	3	2
Indian	2	2	2	2	2	2	1
Pakistani and Bangladeshi	1	1	1	1	1	1	0
Black or Black British	1	1	1	2	1	1	1
Black Caribbean	1	1	1	1	1	1	1
Black Non-Caribbean	0	0	0	1	0	0	0
Chinese or other ethnic group	1	1	1	1	1	1	1
<b>All pensioners (millions=100%)<sup>2</sup></b>	<b>1.0</b>	<b>2.0</b>	<b>3.3</b>	<b>1.0</b>	<b>1.7</b>	<b>2.8</b>	<b>11.7</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.
2. The totals for all pensioners are shown for the United Kingdom for the latest year and are not three-year averages.
3. Percentages may not sum to 100 per cent due to rounding.

Table 6.4db: Composition of low-income groups of pensioners by various family and household characteristics, United Kingdom

Percentage of pensioners	Source: FRS 2010/11						All pensioners
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
<b>Pensions receipt</b>							
No occupational/personal pensions	62	50	42	61	58	52	27
Some occupational/personal pensions	38	50	58	39	42	48	73
<b>Couples</b>							
No occupational/personal pensions	49	52	55	51	55	54	61
No occupational/personal pensions	27	22	19	28	28	23	12
Only one with occupational/personal pension	19	24	25	18	20	24	29
Both with occupational/personal pensions	3	6	10	5	6	8	20
<b>Single</b>							
No occupational/personal pensions	51	48	45	49	45	46	39
No occupational/personal pensions	36	27	23	33	30	29	15
Occupational/personal pension	16	20	23	15	16	17	24
<b>State support received by family<sup>1</sup></b>							
Disability Living Allowance	4	5	7	5	5	7	13
Attendance Allowance	2	4	5	4	4	4	11
Pension Credit	16	21	21	14	20	27	17
Housing Benefit	2	4	8	14	17	21	13
Not in receipt of any benefit listed above	77	70	66	71	64	58	65
<b>Savings and investments</b>							
No savings	28	27	26	34	33	34	21
Less than £1,500	14	12	12	14	14	13	11
£1,500 but less than £3,000	7	7	7	7	8	7	6
£3,000 but less than £8,000	15	17	17	13	14	16	14
£8,000 but less than £10,000	4	4	4	3	4	4	4
£10,000 but less than £16,000	8	9	9	9	8	8	8
£16,000 but less than £20,000	4	4	4	3	4	4	4
£20,000 or more	19	19	19	17	17	16	32
<b>Region/Country (3-year average)</b>							
England	84	83	83	85	85	84	84
North East	4	4	4	4	4	5	4
North West	10	10	11	9	10	11	11
Yorkshire and the Humber	9	9	10	9	9	9	8
East Midlands	8	9	8	8	8	8	7
West Midlands	9	10	10	9	9	10	9
East of England	10	10	10	11	10	10	10
London	11	9	8	13	12	10	9
Inner	4	3	2	5	4	4	2
Outer	7	7	6	8	8	7	6
South East	13	13	12	13	13	13	14
South West	10	9	9	9	10	9	10
Wales	6	6	6	5	5	5	5
Scotland	7	7	8	6	7	7	8
Northern Ireland	3	3	3	3	3	3	2
<b>All pensioners (millions=100%)<sup>2</sup></b>	<b>1.0</b>	<b>2.0</b>	<b>3.3</b>	<b>1.0</b>	<b>1.7</b>	<b>2.8</b>	<b>11.7</b>

**Notes:**

1. The population figures given for benefit receipt do not sum to all pensioners as they are not mutually exclusive groups, since people can receive more than one benefit.
2. The totals for all pensioners are shown for the United Kingdom for the latest year and are not three-year averages.
3. Percentages may not sum to 100 per cent due to rounding.

## 6 Pensioners

**Table 6.5db: Percentage of pensioners in low-income groups by various family and household characteristics, United Kingdom**

Percentage of pensioners	Source: FRS 2010/11						All pensioners (millions)
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
<b>Economic status of adults in the family</b>							
One or more working	4	7	12	4	6	10	2.1
No one working	10	20	32	9	16	27	9.6
<b>Age</b>							
60 - 64	9	14	23	9	14	22	1.8
65 - 69	7	14	24	7	12	22	2.9
70 - 74	8	15	28	7	13	23	2.4
75 - 79	10	20	32	8	14	26	1.9
80 - 84	10	22	33	10	16	27	1.6
85 +	13	24	34	11	18	27	1.1
<b>Family type</b>							
Couple living with others	5	8	14	6	9	16	0.7
Couple living alone	7	16	26	7	13	22	6.4
Single living with others	7	12	22	8	14	21	0.7
Single living alone	13	23	35	11	17	30	3.9
<b>Gender</b>							
Male	7	15	26	7	13	22	4.4
Female	10	19	29	9	15	25	7.3
<b>Marital status</b>							
Couple	7	15	25	7	13	21	7.1
Married or Civil Partnered	7	15	25	7	12	21	6.8
Cohabiting	8	16	27	10	19	26	0.3
Single	12	21	33	10	16	28	4.5
<b>Disability and receipt of disability benefits<sup>1</sup></b>							
Those living in families where no-one is disabled	10	19	29	9	14	24	5.2
Those living in families where someone is disabled	8	17	28	8	14	24	6.5
One or more disabled adults	8	17	28	8	14	24	6.5
In receipt of disability benefits	3	7	15	3	6	12	2.7
Not in receipt of disability benefits	12	23	36	11	19	32	3.8
<b>Tenure</b>							
Owners	10	19	29	7	12	20	9.3
Owned outright	10	19	30	6	12	20	8.5
Buying with mortgage	6	13	20	9	13	20	0.7
Social rented sector tenants	4	10	22	13	22	40	1.9
All rented privately	10	18	28	21	29	43	0.5
<b>Ethnic group of head (3-year average)<sup>2</sup></b>							
White	9	18	29	8	15	25	11.1
Mixed	..	..	..	..	..	..	0.0
Asian or Asian British	21	31	43	20	32	43	0.2
Indian	22	32	44	19	31	41	0.1
Pakistani and Bangladeshi	22	38	49	25	38	53	0.1
Black or Black British	16	27	39	17	24	40	0.1
Black Caribbean	15	26	39	14	22	36	0.1
Black Non-Caribbean	..	..	..	..	..	..	0.0
Chinese or other ethnic group	21	31	41	20	31	44	0.1
<b>All pensioners<sup>3</sup></b>	<b>9</b>	<b>17</b>	<b>28</b>	<b>8</b>	<b>14</b>	<b>24</b>	<b>11.7</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.
2. The figures for Mixed and Black Non-Caribbean have been suppressed due to small sample sizes.
3. The totals for all pensioners are shown for the United Kingdom for the latest year and are not three-year averages.

Table 6.6db: Percentage of pensioners in low-income groups by various family and household characteristics, United Kingdom

Percentage of pensioners	Source: FRS 2010/11						All pensioners (millions)
	Before Housing Costs			After Housing Costs			
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
<b>Pensions receipt</b>							
No occupational/personal pensions	20	32	44	19	30	46	3.2
Some occupational/personal pensions	5	12	22	4	8	16	8.5
<b>Couples</b>							
No occupational/personal pensions	7	15	25	7	13	21	7.1
No occupational/personal pensions	20	32	45	19	33	46	1.4
Only one with occupational/personal pension	6	14	25	5	10	20	3.3
Both with occupational/personal pensions	1	6	14	2	4	9	2.4
<b>Single</b>							
No occupational/personal pensions	12	21	33	10	16	28	4.5
No occupational/personal pensions	21	32	43	18	28	47	1.8
Occupational/personal pension	6	15	27	5	9	17	2.8
<b>State support received by family<sup>1</sup></b>							
Disability Living Allowance	3	7	16	3	6	13	1.5
Attendance Allowance	2	7	13	3	6	9	1.3
Pension Credit	8	21	35	7	17	38	2.0
Housing Benefit	2	5	17	9	19	40	1.5
Not in receipt of any benefit listed above	11	19	29	9	14	21	7.5
<b>Savings and investments</b>							
No savings	12	22	36	13	22	39	2.4
Less than £1,500	11	19	32	10	18	29	1.3
£1,500 but less than £3,000	11	21	33	10	18	29	0.7
£3,000 but less than £8,000	10	21	34	8	14	26	1.7
£8,000 but less than £10,000	9	20	30	7	14	24	0.4
£10,000 but less than £16,000	8	18	31	9	13	22	1.0
£16,000 but less than £20,000	11	21	35	8	14	24	0.4
£20,000 or more	5	10	17	5	7	12	3.7
<b>Region/Country (3-year average)</b>							
England	10	18	29	9	15	25	9.6
North East	8	18	29	8	14	26	0.5
North West	8	16	29	7	14	25	1.3
Yorkshire and the Humber	10	21	34	9	17	28	1.0
East Midlands	11	22	33	9	15	26	0.9
West Midlands	9	20	31	9	15	27	1.0
East of England	10	19	28	10	15	26	1.1
London	12	19	28	13	20	29	1.0
Inner	14	20	27	17	26	37	0.3
Outer	11	19	28	11	18	27	0.7
South East	9	17	25	8	14	22	1.6
South West	9	17	27	8	15	23	1.1
Wales	10	20	30	9	15	25	0.6
Scotland	8	16	29	6	12	22	1.0
Northern Ireland	14	25	35	10	18	28	0.3
<b>All pensioners<sup>2</sup></b>	<b>9</b>	<b>17</b>	<b>28</b>	<b>8</b>	<b>14</b>	<b>24</b>	<b>11.7</b>

**Notes:**

1. The population figures given for benefit receipt do not sum to all pensioners as they are not mutually exclusive groups, since people can receive more than one benefit.

2. The totals for all pensioners are shown for the United Kingdom for the latest year and are not three-year averages.

## 6 Pensioners

**Table 6.7db: Composition of materially deprived groups of pensioners aged 65 or over by various family and household characteristics, United Kingdom**

Percentage of pensioners	Source: FRS 2010/11	
	Material deprivation	Pensioners aged 65 or over
<b>Economic status of adults in the family</b>		
One or more working	5	12
No one working	95	88
<b>Age</b>		
65 - 69	31	29
70 - 74	27	24
75 - 79	16	19
80 - 84	16	16
85 +	10	11
<b>Family type</b>		
Couple living with others	5	5
Couple living alone	32	54
Single living with others	11	6
Single living alone	52	35
<b>Gender</b>		
Male	38	45
Female	62	55
<b>Marital status</b>		
Couple	37	59
Married or Civil Partnered	34	57
Cohabiting	3	2
Single	63	41
<b>Disability and receipt of disability benefits<sup>1</sup></b>		
Those living in families where no-one is disabled	22	42
Those living in families where someone is disabled	78	58
One or more disabled adults	78	58
In receipt of disability benefits	37	24
Not in receipt of disability benefits	40	34
<b>Tenure</b>		
Owners	45	79
Owned outright	38	74
Buying with mortgage	7	5
Social rented sector tenants	44	16
All rented privately	11	4
<b>Ethnic group of head (3-year average)<sup>2</sup></b>		
White	..	97
Mixed	..	0
Asian or Asian British	..	2
Indian	..	1
Pakistani and Bangladeshi	..	0
Black or Black British	..	1
Black Caribbean	..	1
Black Non-Caribbean	..	0
Chinese or other ethnic group	..	1
<b>All pensioners (millions=100%)<sup>3</sup></b>	<b>0.8</b>	<b>9.8</b>

**Notes:**

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.
2. There is only two years of data available for the material deprivation indicator and so it is not possible to provide the standard three-year average statistics for the ethnic group of head. Until this detailed information is available, it is only possible to look at larger groupings: in 2009/10 - 2010/11, the composition of pensioners aged 65 or over in material deprivation was 90 per cent from the white ethnic group and 10 per cent from all other ethnic groups. In 2009/10 - 2010/11, the composition of pensioners aged 65 or over overall was 97 per cent from the white ethnic group and 3 per cent from all other ethnic groups.
3. The totals for all pensioners are shown for the United Kingdom for the latest year and are not three-year averages.
4. Percentages may not sum to 100 per cent due to rounding.

**Table 6.8db: Composition of materially deprived groups of pensioners aged 65 or over by various family and household characteristics, United Kingdom**

Percentage of pensioners	Material deprivation	Pensioners aged 65 or over
Source: FRS 2010/11		
<b>Pensions receipt</b>		
No occupational/personal pensions	59	26
Some occupational/personal pensions	41	74
<b>Couples</b>		
No occupational/personal pensions	37	59
No occupational/personal pensions	18	11
Only one with occupational/personal pension	14	28
Both with occupational/personal pensions	5	20
<b>Single</b>		
No occupational/personal pensions	63	41
No occupational/personal pensions	41	15
Occupational/personal pension	22	26
<b>State support received by family<sup>1</sup></b>		
Disability Living Allowance	23	13
Attendance Allowance	16	13
Pension Credit	47	18
Housing Benefit	44	13
Not in receipt of any benefit listed above	26	63
<b>Savings and investments</b>		
No savings	63	21
Less than £1,500	13	11
£1,500 but less than £3,000	4	6
£3,000 but less than £8,000	11	15
£8,000 but less than £10,000	1	4
£10,000 but less than £16,000	2	8
£16,000 but less than £20,000	1	4
£20,000 or more	5	32
<b>Region/Country (2-year average)<sup>2</sup></b>		
England	..	84
North East	..	4
North West	..	11
Yorkshire and the Humber	..	9
East Midlands	..	7
West Midlands	..	9
East of England	..	10
London	..	9
Inner	..	2
Outer	..	7
South East	..	14
South West	..	10
Wales	..	5
Scotland	..	8
Northern Ireland	..	2
<b>All pensioners (millions=100%)<sup>3</sup></b>	<b>0.8</b>	<b>9.8</b>

**Notes:**

1. The population figures given for benefit receipt do not sum to all pensioners as they are not mutually exclusive groups, since people can receive more than one benefit.
2. There is only two years of data available for the material deprivation indicator and so it is not possible to provide the standard three-year average statistics for regions/countries.
3. The totals for all pensioners are shown for the United Kingdom for the latest year and are not three-year averages.
4. Percentages may not sum to 100 per cent due to rounding.

## 6 Pensioners

**Table 6.9db: Percentage of pensioners aged 65 or over in material deprivation by various family and household characteristics, United Kingdom**

Percentage of pensioners	Material deprivation	Pensioners aged 65 or over (millions)
<b>Source: FRS 2010/11</b>		
<b>Economic status of adults in the family</b>		
One or more working	4	1.2
No one working	9	8.6
<b>Age</b>		
65 - 69	9	2.9
70 - 74	10	2.4
75 - 79	7	1.9
80 - 84	9	1.6
85 +	7	1.1
<b>Family type</b>		
Couple living with others	8	0.5
Couple living alone	5	5.3
Single living with others	17	0.6
Single living alone	13	3.5
<b>Gender</b>		
Male	7	4.4
Female	10	5.4
<b>Marital status</b>		
Couple	5	5.8
Married or Civil Partnered	5	5.6
Cohabiting	10	0.2
Single	13	4.0
<b>Disability and receipt of disability benefits<sup>1</sup></b>		
Those living in families where no-one is disabled	5	4.1
Those living in families where someone is disabled	11	5.7
One or more disabled adults	11	5.7
In receipt of disability benefits	13	2.4
Not in receipt of disability benefits	10	3.3
<b>Tenure</b>		
Owners	5	7.8
Owned outright	4	7.3
Buying with mortgage	12	0.5
Social rented sector tenants	23	1.6
All rented privately	21	0.4
<b>Ethnic group of head (3-year average)<sup>2,3</sup></b>		
White	..	9.3
Mixed	..	0.0
Asian or Asian British	..	0.2
Indian	..	0.1
Pakistani and Bangladeshi	..	0.0
Black or Black British	..	0.1
Black Caribbean	..	0.1
Black Non-Caribbean	..	0.0
Chinese or other ethnic group	..	0.1
<b>All pensioners<sup>4</sup></b>	<b>9</b>	<b>9.8</b>

### Notes:

1. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.
2. The figures for Mixed and Black Non-Caribbean have been suppressed due to small sample sizes.
3. There is only two years of data available for the material deprivation indicator and so it is not possible to provide the standard three-year average statistics for the ethnic group of head. Until this detailed information is available, it is only possible to look at larger groupings: in 2009/10 - 2010/11, the material deprivation rate for white pensioners aged 65 or over was 8 per cent from a population of 9.4 million, and for pensioners aged 65 or over from all other ethnic groups it was 26 per cent from a population of 0.3 million.
4. The totals for all pensioners are shown for the United Kingdom for the latest year and are not three-year averages.

**Table 6.10db: Percentage of pensioners aged 65 or over in material deprivation by various family and household characteristics, United Kingdom**

Percentage of pensioners	Material deprivation	Pensioners aged 65 or over (millions)
<b>Source: FRS 2010/11</b>		
<b>Pensions receipt</b>		
No occupational/personal pensions	20	2.5
Some occupational/personal pensions	5	7.3
<b>Couples</b>		
No occupational/personal pensions	5	5.8
No occupational/personal pensions	14	1.0
Only one with occupational/personal pension	4	2.8
Both with occupational/personal pensions	2	2.0
<b>Single</b>		
No occupational/personal pensions	13	4.0
No occupational/personal pensions	24	1.5
Occupational/personal pension	7	2.5
<b>State support received by family<sup>1</sup></b>		
Disability Living Allowance	15	1.2
Attendance Allowance	11	1.2
Pension Credit	22	1.8
Housing Benefit	29	1.3
Not in receipt of any benefit listed above	4	6.2
<b>Savings and investments</b>		
No savings	26	2.0
Less than £1,500	10	1.1
£1,500 but less than £3,000	6	0.6
£3,000 but less than £8,000	6	1.5
£8,000 but less than £10,000	1	0.4
£10,000 but less than £16,000	2	0.8
£16,000 but less than £20,000	2	0.4
£20,000 or more	1	3.1
<b>Region/Country (2-year average)<sup>2</sup></b>		
England	9	8.1
North East	..	0.4
North West	..	1.1
Yorkshire and the Humber	..	0.8
East Midlands	..	0.7
West Midlands	..	0.9
East of England	..	1.0
London	..	0.9
Inner	..	0.2
Outer	..	0.6
South East	..	1.4
South West	..	1.0
Wales	..	0.5
Scotland	9	0.8
Northern Ireland	11	0.2
<b>All pensioners<sup>3</sup></b>	<b>9</b>	<b>9.8</b>

**Notes:**

1. The population figures given for benefit receipt do not sum to all pensioners as they are not mutually exclusive groups, since people can receive more than one benefit.
2. There is only two years of data available for the material deprivation indicator and so it is not possible to provide the standard three-year average statistics for regions/countries. Two-year averages have also been provided for the materially deprived pensioners aged 65 and over for England, Scotland and Northern Ireland as the sample sizes for these groups are sufficiently robust enough to produce these.
3. The totals for all pensioners are shown for the United Kingdom for the latest year and are not three-year averages.

## 6 Pensioners

**Table 6.11db (BHC): Quintile distribution of income for pensioners aged 65 or over by whether they have the material deprivation items and services, United Kingdom**

Percentage of pensioners <sup>1</sup>		Net equivalised disposable household income					All pensioners	Source: FRS 2010/11
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile		Most common reason for 'no' response <sup>2</sup>
At least one filling meal a day	Yes	99	98	99	99	100	99	30%
	No	1	2	1	1	0	1	Not something I want
Go out socially at least once a month	Yes	72	71	77	78	89	76	36%
	No	28	29	23	22	11	24	Health / disability prevents me
See friends or family at least once a month	Yes	94	95	95	96	98	95	42%
	No	6	5	5	4	2	5	Other reason
Take a holiday away from home	Yes	52	53	59	64	82	59	33%
	No	48	47	41	36	18	41	Health / disability prevents me
Able to replace cooker if it broke down	Yes	87	87	90	93	99	90	87%
	No	13	13	10	7	1	10	No money for this
Home kept in a good state of repair	Yes	96	97	97	98	99	97	56%
	No	4	3	3	2	1	3	No money for this
Heating, electrics, plumbing and drains working	Yes	98	98	99	99	99	98	45%
	No	2	2	1	1	1	2	No money for this
Have a damp-free home	Yes	95	93	95	95	97	95	54%
	No	5	7	5	5	3	5	Other reason
Home kept adequately warm	Yes	95	97	97	99	99	97	64%
	No	5	3	3	1	1	3	No money for this
Able to pay regular bills	Yes	96	96	98	98	100	97	84%
	No	4	4	2	2	0	3	No money for this
Have a telephone to use, whenever needed	Yes	97	96	97	98	99	97	36%
	No	3	4	3	2	1	3	No money for this
Have access to a car or taxi, whenever needed	Yes	87	87	91	94	99	91	40%
	No	13	13	9	6	1	9	No money for this
Have hair done or cut regularly	Yes	86	90	90	93	96	90	28%
	No	14	10	10	7	4	10	No money for this
Have a warm waterproof coat	Yes	98	98	98	99	100	98	36%
	No	2	2	2	1	0	2	No money for this
		Net equivalised disposable household income					All pensioners	Most common reason for 'yes' response <sup>3</sup>
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile		
Able to pay an unexpected expense of £200	Yes	87	84	88	92	99	88	52%
	No	13	16	12	8	1	12	Use savings

### Notes:

1. Percentages relate to the proportion of pensioners who answered the material deprivation questions.

2. For the first 14 questions in the table the follow up questions were asked to explore the reason for a "no" response. Options were: No money for this; Not priority on current income; Health/disability prevents me; Too much trouble/too tiring; No-one to do this with or help me; Not something I want; Not relevant to me; Other. Pensioners can give multiple responses.

3. For the last question in the table relating to being able to meet an unexpected expense of £200, the follow up question was asked to explore how those who responded "yes" would pay. Options were: Use own income but cut back on essentials; Use own income but not need to cut back on essentials; Use my savings; Use a form of credit; Get money from friends or family; Other.

4. Percentages may not sum to 100 per cent due to rounding.

**Table 6.11db (AHC): Quintile distribution of income for pensioners aged 65 or over by whether they have the material deprivation items and services, United Kingdom**

Percentage of pensioners <sup>1</sup>		Net equivalised disposable household income						Source: FRS 2010/11
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All pensioners	Most common reason for 'no' response <sup>2</sup>
At least one filling meal a day	Yes	98	98	99	100	99	99	30%
	No	2	2	1	0	1	1	Not something I want
Go out socially at least once a month	Yes	70	71	74	79	89	76	36%
	No	30	29	26	21	11	24	Health / disability prevents me
See friends or family at least once a month	Yes	92	95	94	96	98	95	42%
	No	8	5	6	4	2	5	Other reason
Take a holiday away from home	Yes	49	51	58	63	80	59	33%
	No	51	49	42	37	20	41	Health / disability prevents me
Able to replace cooker if it broke down	Yes	83	85	91	95	99	90	87%
	No	17	15	9	5	1	10	No money for this
Home kept in a good state of repair	Yes	95	96	97	98	99	97	56%
	No	5	4	3	2	1	3	No money for this
Heating, electrics, plumbing and drains working	Yes	97	98	99	99	99	98	45%
	No	3	2	1	1	1	2	No money for this
Have a damp-free home	Yes	94	94	94	95	97	95	54%
	No	6	6	6	5	3	5	Other reason
Home kept adequately warm	Yes	94	96	97	98	99	97	64%
	No	6	4	3	2	1	3	No money for this
Able to pay regular bills	Yes	94	96	98	99	99	97	84%
	No	6	4	2	1	1	3	No money for this
Have a telephone to use, whenever needed	Yes	96	95	98	99	99	97	36%
	No	4	5	2	1	1	3	No money for this
Have access to a car or taxi, whenever needed	Yes	86	85	92	94	98	91	40%
	No	14	15	8	6	2	9	No money for this
Have hair done or cut regularly	Yes	86	87	91	92	96	90	28%
	No	14	13	9	8	4	10	No money for this
Have a warm waterproof coat	Yes	97	98	98	99	99	98	36%
	No	3	2	2	1	1	2	No money for this

		Net equivalised disposable household income						Most common reason for 'yes' response <sup>3</sup>
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All pensioners	
Able to pay an unexpected expense of £200	Yes	84	81	89	94	98	88	52%
	No	16	19	11	6	2	12	Use savings

**Notes:**

1. Percentages relate to the proportion of pensioners who answered the material deprivation questions.
2. For the first 14 questions in the table the follow up questions were asked to explore the reason for a "no" response. Options were: No money for this; Not priority on current income; Health/disability prevents me; Too much trouble/too tiring; No-one to do this with or help me; Not something I want; Not relevant to me; Other. Pensioners can give multiple responses.
3. For the last question in the table relating to being able to meet an unexpected expense of £200, the follow up question was asked to explore how those who responded "yes" would pay. Options were: Use own income but cut back on essentials; Use own income but not need to cut back on essentials; Use my savings; Use a form of credit; Get money from friends or family; Other.
4. Percentages may not sum to 100 per cent due to rounding.

Table 6.1ts: Population of pensioners by age and gender, United Kingdom<sup>1</sup>

	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Number of pensioners whose age is: (millions)</b>																	
60 - 64	1.4	1.4	1.4	1.4	1.4	1.5	1.4	1.4	1.5	1.5	1.6	1.6	1.7	1.8	1.9	1.9	1.8
65 - 69	2.5	2.6	2.5	2.6	2.5	2.5	2.5	2.5	2.5	2.5	2.6	2.7	2.6	2.6	2.6	2.8	2.9
70 - 74	2.5	2.4	2.3	2.2	2.3	2.2	2.3	2.3	2.3	2.4	2.2	2.2	2.2	2.2	2.3	2.3	2.4
75 - 79	1.6	1.6	1.7	1.8	1.9	1.9	1.9	1.9	1.9	1.8	1.8	1.8	1.8	1.9	1.9	1.9	1.9
80 - 84	1.2	1.2	1.2	1.2	1.1	1.1	1.2	1.2	1.4	1.4	1.6	1.5	1.6	1.5	1.5	1.5	1.6
85 +	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.9	0.8	0.8	0.9	0.9	1.0	1.0	1.1	1.1	1.1
<b>Number of pensioners whose gender is: (millions)</b>																	
Male	3.5	3.5	3.6	3.6	3.6	3.6	3.7	3.7	3.9	3.9	4.0	4.0	4.1	4.1	4.2	4.3	4.4
Female	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.6	6.6	6.7	6.8	6.8	7.0	7.1	7.2	7.3
<b>All pensioners (millions)</b>	<b>9.9</b>	<b>9.9</b>	<b>9.9</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.1</b>	<b>10.1</b>	<b>10.5</b>	<b>10.5</b>	<b>10.7</b>	<b>10.8</b>	<b>10.9</b>	<b>11.1</b>	<b>11.3</b>	<b>11.5</b>	<b>11.7</b>
<b>Percentage of pensioners whose age is:</b>																	
60 - 64	14	14	14	14	14	15	14	14	14	15	15	15	15	16	17	16	16
65 - 69	25	26	26	26	25	25	25	24	24	24	25	25	24	24	23	24	25
70 - 74	25	24	23	23	23	22	22	22	22	22	21	20	20	20	20	20	20
75 - 79	16	17	17	18	19	19	19	18	18	18	17	17	17	17	17	16	16
80 - 84	12	12	12	12	11	11	12	12	13	14	15	14	14	14	14	13	14
85 +	7	7	7	8	8	8	8	8	8	8	8	9	9	9	9	10	10
<b>Percentage of pensioners whose gender is:</b>																	
Male	35	36	36	36	36	36	36	37	37	37	37	37	37	37	37	37	38
Female	65	64	64	64	64	64	64	63	63	63	63	63	63	63	63	63	62
<b>All pensioners (per cent)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Notes:**

1. Figures are for United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

Table 6.2ts: Population of pensioners by tenure, United Kingdom<sup>1</sup>

	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Source: FRS</b>																	
<b>Number of pensioners whose tenure type is: (millions)</b>																	
Owners	6.5	6.7	6.8	6.9	7.0	7.1	7.2	7.4	7.7	7.9	8.1	8.4	8.5	8.8	8.8	9.1	9.3
Owned outright	5.7	5.8	5.9	6.0	6.1	6.2	6.4	6.6	6.8	7.1	7.3	7.5	7.6	8.0	8.0	8.2	8.5
Buying with mortgage	0.8	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.8	0.9	0.9	0.8	0.8	0.8	0.9	0.7
Social rented sector tenants	2.8	2.7	2.7	2.6	2.5	2.4	2.4	2.3	2.3	2.2	2.1	2.0	1.9	1.9	2.0	1.9	1.9
All rented privately	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.5	0.4	0.5	0.5	0.4	0.4	0.5	0.5	0.5
<b>All pensioners (millions)</b>	9.9	9.9	9.9	10.0	10.0	10.0	10.1	10.1	10.5	10.5	10.7	10.8	10.9	11.1	11.3	11.5	11.7
<b>Percentage of pensioners whose tenure type is:</b>																	
Owners	65	67	68	69	70	71	72	73	74	75	76	78	78	79	78	79	80
Owned outright	58	59	59	60	61	62	63	65	65	68	68	69	70	72	71	71	73
Buying with mortgage	8	8	9	9	9	9	9	8	8	8	8	8	8	7	7	8	6
Social rented sector tenants	28	28	27	26	25	24	23	22	22	21	19	18	18	17	17	17	16
All rented privately	6	5	5	5	5	5	5	4	4	4	4	4	4	4	4	5	5
<b>All pensioners (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

Table 6.3ts: Population of pensioners by region and country, United Kingdom<sup>1</sup>

	Source: FRS														
	94/95- 96/97	95/96- 97/98	96/97- 98/99	97/98- 99/00	98/99- 00/01	99/00- 01/02	00/01- 02/03	01/02- 03/04	02/03- 04/05	03/04- 05/06	04/05- 06/07	05/06- 07/08	06/07- 08/09	07/08- 09/10	08/09- 10/11
<b>Number of pensioners whose region/country is: (3-year average, millions)</b>															
England	8.5	8.5	8.5	8.6	8.6	8.7	8.7	8.8	8.8	8.9	9.0	9.1	9.3	9.5	9.6
North East	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
North West	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.3	1.3	1.3
Yorkshire and the Humber	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	1.0	1.0
East Midlands	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.9
West Midlands	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0
East of England	0.9	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1
London	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
South East	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.6
South West	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1
Wales	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Scotland	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	1.0	1.0
Northern Ireland	..	..	..	..	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
<b>All pensioners (millions)<sup>2</sup></b>	<b>9.9</b>	<b>9.9</b>	<b>10.0</b>	<b>10.0</b>	<b>10.3</b>	<b>10.3</b>	<b>10.4</b>	<b>10.5</b>	<b>10.6</b>	<b>10.7</b>	<b>10.8</b>	<b>10.9</b>	<b>11.1</b>	<b>11.3</b>	<b>11.5</b>
<b>Percentage of pensioners whose region/country is: (3-year average)</b>															
England	86	86	86	86	84	84	84	84	84	84	84	84	84	84	84
North East	5	5	5	5	5	5	5	5	4	4	4	4	4	4	4
North West	12	12	12	12	12	12	12	12	12	12	11	11	11	11	11
Yorkshire and the Humber	9	9	9	9	9	9	9	9	9	9	9	8	8	8	8
East Midlands	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
West Midlands	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
East of England	9	9	9	10	9	9	9	10	10	10	10	10	10	10	10
London	10	10	10	10	10	10	10	10	9	9	9	9	9	9	9
South East	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14
South West	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Wales	6	6	6	6	5	5	5	5	5	5	5	5	5	5	5
Scotland	9	9	9	9	9	9	9	9	9	9	9	9	8	8	8
Northern Ireland	..	..	..	..	2	2	2	2	2	2	2	2	2	2	2
<b>All pensioners (per cent)<sup>2</sup></b>	<b>100</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 1998/99-2000/01 onwards. Earlier years are for Great Britain only. Data for Northern Ireland has been imputed for 1998/99 to 2001/02.
2. The all pensioners figures here are three-year averages and are therefore not directly comparable with the totals in the main tables.
3. Percentages may not sum to 100 per cent due to rounding.

Table 6.4ts: Population of pensioners by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>

	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Source: FRS</b>																	
<b>Number of pensioners (millions) who are:</b>																	
Pensioners in families where no-one is disabled	..	4.7	5.0	4.7	4.6	4.8	4.6	4.8	4.6	4.7	4.8	4.7	4.7	4.9	4.9	5.1	5.2
Pensioners in families where someone is disabled	..	5.3	4.9	5.3	5.4	5.2	5.5	5.3	5.9	5.8	5.9	6.1	6.1	6.2	6.4	6.4	6.5
One or more disabled adults	..	5.3	4.9	5.3	5.4	5.2	5.5	5.3	5.9	5.8	5.9	6.1	6.1	6.2	6.4	6.4	6.5
In receipt of disability benefits	..	0.7	1.6	1.8	1.9	2.0	2.1	2.1	2.2	2.3	2.4	2.3	2.4	2.4	2.6	2.5	2.7
Not in receipt of disability benefits	..	4.5	3.3	3.5	3.5	3.3	3.4	3.3	3.7	3.5	3.5	3.8	3.7	3.8	3.8	3.9	3.8
<b>All pensioners (millions)</b>	9.9	9.9	9.9	10.0	10.0	10.0	10.1	10.1	10.5	10.5	10.7	10.8	10.9	11.1	11.3	11.5	11.7
<b>Percentage of pensioners who are:</b>																	
Pensioners in families where no-one is disabled	..	47	50	47	46	48	45	47	44	45	45	43	44	44	43	44	45
Pensioners in families where someone is disabled	..	53	50	53	54	52	55	53	56	55	55	57	56	56	57	56	55
One or more disabled adults	..	53	50	53	54	52	55	53	56	55	55	57	56	56	57	56	55
In receipt of disability benefits	..	7	16	18	19	19	21	20	21	22	22	22	22	22	23	22	23
Not in receipt of disability benefits	..	46	33	35	35	33	34	32	35	34	33	35	34	34	34	34	32
<b>All pensioners (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

Table 6.5ts: Composition of pensioners living in households with less than 60 per cent of contemporary median household income, by age and gender, United Kingdom<sup>1</sup>

Percentage of pensioners	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
<b>Age</b>																	
60 - 64	10	9	11	10	10	10	11	11	11	12	11	12	12	13	14	13	13
65 - 69	19	21	19	19	19	19	20	18	19	19	19	22	19	20	20	20	20
70 - 74	26	24	24	24	25	23	23	23	23	22	19	21	19	19	20	20	18
75 - 79	19	21	21	23	23	22	22	22	21	21	20	18	22	18	18	18	18
80 - 84	17	16	16	15	14	16	13	16	16	18	19	17	16	17	17	16	17
85 +	9	9	9	9	10	10	11	11	10	9	11	10	12	11	11	12	13
<b>Gender</b>																	
Male	31	32	31	32	33	33	33	34	35	33	34	34	33	33	34	33	33
Female	69	68	69	68	67	67	67	66	65	67	66	66	67	67	66	67	67
<b>All pensioners (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
<b>Age</b>																	
60 - 64	10	9	10	10	10	11	12	12	12	13	15	14	14	16	17	15	16
65 - 69	19	21	19	20	19	20	20	19	21	20	22	24	20	21	22	22	22
70 - 74	28	25	24	23	24	23	22	23	22	23	19	19	19	19	18	20	18
75 - 79	21	22	22	23	23	21	22	21	20	20	19	17	19	17	16	17	16
80 - 84	15	15	17	15	14	16	13	15	16	16	16	15	16	16	16	15	16
85 +	7	8	9	10	10	10	10	10	10	8	10	11	12	10	11	12	12
<b>Gender</b>																	
Male	30	32	30	32	32	32	32	33	35	33	35	35	34	32	33	34	34
Female	70	68	70	68	68	68	68	67	65	67	65	65	66	68	67	66	66
<b>All pensioners (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

Table 6.6ts: Composition of pensioners living in households with less than 60 per cent of contemporary median household income, by tenure, United Kingdom<sup>1</sup>

Percentage of pensioners	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
<b>Tenure</b>																	
Owners	71	74	71	71	72	74	73	75	79	80	83	84	83	84	83	84	86
Owned outright	65	69	66	65	66	67	67	70	73	75	76	78	78	79	78	78	81
Buying with mortgage	6	5	5	6	5	6	6	5	6	5	6	6	5	5	4	5	5
Social rented sector tenants	21	21	23	23	23	20	21	19	16	14	13	11	11	12	12	12	10
All rented privately	8	5	6	6	5	7	6	5	5	5	5	5	6	4	5	5	5
<b>All pensioners (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
<b>Tenure</b>																	
Owners	42	45	43	45	47	49	49	53	56	58	62	64	65	68	65	62	66
Owned outright	36	40	38	39	41	43	43	48	50	53	55	56	60	61	59	56	60
Buying with mortgage	6	5	4	6	5	6	5	5	6	5	7	8	6	7	6	6	6
Social rented sector tenants	49	48	50	47	46	43	44	40	37	34	30	27	26	26	26	29	25
All rented privately	10	8	8	8	7	8	7	7	7	7	7	9	8	6	8	9	9
<b>All pensioners (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
2. Percentages may not sum to 100 per cent due to rounding.

Table 6.7ts: Composition of pensioners living in households with less than 60 per cent of contemporary median household income, by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>

Percentage of pensioners	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Pensioners in families where no-one is disabled	..	50	55	49	49	51	49	49	48	50	49	46	47	47	48	48	47
Pensioners in families where someone is disabled	..	50	45	51	51	49	51	51	52	50	51	54	53	53	52	52	53
One or more disabled adults	..	50	45	51	51	49	51	51	52	50	51	54	53	52	52	52	53
In receipt of disability benefits	..	2	5	6	7	7	8	10	9	10	9	10	10	10	10	9	9
Not in receipt of disability benefits	..	49	40	44	44	41	43	41	43	40	42	44	43	43	42	44	43
<b>All pensioners (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>After Housing Costs</b>																	
Pensioners in families where no-one is disabled	..	48	53	48	47	51	48	47	48	49	49	46	47	46	46	47	45
Pensioners in families where someone is disabled	..	52	47	52	53	49	52	53	52	51	51	54	53	54	54	53	55
One or more disabled adults	..	52	47	52	53	49	52	53	52	51	51	54	53	54	54	53	54
In receipt of disability benefits	..	2	4	5	5	6	8	7	8	10	9	9	10	9	11	9	10
Not in receipt of disability benefits	..	50	43	48	48	44	44	45	44	41	41	45	43	45	43	44	44
<b>All pensioners (per cent)</b>	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

Table 6.8ts: Percentage of pensioners living in households with less than 60 per cent of contemporary median household income, by age and gender, United Kingdom<sup>1</sup>

Percentage of pensioners	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
<b>Age</b>																	
60 - 64	17	16	19	18	19	18	18	19	18	18	17	18	18	19	17	14	14
65 - 69	18	19	18	19	20	19	20	18	19	18	17	18	18	20	17	15	14
70 - 74	25	24	25	27	29	26	25	26	25	23	19	21	21	22	20	18	15
75 - 79	28	30	30	32	33	29	29	31	28	27	25	22	29	25	22	20	20
80 - 84	32	32	33	32	33	36	28	32	29	30	27	24	27	28	25	22	22
85 +	33	28	31	30	33	30	34	33	32	26	29	25	32	27	23	23	24
<b>Gender</b>																	
Male	21	22	21	22	25	23	23	23	23	20	19	19	21	20	18	16	15
Female	26	25	27	27	28	26	26	26	25	25	23	22	25	24	21	19	19
<b>All pensioners (per cent)</b>	<b>24</b>	<b>24</b>	<b>25</b>	<b>25</b>	<b>27</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>24</b>	<b>23</b>	<b>21</b>	<b>21</b>	<b>23</b>	<b>23</b>	<b>20</b>	<b>18</b>	<b>17</b>
<b>After Housing Costs</b>																	
<b>Age</b>																	
60 - 64	20	19	21	20	21	21	21	21	20	19	18	16	17	18	16	14	14
65 - 69	21	22	21	22	21	22	21	20	20	18	16	16	16	16	15	14	12
70 - 74	31	29	29	30	30	28	25	27	24	21	16	16	17	17	14	15	13
75 - 79	37	36	36	37	35	30	31	29	27	23	19	17	21	19	16	16	14
80 - 84	34	34	39	37	37	39	30	31	30	24	19	18	21	20	19	17	16
85 +	30	30	38	38	35	35	33	31	29	22	22	22	25	20	18	19	18
<b>Gender</b>																	
Male	24	25	24	26	26	24	23	23	23	18	16	16	17	16	14	14	13
Female	31	30	32	31	30	29	28	27	25	22	18	18	20	20	17	16	15
<b>All pensioners (per cent)</b>	<b>28</b>	<b>28</b>	<b>29</b>	<b>29</b>	<b>29</b>	<b>28</b>	<b>26</b>	<b>26</b>	<b>24</b>	<b>21</b>	<b>18</b>	<b>17</b>	<b>19</b>	<b>18</b>	<b>16</b>	<b>15</b>	<b>14</b>

**Notes:**

1. Figures are for United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

Table 6.9ts: Percentage of pensioners living in households with less than 60 per cent of contemporary median household income, by tenure, United Kingdom<sup>1</sup>

Percentage of pensioners	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
<b>Tenure</b>																	
Owners	26	26	26	26	28	26	25	26	26	24	23	23	25	24	21	19	19
Owned outright	27	28	27	28	29	27	26	27	27	25	24	23	26	25	22	20	19
Buying with mortgage	18	14	15	16	17	19	16	15	18	15	17	15	15	15	12	13	13
Social rented sector tenants	18	18	21	22	24	21	23	22	18	16	14	12	15	16	14	13	10
All rented privately	31	25	32	31	31	31	29	29	29	30	23	25	32	24	22	19	18
<b>All pensioners (per cent)</b>	24	24	25	25	27	25	25	25	24	23	21	21	23	23	20	18	17
<b>After Housing Costs</b>																	
<b>Tenure</b>																	
Owners	18	18	18	19	19	19	18	19	18	16	14	14	16	16	13	12	12
Owned outright	18	19	19	19	19	19	18	19	18	16	14	14	16	15	13	12	12
Buying with mortgage	20	16	15	19	17	19	16	16	17	14	15	17	14	17	13	13	13
Social rented sector tenants	48	48	54	52	52	50	49	45	41	34	28	25	28	28	24	26	22
All rented privately	43	41	45	45	44	42	39	43	38	38	29	34	38	28	30	30	29
<b>All pensioners (per cent)</b>	28	28	29	29	29	28	26	26	24	21	18	17	19	18	16	15	14

**Notes:**

1. Figures are for United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

Table 6.10ts: Percentage of pensioners living in households with less than 60 per cent of contemporary median household income, by region or country, United Kingdom<sup>1</sup>

Percentage of pensioners	Source: FRS														
	94/95- 96/97	95/96- 97/98	96/97- 98/99	97/98- 99/00	98/99- 00/01	99/00- 01/02	00/01- 02/03	01/02- 03/04	02/03- 04/05	03/04- 05/06	04/05- 06/07	05/06- 07/08	06/07- 08/09	07/08- 09/10	08/09- 10/11
<b>Before Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	24	24	25	26	25	25	25	24	23	21	22	22	22	20	18
North East	26	26	26	28	30	28	26	23	22	20	20	21	21	20	18
North West	24	25	27	27	26	25	25	25	24	24	24	24	22	18	16
Yorkshire and the Humber	28	28	30	30	29	28	27	25	24	22	24	25	25	23	21
East Midlands	26	28	30	31	31	31	30	29	27	26	27	27	27	24	22
West Midlands	25	26	27	26	26	26	27	27	26	25	22	23	22	22	20
East of England	24	23	25	26	26	25	25	24	22	20	19	19	21	20	19
London	19	20	20	21	20	21	20	21	20	20	20	21	22	20	19
South East	21	20	21	22	22	22	22	21	20	19	19	19	18	17	17
South West	23	26	26	27	25	25	25	25	22	20	20	22	22	20	17
Wales	27	26	26	26	26	26	25	26	24	25	24	25	24	23	20
Scotland	28	27	27	25	26	24	23	22	22	21	20	20	19	18	16
Northern Ireland	..	..	..	..	30	30	28	26	25	27	28	27	28	27	25
<b>All pensioners (per cent)<sup>2</sup></b>	24	25	26	26	26	25	25	24	23	22	22	22	22	20	19
<b>After Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	28	29	29	29	28	27	26	24	21	18	18	18	18	17	15
North East	33	33	32	31	31	28	27	23	20	17	17	19	18	17	14
North West	28	28	29	28	27	25	25	24	21	19	19	18	17	15	14
Yorkshire and the Humber	30	31	32	32	31	29	26	24	20	17	17	18	19	18	17
East Midlands	27	29	30	30	29	28	27	25	22	21	21	21	19	18	15
West Midlands	29	28	29	28	28	27	28	26	23	20	18	18	16	16	15
East of England	29	28	29	28	28	26	25	24	21	18	16	16	18	16	15
London	30	31	31	32	30	30	27	26	23	21	22	22	23	21	20
South East	26	26	26	26	24	24	23	22	19	16	16	16	16	15	14
South West	27	29	28	28	26	25	24	22	19	16	16	18	17	16	15
Wales	26	27	26	26	24	24	23	22	20	20	19	19	18	17	15
Scotland	31	31	29	28	27	26	25	23	21	18	16	16	14	13	12
Northern Ireland	..	..	..	..	27	26	23	21	20	19	20	20	21	20	18
<b>All pensioners (per cent)<sup>2</sup></b>	28	29	29	28	27	26	25	23	21	18	18	18	18	16	15

**Notes:**

- Figures are for the United Kingdom from 1998/99-2000/01 onwards. Earlier years are for Great Britain only. Data for Northern Ireland has been imputed for 1998/99 to 2001/02.
- The all pensioners figures here are three-year averages and are therefore not directly comparable with the totals in the main tables.

Table 6.11ts: Number of pensioners living in households with less than 60 per cent of contemporary median household income, by region or country, United Kingdom<sup>1</sup>

Number of pensioners (millions)	Source: FRS														
	94/95- 96/97	95/96- 97/98	96/97- 98/99	97/98- 99/00	98/99- 00/01	99/00- 01/02	00/01- 02/03	01/02- 03/04	02/03- 04/05	03/04- 05/06	04/05- 06/07	05/06- 07/08	06/07- 08/09	07/08- 09/10	08/09- 10/11
<b>Before Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	2.0	2.1	2.2	2.2	2.2	2.2	2.2	2.1	2.0	1.9	1.9	2.0	2.0	1.9	1.8
North East	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
North West	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2
Yorkshire and the Humber	0.2	0.2	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
East Midlands	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
West Midlands	0.2	0.2	0.3	0.2	0.2	0.2	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2
East of England	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
London	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
South East	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
South West	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Wales	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Scotland	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Northern Ireland	..	..	..	..	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>All pensioners (millions)<sup>2</sup></b>	2.4	2.4	2.6	2.6	2.6	2.6	2.6	2.5	2.4	2.3	2.3	2.4	2.4	2.3	2.1
<b>After Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	2.4	2.4	2.5	2.5	2.4	2.3	2.2	2.1	1.8	1.6	1.6	1.7	1.7	1.6	1.5
North East	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
North West	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2
Yorkshire and the Humber	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
East Midlands	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1
West Midlands	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
East of England	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
London	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
South East	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2
South West	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Wales	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Scotland	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Northern Ireland	..	..	..	..	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>All pensioners (millions)<sup>2</sup></b>	2.8	2.9	2.9	2.8	2.8	2.7	2.6	2.5	2.2	2.0	1.9	2.0	2.0	1.9	1.7

**Notes:**

1. Figures are for the United Kingdom from 1998/99-2000/01 onwards. Earlier years are for Great Britain only. Data for Northern Ireland has been imputed for 1998/99 to 2001/02.
2. The all pensioners figures here are three-year averages and are therefore not directly comparable with the totals in the main tables.

Table 6.12ts: Percentage of pensioners living in households with less than 60 per cent of contemporary median household income, by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>

Percentage of pensioners	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Pensioners in families where no-one is disabled	..	25	27	27	29	27	27	26	27	25	23	22	25	24	22	19	19
Pensioners in families where someone is disabled	..	23	23	24	25	24	23	24	22	21	20	20	22	21	19	17	17
One or more disabled adults	..	23	23	24	25	24	23	24	22	21	20	20	22	21	19	17	17
In receipt of disability benefits		5	7	9	10	10	10	12	10	11	9	9	11	10	9	7	7
Not in receipt of disability benefits	..	25	30	32	34	32	31	32	30	27	27	26	29	29	25	23	23
<b>All pensioners (per cent)</b>	<b>24</b>	<b>24</b>	<b>25</b>	<b>25</b>	<b>27</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>24</b>	<b>23</b>	<b>21</b>	<b>21</b>	<b>23</b>	<b>23</b>	<b>20</b>	<b>18</b>	<b>17</b>
<b>After Housing Costs</b>																	
Pensioners in families where no-one is disabled	..	29	31	29	30	29	28	26	27	23	19	18	20	19	17	16	14
Pensioners in families where someone is disabled	..	27	28	29	28	26	24	26	22	19	16	16	18	18	15	15	14
One or more disabled adults	..	27	28	29	28	26	24	26	22	19	16	16	18	18	15	15	14
In receipt of disability benefits		6	8	8	8	8	9	9	9	10	7	7	9	8	7	7	6
Not in receipt of disability benefits	..	31	37	40	39	37	33	36	30	25	22	22	24	24	20	20	19
<b>All pensioners (per cent)</b>	<b>28</b>	<b>28</b>	<b>29</b>	<b>29</b>	<b>29</b>	<b>28</b>	<b>26</b>	<b>26</b>	<b>24</b>	<b>21</b>	<b>18</b>	<b>17</b>	<b>19</b>	<b>18</b>	<b>16</b>	<b>15</b>	<b>14</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

Table 6.13ts: Percentage of pensioners living in households with less than 60 per cent of 1998/99 median income held constant in real terms, by age and gender, United Kingdom<sup>1</sup>

Percentage of pensioners	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
<b>Age</b>																	
60 - 64	22	22	21	19	19	16	15	13	13	13	12	11	12	13	12	9	10
65 - 69	25	26	22	21	20	17	15	12	12	11	11	11	11	12	10	8	9
70 - 74	33	33	29	28	29	23	19	16	15	14	12	11	13	12	10	10	10
75 - 79	39	39	34	33	33	26	24	21	18	17	15	12	17	14	13	9	12
80 - 84	42	39	36	33	33	33	23	25	20	20	16	14	17	18	15	12	14
85 +	41	35	35	32	33	29	28	27	22	18	20	18	23	18	15	13	16
<b>Gender</b>																	
Male	28	29	25	24	25	20	18	15	14	12	11	10	12	11	10	8	9
Female	34	33	30	29	28	24	21	19	17	16	15	13	16	16	13	11	12
<b>All pensioners (per cent)</b>	<b>32</b>	<b>32</b>	<b>28</b>	<b>27</b>	<b>27</b>	<b>22</b>	<b>20</b>	<b>18</b>	<b>16</b>	<b>15</b>	<b>13</b>	<b>12</b>	<b>15</b>	<b>14</b>	<b>12</b>	<b>10</b>	<b>11</b>
<b>After Housing Costs</b>																	
<b>Age</b>																	
60 - 64	25	24	24	21	21	19	18	13	11	9	9	8	9	10	10	7	10
65 - 69	27	28	24	23	21	20	15	11	9	8	7	7	8	9	8	7	7
70 - 74	38	36	32	31	30	25	20	14	12	9	7	6	9	8	7	7	7
75 - 79	45	44	39	38	35	27	23	16	12	12	8	7	10	9	8	8	9
80 - 84	48	47	42	38	37	34	20	19	14	12	9	8	11	9	11	9	10
85 +	46	41	41	39	35	29	25	19	14	13	11	12	15	10	10	11	11
<b>Gender</b>																	
Male	31	32	27	27	26	22	17	13	10	8	7	7	8	7	8	7	8
Female	39	38	35	33	30	26	21	15	12	11	9	9	11	10	9	8	9
<b>All pensioners (per cent)</b>	<b>36</b>	<b>35</b>	<b>32</b>	<b>31</b>	<b>29</b>	<b>25</b>	<b>20</b>	<b>14</b>	<b>12</b>	<b>10</b>	<b>8</b>	<b>8</b>	<b>10</b>	<b>9</b>	<b>9</b>	<b>8</b>	<b>9</b>

**Notes:**

1. Figures are for United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

Table 6.14ts: Percentage of pensioners living in households with less than 60 per cent of 1998/99 median income held constant in real terms, by tenure, United Kingdom<sup>1,2</sup>

Percentage of pensioners	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
<b>Tenure</b>																	
Owners	31	32	28	27	28	24	21	19	18	16	15	13	16	15	13	11	12
Owned outright	32	34	30	29	29	25	23	21	19	17	15	14	17	16	13	11	12
Buying with mortgage	22	19	16	17	17	17	13	9	12	8	10	7	9	8	7	7	8
Social rented sector tenants	33	31	27	25	24	16	14	11	8	9	8	6	8	9	8	5	5
All rented privately	41	31	36	31	31	28	23	23	19	21	15	16	22	16	16	9	12
<b>All pensioners (per cent)</b>	<b>32</b>	<b>32</b>	<b>28</b>	<b>27</b>	<b>27</b>	<b>22</b>	<b>20</b>	<b>18</b>	<b>16</b>	<b>15</b>	<b>13</b>	<b>12</b>	<b>15</b>	<b>14</b>	<b>12</b>	<b>10</b>	<b>11</b>
<b>After Housing Costs</b>																	
<b>Tenure</b>																	
Owners	24	24	20	20	19	17	13	11	10	8	6	7	8	8	7	6	7
Owned outright	24	25	21	20	19	17	13	11	9	8	6	7	9	8	7	6	7
Buying with mortgage	25	22	17	20	17	17	14	10	11	8	8	7	8	10	8	9	10
Social rented sector tenants	61	60	57	54	52	45	36	23	16	15	13	11	13	13	13	13	14
All rented privately	54	48	49	47	44	38	31	26	22	21	15	17	20	19	19	19	22
<b>All pensioners (per cent)</b>	<b>36</b>	<b>35</b>	<b>32</b>	<b>31</b>	<b>29</b>	<b>25</b>	<b>20</b>	<b>14</b>	<b>12</b>	<b>10</b>	<b>8</b>	<b>8</b>	<b>10</b>	<b>9</b>	<b>9</b>	<b>8</b>	<b>9</b>

**Notes:**

1. Figures are for United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

Table 6.15ts: Percentage of pensioners living in households with less than 60 per cent of 1998/99 median income held constant in real terms, by region or country, United Kingdom<sup>1</sup>

Percentage of pensioners	Source: FRS														
	94/95- 96/97	95/96- 97/98	96/97- 98/99	97/98- 99/00	98/99- 00/01	99/00- 01/02	00/01- 02/03	01/02- 03/04	02/03- 04/05	03/04- 05/06	04/05- 06/07	05/06- 07/08	06/07- 08/09	07/08- 09/10	08/09- 10/11
<b>Before Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	30	28	27	25	23	20	18	16	15	13	13	14	14	12	11
North East	35	31	28	27	26	21	18	14	12	11	12	13	12	12	10
North West	32	30	29	27	24	20	18	17	16	14	14	14	13	10	10
Yorkshire and the Humber	36	33	32	30	26	21	17	16	14	12	13	15	15	13	12
East Midlands	33	33	32	30	28	25	23	21	18	17	17	17	16	14	12
West Midlands	32	30	29	25	23	21	20	19	18	16	14	14	13	12	11
East of England	30	28	27	25	24	20	18	16	14	13	12	11	13	12	11
London	23	23	22	21	18	17	15	14	14	14	14	14	15	13	14
South East	25	24	22	21	20	18	17	15	13	12	12	12	12	11	10
South West	29	29	28	26	23	20	18	16	14	13	13	14	14	11	10
Wales	32	30	28	26	25	21	18	16	15	16	16	16	15	13	12
Scotland	36	33	29	25	22	18	15	13	13	12	11	12	11	10	9
Northern Ireland	..	..	..	..	29	25	21	19	18	18	19	19	20	18	15
<b>All pensioners (per cent)<sup>2</sup></b>	<b>31</b>	<b>29</b>	<b>27</b>	<b>25</b>	<b>23</b>	<b>20</b>	<b>18</b>	<b>16</b>	<b>15</b>	<b>13</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>12</b>	<b>11</b>
<b>After Housing Costs</b>															
<b>Region/Country (3-year average)</b>															
England	34	33	30	28	25	20	15	12	10	9	9	9	9	9	9
North East	40	37	33	30	26	20	14	10	8	7	6	7	8	8	7
North West	34	31	30	27	23	18	14	11	10	8	8	8	8	7	7
Yorkshire and the Humber	38	36	33	31	27	21	15	11	9	8	8	9	9	9	9
East Midlands	33	33	32	30	26	22	19	15	12	10	11	11	11	10	9
West Midlands	35	33	31	27	24	20	17	13	11	9	9	8	8	8	8
East of England	34	31	30	28	25	19	14	11	10	8	7	7	10	9	9
London	35	34	33	31	27	23	17	14	12	11	12	13	14	12	13
South East	31	29	27	25	22	18	14	12	10	9	8	9	9	8	8
South West	33	32	29	27	24	19	15	11	10	8	8	9	9	7	8
Wales	33	30	28	25	22	18	14	11	8	9	9	9	9	8	9
Scotland	38	35	31	27	23	18	14	11	9	7	7	7	7	7	6
Northern Ireland	..	..	..	..	25	20	15	12	10	9	9	10	11	10	10
<b>All pensioners (per cent)<sup>2</sup></b>	<b>35</b>	<b>33</b>	<b>30</b>	<b>28</b>	<b>24</b>	<b>20</b>	<b>15</b>	<b>12</b>	<b>10</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>8</b>

**Notes:**

1. Figures are for the United Kingdom from 1998/99-2000/01 onwards. Earlier years are for Great Britain only. Data for Northern Ireland has been imputed for 1998/99 to 2001/02.
2. The all pensioners figures here are three-year averages and are therefore not directly comparable with the totals in the main tables.

Table 6.16ts: Number of pensioners living in households with less than 60 per cent of 1998/99 median income held constant in real terms, by region or country, United Kingdom<sup>1</sup>

Number of pensioners (millions)	Source: FRS														
	94/95- 96/97	95/96- 97/98	96/97- 98/99	97/98- 99/00	98/99- 00/01	99/00- 01/02	00/01- 02/03	01/02- 03/04	02/03- 04/05	03/04- 05/06	04/05- 06/07	05/06- 07/08	06/07- 08/09	07/08- 09/10	08/09- 10/11
<b>Before Housing Costs</b>															
<b>Region / Country (3-year average)</b>															
England	2.5	2.4	2.3	2.2	2.0	1.7	1.6	1.4	1.3	1.2	1.2	1.2	1.3	1.1	1.0
North East	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0
North West	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1
Yorkshire and the Humber	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
East Midlands	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1
West Midlands	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1
East of England	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1
London	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
South East	0.4	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
South West	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Wales	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Scotland	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Northern Ireland	..	..	..	..	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0
<b>All pensioners (millions)<sup>2</sup></b>	<b>3.0</b>	<b>2.9</b>	<b>2.7</b>	<b>2.5</b>	<b>2.4</b>	<b>2.1</b>	<b>1.8</b>	<b>1.7</b>	<b>1.5</b>	<b>1.4</b>	<b>1.4</b>	<b>1.5</b>	<b>1.5</b>	<b>1.3</b>	<b>1.3</b>
<b>After Housing Costs</b>															
<b>Region / Country (3-year average)</b>															
England	2.9	2.8	2.6	2.4	2.1	1.7	1.3	1.1	0.9	0.8	0.8	0.8	0.9	0.8	0.8
North East	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
North West	0.4	0.4	0.4	0.3	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Yorkshire and the Humber	0.3	0.3	0.3	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
East Midlands	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
West Midlands	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
East of England	0.3	0.3	0.3	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
London	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
South East	0.4	0.4	0.4	0.4	0.3	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1
South West	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Wales	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1
Scotland	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Northern Ireland	..	..	..	..	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>All pensioners (millions)<sup>2</sup></b>	<b>3.4</b>	<b>3.2</b>	<b>3.0</b>	<b>2.8</b>	<b>2.5</b>	<b>2.0</b>	<b>1.6</b>	<b>1.3</b>	<b>1.0</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

**Notes:**

- Figures are for the United Kingdom from 1998/99-2000/01 onwards. Earlier years are for Great Britain only. Data for Northern Ireland has been imputed for 1998/99 to 2001/02.
- The all pensioners figures here are three year averages and are therefore not directly comparable with the totals in the main tables.

**Table 6.17ts: Percentage of pensioners living in households with less than 60 per cent of 1998/99 median household income held constant in real terms, by disability<sup>3</sup> and receipt of disability benefits<sup>2</sup>, United Kingdom<sup>1</sup>**

Percentage of pensioners	Source: FRS																
	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<b>Before Housing Costs</b>																	
Pensioners in families where no-one is disabled	..	33	30	28	29	24	22	19	19	17	16	14	17	16	14	11	12
Pensioners in families where someone is disabled	..	30	26	26	25	21	18	17	14	13	11	11	13	12	11	9	10
One or more disabled adults	..	30	26	26	25	21	18	17	14	13	11	11	13	12	11	9	10
In receipt of disability benefits		9	9	9	10	8	7	6	4	5	3	4	5	5	4	3	4
Not in receipt of disability benefits	..	34	34	34	34	29	25	23	20	18	16	16	18	17	16	12	15
<b>All pensioners (per cent)</b>	<b>32</b>	<b>32</b>	<b>28</b>	<b>27</b>	<b>27</b>	<b>22</b>	<b>20</b>	<b>18</b>	<b>16</b>	<b>15</b>	<b>13</b>	<b>12</b>	<b>15</b>	<b>14</b>	<b>12</b>	<b>10</b>	<b>11</b>
<b>After Housing Costs</b>																	
Pensioners in families where no-one is disabled	..	36	33	31	30	26	21	15	13	12	10	9	11	11	10	9	9
Pensioners in families where someone is disabled	..	35	30	30	28	24	18	14	10	9	7	7	9	8	8	7	8
One or more disabled adults	..	34	30	30	28	24	18	14	10	9	7	7	9	8	8	7	8
In receipt of disability benefits		8	9	9	8	6	6	4	3	4	3	3	4	3	4	3	3
Not in receipt of disability benefits	..	39	41	41	39	34	25	20	15	12	10	10	12	11	11	10	12
<b>All pensioners (per cent)</b>	<b>36</b>	<b>35</b>	<b>32</b>	<b>31</b>	<b>29</b>	<b>25</b>	<b>20</b>	<b>14</b>	<b>12</b>	<b>10</b>	<b>8</b>	<b>8</b>	<b>10</b>	<b>9</b>	<b>9</b>	<b>8</b>	<b>9</b>

**Notes:**

1. Figures are for the United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.

2. Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household. Receipt and non-receipt of these benefits are shown only for those living in families where someone is disabled.

3. The means of identifying people with a disability has changed over time. Data is not available for 1994/95. Up until 2001/02 all those who reported having a long-standing limiting illness were identified as having a disability. From 2002/03, statistics are based on responses to questions about difficulties across a number of areas of life. Figures for 2002/03 and 2003/04 are based on those reporting difficulties across eight areas of life and figures from 2004/05 onwards are based on those reporting difficulties across nine areas of life.

4. Percentages may not sum to 100 per cent due to rounding.

# Chapter 7

## Low-income dynamics

**These results are unchanged from the previous HBAI report. The British Household Panel Survey, the source of this analysis, has been subsumed into Understanding Society. We hope to produce our first analysis of low-income data from this source in late 2012.**

- **Definition:** Persistence of low income is defined as spending three or more years out of any four-year period in a household with an income below 60 per cent of median income. Incomes are equivalised using the McClements equivalisation scale.
- **Overall trends:** On both a Before and After Housing Costs basis there was a fall in persistent low income for the whole population over the period 1991-1994 to 2004-2007 with a slight increase in 2005-2008.
- **Trends for children:** On a Before Housing Costs basis, there was a reduction in persistent low income for children over the period 1991-1994 to 1993-1996. While trends remained broadly the same between 1993-1996 and 1999-2002, since then there has been a continued fall to 2004-2007. The level for the most recent period 2005-2008 has increased. On an After Housing Costs basis, there were falls in the persistent low-income estimates for children between 1996-1999 and 2003-2006. In the latest two periods, 2004-2007 and 2005-2008 there has been an increase.
- **Trends for working-age adults:** On both Before Housing Costs and After Housing Costs bases, there were falls in persistent low income for working-age adults over the period 1991-1994 to 2004-2007, before a rise in 2005-2008.
- **Trends for pensioners:** On both Before Housing Costs and After Housing Costs bases, there were slight increases in the incidence of persistent low income among pensioners up to around 1998-2001. Since this time, however the proportion of pensioners experiencing persistent poverty has shown a continuous fall which has continued on an AHC basis to the latest period 2005-2008, but levels rose slightly on a BHC basis in the latest period 2005-2008.
- **Long-term trends:** For all individuals, children, working-age adults and pensioners, the level of persistent poverty in 2005-2008 was lower than it was at the start of the 18-year period on both a Before Housing Costs basis and an After Housing Costs basis.
- **Further details:** For further details see the DWP Low-Income Dynamics publication available at <http://research.dwp.gov.uk/asd/index.php?page=lid>.

### Introduction

HBAI analysis contained in the previous chapters of this report uses a snapshot survey, and records usual household income at the time of the interview. The extent to which individuals living in low-income households at a point in time are simply experiencing transitory fluctuations in income, or are persistently experiencing low income, is clearly an important issue and one that can only be addressed using longitudinal data. The issues of income mobility and the extent of persistence of low incomes experienced by different groups are therefore addressed in this chapter, using data from the longitudinal British Household Panel Survey (BHPS).

The BHPS is run by The University of Essex's Institute for Social and Economic Research. Further information is on their website at <https://www.iser.essex.ac.uk/survey/bhps>

The data were made available through the UK Data Archive and were released under the auspices of the ESRC UK Longitudinal Studies Centre (ULSC) at the University of Essex. Neither the ULSC nor the Archive bears any responsibility for the analysis or interpretation of the BHPS data presented here.

The information presented in this chapter is based on analysis of 18 waves of the British Household Panel Survey (BHPS), from 1991 up to and including 2008. This chapter is based on the findings of the 'Low-Income Dynamics' (LID) analytical paper which was published by DWP in autumn 2010. Due to improvements in the timeliness of the availability of Family Resources Survey (FRS) data, it is no longer possible to include the analysis of the latest wave of BHPS in the HBAI report. The BHPS has been subsumed into the larger Understanding Society survey from the start of 2009. Due to the timing of data delivery of the BHPS element of the Understanding Society survey it was not possible to produce a Low-Income Dynamics report in 2011; instead the period was used to look into options on how to continue measuring the persistence of low income, with options set out in a technical note available at:

[http://research.dwp.gov.uk/asd/hbai/low\\_income/usoc\\_tech\\_note.pdf](http://research.dwp.gov.uk/asd/hbai/low_income/usoc_tech_note.pdf).

This chapter focuses mainly on the trends in relation to individuals who are persistently observed as living in low-income households between 1991-1994 and 2005-2008. Full details of the analysis of income mobility and transition rates are covered in the LID paper, which is available on the DWP website at <http://research.dwp.gov.uk/asd/index.php?page=lid>. This contains further analysis, including details of changes between the latest two periods.

### Equivalisation scale used

Note that incomes have been equivalised using the McClements equivalisation scale (see **Appendix 2** for details on equivalisation scales).

## Definition of income

The measures of income used in the BHPS analysis presented in this chapter are very similar to those used in FRS analysis (see **Appendix 1**), but with two notable exceptions:

- i) This chapter presents results on the persistence of low income on both Before Housing Costs (BHC) and After Housing Costs (AHC) measures. However, the housing costs in BHPS differ from the ones normally used in HBAI (see **Appendix 1** for a list of housing costs normally used in HBAI). For this analysis, housing costs have been defined simply as weekly gross housing costs as recorded on the BHPS. In the case of renters, these housing costs will include service and water charges because this is how the information is requested on the questionnaire. For mortgage payers, these amounts will not be included. There is also no information collected in the BHPS on the cost of structural insurance payments. Another difference is that for HBAI methodology, only the interest element from a repayment mortgage is deducted as housing costs, whereas in BHPS both the repayment and interest elements will be included as part of 'gross housing costs'. Households with this type of mortgage will have understated AHC incomes compared with standard HBAI methodology.
- ii) As a form of general taxation, Council Tax is also deducted from the definition of net disposable income used in FRS-based HBAI analysis. However, there was insufficient information on Council Tax collected on the BHPS in earlier years to allow the construction of an income measure deducting Council Tax. This affects both BHC and AHC incomes.

## Persistent low-income indicators

**Table 7.1tr (BHC)** presents the persistent low-income indicators for individuals, and for children, pensioners and working-age adults, Before Housing Costs. **Table 7.1tr (AHC)** presents the same figures on an After Housing Costs basis.

The definition of persistence used is 'at least three years out of four below thresholds of 60 or 70 per cent of median income'. An alternative definition using the bottom 20 or 30 per cent of the income distribution as opposed to thresholds of median income, is also included for validation purposes. This is useful as threshold results may be subject to variation due to the density of the income distribution around the 60 and 70 per cent of median markers.

Using this alternative definition of the bottom 20 or 30 per cent of the income distribution to describe low income is also shown in **Table 7.1tr (BHC)** and **Table 7.1tr (AHC)**. While there was a slight tendency for 20 / 30 per cent levels to show less variation on a BHC basis than on an AHC basis, the trends over time were broadly consistent.

## 7 Low-income dynamics

Table 7.1tr (BHC): Persistent low income by group<sup>1</sup>

Source: BHPS 1991-2008				
Percentage of group below threshold in at least 3 out of 4 years				
	Main definition		Alternative definition <sup>2</sup>	
	Below 60% of median	Below 70% of median	In bottom 20%	In bottom 30%
<b>All individuals</b>				
1991 - 1994	12	20	14	24
1992 - 1995	12	20	14	24
1993 - 1996	11	20	14	24
1994 - 1997	12	20	15	24
1995 - 1998	11	20	14	24
1996 - 1999	12	20	15	24
1997 - 2000	12	20	14	24
1998 - 2001	12	19	14	24
1999 - 2002	11	19	14	24
2000 - 2003	10	19	14	24
2001 - 2004	10	19	14	24
2002 - 2005	9	17	13	23
2003 - 2006	8	17	13	23
2004 - 2007	8	17	13	23
2005 - 2008	9	17	13	23
<b>Children</b>				
1991 - 1994	19	29	22	33
1992 - 1995	18	28	21	32
1993 - 1996	17	27	20	33
1994 - 1997	17	27	21	32
1995 - 1998	17	28	20	32
1996 - 1999	17	28	21	33
1997 - 2000	17	27	21	32
1998 - 2001	17	26	21	32
1999 - 2002	16	27	19	32
2000 - 2003	14	25	18	31
2001 - 2004	12	23	17	30
2002 - 2005	11	21	15	29
2003 - 2006	10	20	15	27
2004 - 2007	10	21	16	28
2005 - 2008	12	23	18	28
<b>Working-age adults</b>				
1991 - 1994	8	13	9	15
1992 - 1995	8	13	9	16
1993 - 1996	7	13	9	16
1994 - 1997	7	12	9	16
1995 - 1998	7	13	9	16
1996 - 1999	7	13	9	16
1997 - 2000	7	12	9	15
1998 - 2001	7	12	8	15
1999 - 2002	7	12	8	15
2000 - 2003	6	12	8	16
2001 - 2004	6	12	9	16
2002 - 2005	6	11	9	15
2003 - 2006	5	11	8	15
2004 - 2007	5	11	8	16
2005 - 2008	6	12	9	16
<b>Pensioners</b>				
1991 - 1994	19	37	23	43
1992 - 1995	19	35	24	43
1993 - 1996	19	34	25	43
1994 - 1997	21	35	26	43
1995 - 1998	20	36	25	43
1996 - 1999	20	36	26	42
1997 - 2000	20	38	26	45
1998 - 2001	21	37	27	44
1999 - 2002	19	37	25	44
2000 - 2003	18	36	25	43
2001 - 2004	17	36	25	44
2002 - 2005	16	32	24	42
2003 - 2006	16	31	23	40
2004 - 2007	14	28	23	38
2005 - 2008	14	27	22	36

**Notes:**

1. There is a higher density of individuals around 60% and 70% median income. The alternative definition is presented for validation purposes as it presents estimates that are not vulnerable to errors in measuring median income.

Table 7.1tr (AHC): Persistent low income by group<sup>1</sup>

Source: BHPS 1991-2008

	Percentage of group below threshold in at least 3 out of 4 years			
	Main definition		Alternative definition <sup>2</sup>	
	Below 60% of median	Below 70% of median	In bottom 20%	In bottom 30%
<b>All individuals</b>				
1991 - 1994	15	22	14	23
1992 - 1995	15	23	14	24
1993 - 1996	14	22	14	24
1994 - 1997	15	22	15	24
1995 - 1998	15	22	14	24
1996 - 1999	15	21	14	24
1997 - 2000	14	21	14	24
1998 - 2001	14	21	14	24
1999 - 2002	13	21	13	24
2000 - 2003	12	21	13	24
2001 - 2004	11	20	13	24
2002 - 2005	11	19	13	22
2003 - 2006	10	18	12	23
2004 - 2007	9	17	12	22
2005 - 2008	10	18	12	22
<b>Children</b>				
1991 - 1994	25	32	23	34
1992 - 1995	23	32	22	33
1993 - 1996	22	31	22	33
1994 - 1997	23	31	22	33
1995 - 1998	23	31	22	34
1996 - 1999	23	31	23	33
1997 - 2000	22	30	22	33
1998 - 2001	21	30	22	34
1999 - 2002	20	30	21	34
2000 - 2003	17	28	19	33
2001 - 2004	15	27	19	32
2002 - 2005	16	26	19	31
2003 - 2006	14	24	19	31
2004 - 2007	15	26	19	31
2005 - 2008	17	27	19	32
<b>Working-age adults</b>				
1991 - 1994	10	14	9	16
1992 - 1995	10	16	10	17
1993 - 1996	10	15	10	16
1994 - 1997	10	14	10	16
1995 - 1998	10	14	9	17
1996 - 1999	9	14	9	16
1997 - 2000	9	14	9	16
1998 - 2001	9	14	9	16
1999 - 2002	8	14	9	16
2000 - 2003	8	14	9	17
2001 - 2004	8	13	9	16
2002 - 2005	8	13	9	16
2003 - 2006	7	13	9	16
2004 - 2007	7	13	9	17
2005 - 2008	8	13	9	16
<b>Pensioners</b>				
1991 - 1994	21	36	17	38
1992 - 1995	20	36	17	39
1993 - 1996	19	35	18	38
1994 - 1997	21	35	20	40
1995 - 1998	23	34	22	38
1996 - 1999	23	34	22	37
1997 - 2000	23	35	22	38
1998 - 2001	22	35	23	38
1999 - 2002	18	34	20	38
2000 - 2003	17	33	20	37
2001 - 2004	16	31	20	37
2002 - 2005	14	27	17	33
2003 - 2006	11	24	15	32
2004 - 2007	9	20	11	28
2005 - 2008	8	20	11	28

**Notes:**

1. There is a higher density of individuals around 60% and 70% median income. The alternative definition is presented for validation purposes as it presents estimates that are not vulnerable to errors in measuring median income.



# Appendix 1

## Glossary and definitions of concepts and technical terms

### Technical terms

#### Confidence interval

A measure of **sampling error**. A 95 per cent confidence interval for an estimate is the range that contains the 'true' figure on average 19 times out of 20. Note that this ignores any systematic errors which may be present in the survey and analysis processes.

#### Deciles / decile points

Deciles (or decile points) are the income values which divide the United Kingdom population, when ranked by equivalised household income, into ten equal-sized groups. **Decile** is also often used as a shorthand term for **decile group**; for example 'the bottom decile' is used to describe the bottom 10 per cent of the income distribution.

#### Decile groups

These are groups of the population defined by the **decile points**. The lowest decile group is the 10 per cent of the population with the lowest incomes. The second decile group contains individuals with incomes above the lowest decile point but below the second decile point. The two lowest decile groups combined make up the lowest **quintile group**.

#### Decile group medians / quintile group medians

These are **median** income values for a particular **decile** or **quintile group**, i.e. the income value which divides the group into two equal-sized parts. The median of the lowest decile is thus the same as the 5th **percentile**; the median of the lowest quintile is the same as the 10th **percentile**.

#### Equivalisation

The process by which household income is adjusted by household size and composition as a proxy for material living standards. Household incomes are divided by household equivalence factors which vary according to the number of adults and the number and age of dependants in the household. For more information see **Appendix 2**.

## Appendix 1

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### Equivalised income

Income which has undergone **equivalisation**.

### Equivalence scales

The scales used in **equivalisation**. **Appendix 2** gives the scales used in HBAI and discusses the methodology.

### Gini coefficient

A widely-used, international standard summary measure of inequality. It can take values from zero to 100, where a value of zero would indicate total equality, with each household having an equal share of income, while higher values indicate greater inequality.

### Mean

Mean equivalised household income of individuals is the “**average**”, found by adding up equivalised household incomes for each individual in a population and dividing the result by the number of people. For example if one household with a total weekly equivalised income of £1,000 contains three persons and a second household with income of £2,000 contains four persons, mean weekly household income would be £1,571 as computed as  $((3 \times £1,000) + (4 \times £2,000)) / 7$ .

### Median

Median household income divides the population of individuals, when ranked by equivalised household income, into two equal-sized groups. The median of the whole population is the same as the 50<sup>th</sup> **percentile**. The term is also used for the midpoint of the subsets of the income distribution: see **decile/quintile group medians**.

### Percentiles

These are the income values which divide the United Kingdom population, when ranked by equivalised household income, into 100 equal-sized groups. 10 per cent of the population have incomes below the 10th percentile, 20 per cent have incomes below the 20th percentile and so on.

### Quantiles

A quantile group is any sub-group of the population extracted from the population when ranked by equivalised household income. **Quintile groups** and **decile groups** are examples of quantile groups – or quantiles for short.

## Quintiles

Quintiles are income values which divide the United Kingdom population, when ranked by equivalised household income, into five equal-sized groups. The lowest quintile is the same as the 20th **percentile**. Quintile is also, often, used as a shorthand term for **quintile group**; for example 'the bottom quintile' to describe the bottom 20 per cent of the income distribution.

## Quintile groups

These are groups of the population defined by the **quintiles**. The lowest quintile group is the 20 per cent of the population with the lowest incomes. The second quintile group is the population with incomes above the lowest quintile but below the second quintile.

## Sampling error

The uncertainty in the estimates which arises from taking a random sample of the household population. The likely size of this error for a particular statistic can be identified and expressed as a **confidence interval**. For more information see **Appendix 2**.

## Threshold

An **equivalised income** value used for comparing sections of an income distribution over time or for comparing proportions of groups over time, for example: fractions of 1998/99 **median** income or fractions of contemporary **medians**. A relative threshold is relative to the contemporary median for each year's survey. A fixed threshold uses the median from an 'anchor' year which is then uprated for inflation as appropriate. For example, the absolute threshold '60 per cent of the 1998/99 median income' in 1998/99 is the same as the relative threshold, but the corresponding value in the latest survey year has been uprated by inflation from the 1998/99 level over the intervening period.

### Measures of income<sup>1</sup>

The income measure used in HBAI is weekly net (disposable) equivalised household income. This comprises total income from all sources of all household members including dependants.

Income is adjusted for household size and composition by means of **equivalence scales**, which reflect the extent to which households of different size and composition require a different level of income to achieve the same standard of living. This adjusted income is referred to as **equivalised income**. (See **Appendix 2** for further details).

**Income Before Housing Costs (BHC)** includes the following main components:

- usual net earnings from employment;
- profit or loss from self-employment (losses are treated as a negative income);
- all Social Security benefits (including Housing Benefit, Social Fund, maternity, funeral and community care grants, but excluding Social Fund loans) and Tax Credits. For the full list, please see the 'Other definitions used in HBAI' section;
- income from occupational and private pensions;
- investment income;
- maintenance payments, if a person receives them directly;
- income from educational grants and scholarships (including, for students, top-up loans and parental contributions);
- the cash value of certain forms of income in kind (free school meals, Healthy Start vouchers and free school milk and free TV licence for those aged 75 and over).

Income is net of the following items:

- income tax payments;
- National Insurance contributions;
- domestic rates / council tax;
- contributions to occupational pension schemes (including all additional voluntary contributions (AVCs) to occupational pension schemes, and any contributions to stakeholder and personal pensions);
- all maintenance and child support payments, which are deducted from the income of the person making the payment;
- parental contributions to students living away from home;
- student loan repayments.

**Income After Housing Costs (AHC)** is derived by deducting a measure of **housing costs** from the above income measure.

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<sup>1</sup> The definition of income detailed here applies to the analyses based on FRS data. A very similar definition was used for analyses based on the Family Expenditure Survey. For details of the differences between the definitions please see **Appendix 2 of HBAI 1979–1996/97**.

## Housing costs

These include the following:

- rent (gross of housing benefit);
- water rates, community water charges and council water charges;
- mortgage interest payments;
- structural insurance premiums (for owner occupiers);
- ground rent and service charges.

For Northern Ireland households, water provision is funded from taxation and there are no direct water charges. Therefore it is already taken into account in the Before Housing Costs measure.

In the 1995/96 and subsequent datasets, a refinement was made to the calculation of mortgage interest payments to disregard additional loans which had been taken out for purposes other than house purchase.

Negative incomes BHC are reset to zero, but negative AHC incomes calculated from the adjusted BHC incomes are possible. Where incomes have been adjusted to zero BHC, income AHC is derived from the adjusted BHC income.

### Other definitions used in HBAI

A number of other definitions are employed in compiling the HBAI results. The main definitions are described below.

#### Adult

All those individuals who are aged 16 and over, unless defined as a dependent child (see Child); all adults in the household are interviewed as part of the Family Resources Survey (FRS).

#### Benefit unit

A single adult or a couple living as married and any dependent children; from January 2006 same-sex partners (civil partners and cohabittees) are also included in the same benefit unit.

#### Child

A dependent child is defined as an individual aged under 16. A person will also be defined as a child if they are 16 to 19-years old and they are:

- not married nor in a Civil Partnership nor living with a partner; and
- living with parents; and
- in full-time non-advanced education or in unwaged government training.

#### Contemporary average income

The average income for the period covered by the survey. Household incomes are adjusted from the date of interview to an average of survey-year prices.

#### Couple

Two adults, of same or different sex, who are married (spouse), or from January 2006 in a civil partnership (partner), or are assumed to be living together as such (cohabitee).

#### Families / family units

The terms 'families' and 'family units' are used interchangeably with benefit units. See definition above.

#### Full-time work

The respondent regards themselves as working full-time, either as an employee or self-employed.

## Head of benefit unit

The head of the first benefit unit will be the same as the household reference person. For second and subsequent benefit units the head will be the first adult to be interviewed.

## Head of household (used prior to 2001/02, since replaced by household reference person)

Interviewers classified the head of household using standard procedures:

- In a household containing only husband, wife and children under 16 (and boarders), the husband was always the head of household.
- Similarly, when a couple has been recorded as living together/cohabiting, the male partner was treated as the head of household.
- In all situations where there are other relatives in the household or where some or all of the household are unrelated (except that a husband always takes precedence), the person in whose name the accommodation was owned or rented was taken as the head.
- When the accommodation is supplied with a job or provided rent free for some other reason, the person to whom the accommodation was given in this way was the head.
- Occasionally more than one person will have equal claim to be the head, in these cases, where they are of the same sex, the oldest was the head; where they are of different sexes, the male was the head.

## Household

A single person or group of people living at the same address as their only or main residence, who either share one meal a day together or share the living accommodation (i.e. living room). A household will consist of one or more benefit units.

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### Household reference person (used from 2001/02 onwards)

This is classified as the Highest Income Householder (HIH); without regard to gender.

In a single adult household

- The HIH is the sole householder (i.e. the person in whose name the accommodation is owned or rented).

If there are two or more householders

- The HIH is the householder with the highest personal income from all sources.

If there are two or more householders who have the same income

- The HIH is the eldest householder

### Low income and material deprivation for children

Low income and material deprivation is a combined measure for children using a **prevalence weighted** score from the material deprivation questions in combination with a 70 per cent of median relative low income threshold, Before Housing Costs. A child is considered to be in low income and material deprivation if they live in a family that has a score of 25 or more and a household income below this threshold. An analysis of the composition and proportion of children in low income and material deprivation is given in **Chapter 4 (Children)**. See **Appendix 2** for further details.

### Material deprivation

**Children** - The material deprivation suite of questions was introduced from 2004/05, to investigate deprivation amongst families with children. Questions were asked on whether families were able to afford to buy essential items or services, or to participate in leisure or social activities. An analysis of responses to these questions by their location in the income distribution is given in **Chapter 4 (Children)**. **Appendix 3** gives an analysis of the effect of changing the child material deprivation items and services.

**Pensioners** - The material deprivation suite of questions was introduced from 2008/09, to investigate deprivation amongst pensioners. Questions were asked on whether families were able to afford to buy essential items or services, or to participate in leisure or social activities. An analysis of responses to these questions by their location in the income distribution is given in **Chapter 6 (Pensioners)**.

More details on material deprivation are given in **Appendix 2**.

### Material deprivation for pensioners

Material deprivation for pensioners uses a **prevalence weighted** score from the material deprivation questions. A pensioner is considered to be materially deprived if they live in a family that has a score of 20 or more. An analysis of the composition and proportion of pensioners in material deprivation is given in **Chapter 6**

**(Pensioners)**. See **Appendix 2** for further details. This is wider measure that that used for children. It is therefore inappropriate to combine pensioner material deprivation with low income.

## Prevalence weighted

Prevalence weighting is a technique of scoring deprivation, in which more weight in the deprivation measure is given to families lacking those items that most families already have. This means a greater importance, when an item is lacked, is assigned to those items that are more commonly owned in the population. See **Appendix 2** for further details.

## Part-time work

The respondent regards themselves as working part-time, either as an employee or self-employed.

## Pensioner

The State Pension age is 65 for men born before 6th April 1959. For women born on or before 5th April 1950, State Pension age is 60. From 6th April 2010, the State Pension age for women born on or after 6th April 1950 will increase gradually between April 2010 and November 2018. From December 2018, the State Pension age for both men and women will start to increase to reach 66 in October 2020. For 2010/11 data, women are defined to be of State Pension age based on their date of birth and the date of the interview. A pensioner is defined as a person of State Pension age or above.

## Region

Regional classifications are based on the standard statistical geography of the former Government Office Regions: nine in England, and a single region for each of Scotland, Wales and Northern Ireland. These regions are built up of complete counties or unitary authorities. Tables also include statistics for England as a whole, and detailed breakdown tables split London into Inner and Outer London to aid comparison with other Family Resources Survey-based publications. For more information on National Statistics geography see <http://www.ons.gov.uk/guide-method/geography/ons-geography/index.html>.

## Severe Low Income and Material Deprivation for Children

Severe low income and material deprivation is a combined measure for children using a **prevalence weighted** score from the material deprivation questions in combination with a 50 per cent of median relative low income threshold, Before Housing Costs. A child is considered to be in severe low income and material deprivation if they live in a family that has a score of 25 or more and a household income below this threshold. An analysis of trends in levels of severe low income and material deprivation is given in **Chapter 4 (Children)**. See **Appendix 2** for further details.

### State support

Tax credits or Social Security benefits included in this category are:

- Armed Forces Compensation Scheme (formerly War Disablement Pension or Widow's Pension)
- Attendance Allowance
- Carer's Allowance (formerly Invalid Care Allowance)
- Child Benefit
- Child Maintenance Bonus
- Child Tax Credit and Working Tax Credit, including disabled elements
- Council Tax Benefit
- Disability Living Allowance (both care and mobility components)
- Employment and Support Allowance (Contributions- and Income-based)
- Extended Payment of Council Tax Benefit or Housing Benefit
- Guardian's Allowance
- Health in Pregnancy Grant
- Housing Benefit
- In Work Credit
- Incapacity Benefit
- Income Support
- Industrial Injuries Disablement Benefit
- Job Grant (formerly Lone parent benefit run-on)
- Jobseeker's Allowance (Contributions- and Income-based)
- Maternity Allowance
- Northern Ireland Disability Rate Rebate
- Northern Ireland Lone Pensioner Rate Rebate
- Northern Ireland Rate Relief for full-time students, trainees, under 18s and those leaving care
- Northern Ireland Other Rate Rebate
- Other State Benefits
- Pension Credit
- Rates Rebate
- Retirement Pension
- Return to Work Credit (only available in a few remaining pilot areas)
- Severe Disablement Allowance (ceased to be available to new claimants as of 6th April 2001)
- Social Fund Grant Community Care Grant
- Social Fund Grant for Funeral Expenses
- Social Fund Grant for Maternity Expenses
- Statutory Adoption, Maternity or Paternity Pay
- Statutory Sick Pay
- Widow's Payment/Bereavement Payment
- Widow's Pension/Bereavement Allowance
- Widowed Mother's Allowance/Widowed Parents Allowance
- Winter Fuel payments

## Family type and economic status classifications

For some analyses, individuals are classified into family type or economic status groups. Individuals are classified according to the status of the benefit unit in which they live. All individuals in a benefit unit (adults and children) will therefore be given the same classification. The classifications are defined below.

### Family type

**Pensioner couple** - a couple where one or more of the adults are State Pension age or over. However, in **Chapter 6 (Pensioners)**, results for pensioner couples do not count anyone who is not a pensioner.

**Single male pensioner** - single male adult of State Pension age or over.

**Single female pensioner** - single female adult of State Pension age or over.

**Couple with children** - a non-pensioner couple with dependent children.

**Single with children** - a non-pensioner single adult with dependent children.

**Couple without children** - a non-pensioner couple with no dependent children.

**Single male without children** - a non-pensioner single adult male with no dependent children.

**Single female without children** - a non-pensioner single adult female with no dependent children.

### Economic status of the family

Individuals are allocated to the first category which applies in the following order; so, for example, a couple with one partner unemployed and the other working part-time would be allocated to the 'One or more in part-time work' group. It should be noted that this classification is now consistent with the International Labour Organisation (ILO) classification.

**One or more full-time self-employed** - Benefit units where at least one adult usually works as self-employed in their main job where the respondent regards themselves as working full-time. Those respondents not working in the last seven days but doing unpaid work in their own business are considered as full-time self-employed.

**Single or couple, all in full-time work** - Benefit units where all adults regard themselves as working full-time. Those respondents not working in the last seven days doing unpaid work in a business that a relative owns are considered as in full-time work, as are those in training.

**Couple, one in full-time work, one in part-time work** - Benefit units headed by a couple where one partner considers themselves to be working full-time and the

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other partner considers themselves to be working part-time. Those respondents not working in the last seven days but doing an odd job are considered as working part-time.

**Couple, one in full-time work, one not working** - Benefit units headed by a couple, where one partner considers themselves to be working full-time and the other partner does not work.

**No-one in full-time work, one or more in part-time work** - Benefit units where at least one adult works, but considers themselves to be working part-time.

**Workless, one or more aged 60 or over** - Benefit units where at least one adult is aged 60 or over.

**Workless, one or more unemployed** - Benefit units where at least one adult is unemployed.

**Workless, other inactive** - Benefit units not classified above (this group includes the long-term sick, disabled people and non-working single parents).

### Economic status groups for children

The tables that show estimates for dependent children use an amended economic status classification closely related to the definitions used above. Children are grouped according to family type and the economic status of their parent(s) as defined in the previous section. As with the main economic status groups, individuals are allocated to the first category that applies in the following order:

#### **Lone parent**

- In full-time work (includes full-time self-employed)
- In part-time work
- Not working (unemployed or inactive)

#### **Couple with children**

- One or more full-time self-employed
- Both in full-time work
- One in full-time work, one in part-time work
- One in full-time work, one not working
- Neither in full-time work, one or more in part-time work
- Both workless (unemployed or inactive)

### Economic status of household

For this analysis, households are classified according to an assessment of the employment status of all working-age adults and working pensioners within the household (i.e. non-working pensioners are not considered in the assessment, except in the case of those households where children live only with pensioners, where the status of all adults is considered). Individuals are assigned to one of three categories:

**All adults in work** - A household where all working-age adults are in employment or are self-employed, or if there are no working-age adults in the household, at least one working pensioner.

**At least one, but not all adults in work** - A household where at least one working-age adult is in employment or is self-employed, or where a pensioner is in work if none of the working-age adults in the household are in work.

**Workless household** - A household where no adult members are in employment or are self-employed. Within households, pensioners are excluded from the classifications if they are not working, and are included if they are working. So for example, a household with a pensioner in work, but a working-age person not in work, would be in the 'At least one adult in work, but not all' category. A household with all working-age adults in work and a pensioner not in work would be categorised as 'All adults in work'.



## Methodology

### Household incomes as an indicator of individuals' living standards

Households Below Average Income (HBAI) uses household disposable incomes, adjusted for household size and composition, as a proxy for the material living standards of individuals or, more precisely, for the level of consumption of goods and services that people could attain given the disposable income of the household in which they live.

The unit of analysis is the individual, so the populations and percentages in the tables are numbers and percentages of individuals – both adults and children.

The living standards of an individual depend not only on his or her own income, but also on the income of others in the household. Consequently, the analyses are based on **total household income**: the equivalised income of a household is taken to represent the income level of every individual in the household. Equivalisation, a technique that allows comparison of incomes between households of different sizes and compositions, is explained later in this Appendix. Thus, all members of any one household will appear at the same point in the income distribution.

The family type and economic status groupings used in some tables are classifications of individuals according to the characteristics of the **benefit unit** to which they belong. Therefore, these tables are analyses of individuals classified by their type of benefit unit and by their household income. A definition of **benefit unit** can be found in **Appendix 1**.

### Equivalisation using the modified OECD scales

The income measures used in HBAI take into account variations in the size and composition of the households in which individuals live. This reflects the common sense notion that, in order to enjoy a comparable standard of living, a household of say three adults will need a higher income than a single person living alone. The process of adjusting income in this way is known as equivalisation and is needed in order to make sensible income comparisons between households.

Equivalence scales conventionally take an adult couple without children as the reference point, with an equivalence value of one. The process then increases relatively the income of single person households (since their incomes are divided by a value of less than one) and reduces relatively the incomes of households with three or more persons, which have an equivalence value of greater than one.

Consider a single person, a couple with no children, and a couple with two children aged fourteen and ten, all having unadjusted weekly household incomes of £200

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(Before Housing Costs). The process of equivalisation, as conducted in HBAI, gives an equivalised income of £299 to the single person, £200 to the couple with no children, but only £131 to the couple with children.

In line with international best practice, the main equivalence scales now used in HBAI are the modified OECD scales, which take the values shown in **Table A2.1**. The equivalent values used by the McClements equivalence scales are also shown for comparison alongside modified OECD values. The McClements scales were used by HBAI to adjust income up to the 2004/05 HBAI publication.

In both the modified OECD and McClements versions two separate scales are used, one for income Before Housing Costs (BHC) and one for income After Housing Costs (AHC). The construction of household equivalence values from these scales is quite straightforward. For example, the BHC equivalence value for a household containing a couple with a fourteen year old and a ten year old child together with one other adult would be 1.86 from the sum of the scale values:

$$0.67 + 0.33 + 0.33 + 0.33 + 0.20 = 1.86$$

This is made up of 0.67 for the first adult, 0.33 for their spouse, the other adult and the fourteen year old child and 0.20 for the ten year old child. The total income for the household would then be divided by 1.86 in order to arrive at the measure of equivalised household income used in HBAI analysis.

### Housing costs

It may be argued that the costs of housing faced by different households at a given time do not always match the true value of the housing that they actually enjoy, and that housing costs should therefore be deducted from any definition of disposable income. However, any measure of income defined in this way would understate the relative standard of living of those individuals who were actually benefiting from a better quality of housing by paying more for better accommodation. Income growth over time would also understate improvements in living standards where higher costs reflected improvements in the quality of housing.

Conversely, any income measure that does not deduct housing costs may overstate the living standards of individuals whose housing costs are high relative to the quality of their accommodation (for example, some residents of London). Income growth over time may also overstate improvements in living standards for low-income groups, as a rise in Housing Benefit to offset higher rents (for a given quality of accommodation) would be counted as an income rise.

Therefore, HBAI presents analyses of disposable income on two bases: Before Housing Costs (BHC) and After Housing Costs (AHC). This is principally to take into account variations in housing costs that themselves do not correspond to comparable variations in the quality of housing. A definition of housing costs can be found in **Appendix 1**.

## Population

The analyses in this publication are primarily based on the Family Resources Survey (FRS). Households in Northern Ireland (NI) were surveyed for the first time in the 2002/03 survey year. A detailed analysis of observed trends, together with results for NI and the UK for the first three years of NI data can be found in **Appendix 3 of the 2004/05 publication**.

The survey covers the private household sector. All the results therefore exclude people living in institutions, e.g. nursing homes, halls of residence, barracks or prisons, and homeless people living rough or in bed and breakfast accommodation. The area of Scotland north of the Caledonian Canal was included in the FRS for the first time in the 2001/02 survey year and, from the 2002/03 survey year, the FRS was extended to include a 100 per cent boost of the Scottish sample. This has increased the sample size available for analysis at the Scottish level.

A further adjustment is that households containing a married adult whose spouse is temporarily absent, whilst within the scope of the FRS, are excluded from HBAI. Similarly, prior to the 1996/97 data, households containing a self-employed adult who had been full-time self-employed for less than two months were excluded. This exclusion is no longer made because of the improvements in the self-employment questions in the FRS.

## Self-employed

All analyses in this volume include the self-employed. However, it should be noted that a proportion of this group are believed to report incomes that do not reflect their living standards and there are also recognised difficulties in obtaining timely and accurate income information from this group. Previous analysis of the level of material deprivation reported by those self-employed and reporting incomes amongst the lowest 20 per cent of incomes suggests that the link between lower incomes and higher levels of material deprivation is much weaker than it is for the population as a whole.

There are few differences in the overall picture of proportions in low-income households when analysis is performed either including or excluding the self-employed. However, this is an area that will be kept under review.

## Data sources used

Analyses from the FRS were first presented in HBAI in the 1979 to 1993/94 volume. Prior to that, the Family Expenditure Survey (FES) was used exclusively. The FRS was launched in October 1992 to meet the information requirements of the then Department of Social Security. The large sample of the FRS (in 2010/11, full interviews were completed with 23,460 households in Great Britain and 1,896 households in Northern Ireland) makes it possible for HBAI to present information for individual years without – in most cases – unduly large sampling errors. See the Family Resources

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Survey publication itself at <http://research.dwp.gov.uk/asd/frs/index.php?page=intro> for full details about the source survey.

Moving from the FES to the FRS, both as a result of improved questions in the FRS or following the recommendations of a Methodological Review, has introduced some differences in the definition of income. These are detailed in **Appendix 2 of the 1996/97 volume**. Comparisons of the results were published in the GSS Methodology Series No 18, 'Comparisons of income data between the Family Expenditure Survey and the Family Resources Survey' available at <http://research.dwp.gov.uk/asd/hbai/gssms18.pdf>.

### Low income and material deprivation for children including severe poverty

A suite of questions designed to capture the material deprivation experienced by families with children has been included in the Family Resources Survey since 2004/05. Respondents are asked whether they have 21 goods and services, including child, adult and household items. The list of items was identified by independent academic analysis. See McKay, S. and Collard, S. (2004). *Developing deprivation questions for the Family Resources Survey*, Department for Work and Pensions Working Paper Number 13 available at <http://research.dwp.gov.uk/asd/asd5/WP13.pdf>. Together, these questions form the best discriminator between those families that are deprived and those that are not. If they do not have a good or service, they are asked whether this is because they do not want them or because they cannot afford them. The questions are kept under review. For the 2010/11 Family Resources Survey, information on four new material deprivation goods and services has been collected. See **Appendix 3** for a discussion of the implications of changing the items.

These questions are used as an additional way of measuring living standards for children and their families, as outlined in the conclusions of the Measuring Child Poverty Consultation available at <http://www.dwp.gov.uk/docs/final-conclusions.pdf>.

A prevalence weighted approach has been used, in combination with a relative low income or severe relative low income threshold. Prevalence weighting is a technique of scoring deprivation in which more weight in the deprivation measure is given to families lacking those items that most families already have. This means a greater importance, when an item is lacked, is assigned to those items that are more commonly owned in the population.

For each question a score of 1 indicates where an item is lacked because it cannot be afforded. If the family has the item, the item is not needed or wanted, or the question does not apply then a score of 0 is given. This score is multiplied by the relevant prevalence weight. The scores on each item are summed and then divided by the total maximum score; this results in a continuous distribution of scores ranging from 0 to 1. The scores are multiplied by 100 to make them easier to interpret. The final scores, therefore, range from 0 to 100, with any families lacking all items which other families had access to scoring 100.

A child is considered to be in low income and material deprivation if they live in a family that has a final score of 25 or more and an equivalised household income below 70 per cent of contemporary median income, Before Housing Costs.

The child poverty strategy announced the introduction of a new severe poverty measure based on severe low income and material deprivation. A child is considered to be in severe poverty if they live in a family that has a final score of 25 or more and an equivalised household income below 50 per cent of contemporary median income, Before Housing Costs. A technical note giving further background to this measure is available at:

[http://research.dwp.gov.uk/asd/hbai/hbai2010/hbai\\_severe\\_poverty\\_technical\\_note\\_0910.pdf](http://research.dwp.gov.uk/asd/hbai/hbai2010/hbai_severe_poverty_technical_note_0910.pdf).

From the 2008/09 edition of the publication, we have moved to using the prevalence weights relative to the survey year in question, rather than fixed 2004/05 weights, which were used in previous publications. The full list of questions, prevalence weights for the latest survey year and final scores are shown in **Table A2.2**.

### Material deprivation for pensioners

A suite of questions designed to capture the material deprivation experienced by pensioner families has been included in the Family Resources Survey since May 2008. Respondents are asked whether they have access to 15 goods and services. The list of items was identified by independent academic analysis. See Legard, R., Gray, M. and Blake, M. (2008), *Cognitive testing: older people and the FRS material deprivation questions*, Department for Work and Pensions Working Paper Number 55 available at <http://research.dwp.gov.uk/asd/asd5/WP55.pdf> and McKay, S. (2008), *Measuring material deprivation among older people: Methodological study to revise the Family Resources Survey questions*, Department for Work and Pensions Working Paper Number 54 available at <http://research.dwp.gov.uk/asd/asd5/WP54.pdf>. Together, these questions form the best discriminator between those pensioner families that are deprived and those that are not.

Where they do not have a good or service, they are asked whether this is because:

- they do not have the money for this;
- it is not a priority on their current income;
- their health / disability prevents them;
- it is too much trouble or tiring;
- they have no one to do this with or help them;
- it is not something they want; it is not relevant to them;
- other.

Where a pensioner lacks one of the material deprivation items for one of the following reasons:

- they do not have the money for this;
- it is not a priority on their current income;
- their health / disability prevents them;

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- it is too much trouble or tiring;
  - they have no one to do this with or help them;
  - other,
- they are counted as being deprived for that item.

The exception to this is for the unexpected expense question, where the follow up question was asked to explore how those who responded 'yes' would pay. Options were:

- use own income but cut back on essentials;
- use own income but not need to cut back on essentials;
- use savings;
- use a form of credit;
- get money from friends or family;
- other.

Pensioners are counted as materially deprived for this item if and only if they responded 'no' to the initial question.

The same prevalence weighted approach has been used to that for children, in determining a deprivation score. Prevalence weighting is a technique of scoring deprivation in which more weight in the deprivation measure is given to families lacking those items that most pensioner families already have. This means a greater importance, when an item is lacked, is assigned to those items that are more commonly owned in the pensioner population.

For each question a score of 1 indicates where an item is lacked because it cannot be afforded. If the pensioner family has the item, the item is not needed or wanted, or the question does not apply then a score of 0 is given. This score is multiplied by the relevant prevalence weight. The scores on each item are summed and then divided by the total maximum score; this results in a continuous distribution of scores ranging from 0 to 1. The scores are multiplied by 100 to make them easier to interpret. The final scores, therefore, range from 0 to 100, with any families lacking all items which other families had access to scoring 100.

A pensioner is considered to be in material deprivation if they live in a family that has a final score of 20 or more. For children, material deprivation is presented as an indicator in combination with a low income threshold. However for pensioners, the concept of material deprivation is broad and very different from low income therefore it is appropriate to present it as a separate measure. In 2010/11, 14 per cent of pensioners aged 65 or over were in households with equivalised incomes below 60 per cent of the median, After Housing Costs. This compares to 9 per cent of pensioners aged 65 or over in material deprivation. Just 2 per cent of pensioners were in material deprivation and in low income, based on a threshold of 60 per cent of median, After Housing Costs.

The full list of questions, prevalence weights for the latest survey year and final scores are shown in **Table A2.3**. A technical note given a full explanation of the pensioner material deprivation measure is available at [http://research.dwp.gov.uk/asd/index.php?page=hbai\\_arc](http://research.dwp.gov.uk/asd/index.php?page=hbai_arc).

## Grossing

'Grossing up' is the term usually given to the process of applying factors to sample data so that they yield estimates which represent the overall population. The simplest grossing system would be a single factor, the uniform grossing factor, which could be calculated as the number of households in the population divided by the number in the achieved sample. However, surveys are normally grossed by a more complex set of factors, which attempt to correct for differential non-response (i.e. that certain groups are less likely to respond than others) at the same time as they scale up sample estimates.

The system used to calculate grossing factors for HBAI mirrors that of FRS grossing with two differences. FRS grossing uses population estimates as control totals for sample categories which exhibit non-response bias, and have been chosen with the aims of DWP studies in mind. The population estimates are based on control variables, with values derived from external data sources.

The first difference with FRS grossing is that the sample of households is smaller for HBAI purposes because households with spouses living away from home are excluded (see *Population* section above). The second difference is that separate control totals are introduced for 'very rich' households so that the top end of the income distribution is more accurately reflected, which is particularly important for estimates of mean income (see *Survey of Personal Incomes* section below).

DWP statisticians, in consultation with other departments and external experts, reviewed the previous grossing methodology for the FRS, and the latest changes were taken on board for the 2003/04 edition of HBAI, with estimates for historic years revised accordingly. The current publication continues to use the regime adopted for 2003/04.

The 2003/04 publication included more detail of the factors underlying any changes to low-income estimates resulting from the adoption of these new methods.

The control variables and their sources are listed in **Table A2.4**. The HBAI grossing system controls for variables at both household level and benefit unit level. A grossed count of the number of owner occupying households would thus tie in with the Department for Communities and Local Government (CLG) figure, whilst the grossed number of men aged 80 and over, or men living in the North East, would be consistent with Office for National Statistics estimates. Some adjustments have been made to the original control total data sources so that definitions match those in the FRS, for example an adjustment has been made to the demographic data to exclude people not resident in private households.

In order to reconcile control variables at different levels and estimate their joint population, software (CALMAR) provided by the French National Statistics Institute, INSEE, has been used. This software works by iterating towards an optimal solution that, given the particular control totals, minimises the range (maximum to minimum values) of the grossing factors chosen. This should maximise the potential precision of the grossed estimates. CALMAR is used for producing both Great Britain (GB) and Northern Ireland (NI) grossing factors.

Careful consideration was given to the combination of control totals and the way in which age ranges, Council Tax bands and so on, were grouped together. The aim was to strike a balance so that the grossing system will provide, where possible, accurate estimates in different dimensions without significantly increasing variances.

### Grossing data for Northern Ireland

Apart from the comparable grossing of Northern Ireland data for males, females, children, lone parents, and households as indicated in **Table A2.4**, there are some differences between the methods used to gross the Northern Ireland sample as compared with the Great Britain sample.

Local taxes in Northern Ireland are collected through the rates system, so Council Tax Band as a control variable is not applicable.

In addition, Northern Ireland housing data are based largely on small sample surveys. Since it is not desirable to introduce the variance of one survey into another by using it to compute control totals, tenure type has not been used as a control variable.

### Survey of Personal Incomes (SPI) – adjustment for individuals with very high incomes

An adjustment is made to sample cases at the top of the income distribution to correct for volatility in the highest incomes captured in the survey. This adjustment uses data from Her Majesty's Revenue and Customs' Survey of Personal Incomes (SPI) to control the numbers and income levels of the 'very rich' while retaining the FRS data on the characteristics of their households. The methodology defines a household as 'very rich' if it contains a 'very rich' individual and it adjusts pensioners and non-pensioners separately. Thresholds have been set at the level above which, for each group, the FRS data is considered to be volatile due to small numbers of cases.

From the 2009/10 publication, we changed the SPI adjustment methodology to be based on adjusting a fixed fraction of the population rather than on adjusting the incomes of all those individuals with incomes above a fixed cash terms level. This should prevent an increasing fraction of the dataset being adjusted. The adjustment fraction was set at the same level as the fraction adjusted using in 2008/09. We have also moved to basing all SPI adjustment decisions on gross rather than a mixture of gross and net incomes. These changes only have a very small effect on the results as presented.

This means for 2010/11, non-pensioners in Great Britain are subject to the SPI adjustment if their gross income exceeded £202,952 per year (£141,044 per year in Northern Ireland) and pensioners in Great Britain are subject to the SPI adjustment if their gross income exceeded £65,321 per year (£57,091 per year in Northern Ireland).

The numbers of 'very rich' pensioners and non-pensioners in survey estimates are matched to SPI estimates by the introduction of two extra control totals into the

grossing regime. One is for the total number of pensioners above the pensioner threshold and the other for the number of non-pensioners above the non-pensioner threshold. The grossing factors for individual cases are only marginally changed as a result of this adjustment. In addition, each 'very rich' individual in the FRS is assigned an income level derived from the SPI, as the latter gives a more accurate indication of the level of high incomes than the FRS. Again this adjustment is carried out separately for pensioners and non-pensioners.

The estimates using SPI data are provided by Her Majesty's Revenue and Customs' statisticians. The 2010/11 estimates were projections based on 2009/10 data.

## Sampling error

The HBAI tables are derived from the sample provided by the Family Resources Survey (FRS). All the figures are therefore subject to sampling error.

Sampling error is the uncertainty in estimates that arises because the results are derived from a random sample of the household population. No two randomly chosen samples would give exactly the same picture of the income distribution and the particular sample chosen in any year could yield results that, by chance, are either high or low. However the likely size of such variation can be identified, at least approximately, by taking account of the size and design of the samples.

Sampling error is thus quite distinct from any systematic errors or biases that may be present in the survey and analysis processes, such as a tendency for respondents to under-report a particular item of income. An estimate of sampling error is a measure of only one particular type of uncertainty in the estimate, and therefore cannot be taken as a guarantee that the figure is 'accurate' within certain limits.

Different figures in HBAI are subject to widely differing levels of sampling error. However, two general observations may usefully be made: firstly, other things being equal, the smaller the sample (or part of sample) from which the estimate is derived, the larger the sampling error; and secondly, estimates of changes, as shown in the **Trend and Time Series Tables**, are invariably subject to greater sampling error than point-in-time estimates.

## Sampling errors for income growth and numbers below income thresholds

The figures in HBAI most susceptible to sampling error are the estimates of the median incomes of particular groups, and especially the estimates of the real changes in these incomes.

The 95 per cent confidence interval of those individuals below 60 per cent of 2010/11 median income on a Before Housing Costs basis is of the order of around +/- 340,000 individuals or 0.6 percentage points.

## Appendix 2

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Figures for the number of individuals below 50, 60 and 70 per cent of contemporary median income are shown in **Table A2.5**, with figures for the number of individuals below 60 per cent of 1998/99 median income held constant in real terms shown in **Table A2.6**. These are expressed in the form of estimated 95 per cent confidence intervals. The confidence interval would contain the true value on average 19 out of 20 times, if sampling error were the sole source of errors. For changes in the different groups below 60 per cent of median income between two points in time to be statistically significant, they need to be around the following order of magnitude:

- For the whole population, around 0.8 percentage points or 430-500,000 individuals.
- For children, around 1.5 percentage points or 180-200,000 children.
- For working-age adults, around 0.9 percentage points, or 260-340,000 working-age adults.
- For pensioners, around 1.2 percentage points or around 120-130,000 pensioners.

### Sampling errors for compositional figures

The compositional figures in the time series tables for all individuals, for example the proportion of a particular income group who are pensioners, tend to have relatively small sampling errors; in general the uncertainty in these figures from the choice of equivalence scale will be much greater than the sampling error. Bunching of a population type close to a particular income threshold could magnify the relevant sampling error, since a small difference in that threshold would cause a relatively large difference in the percentage of the group below the threshold. However, the uncertainty from equivalisation would also be magnified, and the latter would remain the more important source of uncertainty.

### Revisions to 2008/09 and 2009/10 and other methodological improvements

For this publication, we have revised the 2008/09 and 2009/10 results. This was due to two reasons:

- Changes to the direct tax system in Northern Ireland: In 2007/08 a new rates system was introduced in Northern Ireland. However, within the FRS dataset, information under the old property specific values were being used for 2008/09 and 2009/10, resulting in higher rate values being calculated which overestimated housing costs in Northern Ireland.
- New tenure data from the Department of Communities and Local Government (CLG): CLG tenure data is used as a control total within the FRS grossing regime. CLG has published more up to date information and has revised previously published estimates. Due to the size of the changes to the tenure totals we have taken the unusual decision to revise the grossing for 2008/09 and 2009/10.

More information can be found at:

[http://research.dwp.gov.uk/asd/hbai/hbai\\_revision\\_due\\_to\\_ni\\_tax\\_changes.pdf](http://research.dwp.gov.uk/asd/hbai/hbai_revision_due_to_ni_tax_changes.pdf)

Revised tables for earlier years are available on request. The grossing issue will particularly impact on analysis by tenure, while the Northern Ireland direct tax system revision will mainly affect results for Northern Ireland.

Methodological improvements have been made to the way the HBAI data is derived:

- There are a small number of adult and child material deprivation questions with missing data. We have developed a methodology for imputing values, with a similar methodology to that used for pensioner material deprivation for FRS 2009/10.
- The methodology to calculate total savings and investments has been improved. More households are shown to have a small level of savings and fewer households are shown to have a large level of savings. This means figures in this publication are not directly comparable with figures in the previous publication.

## Comparison with EU low-income statistics

The latest available European low-income statistics were produced by the Office for National Statistics (ONS) using the General Lifestyle Survey as part of the EU Survey of Income and Living Conditions. The methodology differs from that used in HBAI in the following ways. The statistics:

- Are derived from a different survey. We use the DWP-run FRS for our HBAI publication, while these Eurostat figures use the ONS-run General Lifestyle Survey;
- Are on different timescales: HBAI data are financial year, EU SILC is calendar year;
- Use different definitions of income. Pension contributions are not deducted from income in the EU SILC methodology. A small number of income sources are excluded (income from a pension as a member of a Trade Union or friendly society, regular income from an insurance company or equity release, or a trust or covenant), as are the value of free TV licences;
- Include the value of some non cash employee income (mainly company cars) as employee income, which will raise the average income of people in work. This may have an upward pressure on relative poverty rates compared with HBAI;
- Are based on incomes before housing costs (BHC). While this is consistent with the most commonly used measure for working age people and children, we choose to look at pensioners' incomes after deducting housing costs as this better reflects pensioner living standards compared to others and over time;
- Relate to the population aged 65 and over. HBAI presents some series for just the those aged 65 or over for international comparability, but most figures include women aged from State Pension age to 64;
- For children relate to those under 18 – HBAI figures are based on individuals aged under 16. A person will also be defined as a child if they are 16 to 19-years old and they are not married nor in a Civil Partnership nor living with a partner; are living with parents; and are in full-time non-advanced education or in unwaged government training.

### British Household Panel Survey

Estimates of persistence of low incomes derived in **Chapter 7** are based on data from the British Household Panel Survey (BHPS), a longitudinal dataset developed at the University of Essex's Institute for Social and Economic Research, with core funding from the UK Economic and Social Research Council. The first wave was designed as a nationally representative sample of the population of Great Britain living in private households in 1991 and the sample have been re-interviewed every year since then. Each survey is based on a target sample of approximately 5,000 households.

Like the Family Resources Survey, BHPS does not include people in residential institutions, or the homeless. Interviewing started in September 1991 for the first wave and the September of each subsequent year. In the text wave one is referred to as 1991, wave two as 1992 and so on.

The measure of income used here is the sum, across all household members, of income from employment and self-employment, investments and savings, private and occupational pensions, Social Security benefits, Child and Working Tax Credits, and miscellaneous income, less income tax and National Insurance contributions. The components refer to receipts and payments made in the month prior to the interview or the most recent relevant period. Income here, unlike the main HBAI estimates, does not deduct local taxation (including Council Tax). This is something that has to be borne in mind given the variation in Council Tax rates between local councils and the reduction that operates for single householders.

In the BHPS, some self-employment incomes and income from second jobs are reported gross rather than net. Income tax and National Insurance contributions have been imputed for these cases to ensure consistency.

Estimates are equivalised using the McClements scale. Estimates are presented on a Before Housing Costs (BHC) basis and on an After Housing Costs (AHC) basis.

More information on the survey and methods used is available on the ISER web-site at <https://www.iser.essex.ac.uk/survey/bhps>.

Whilst some analysis is based on the full 18 years of data (i.e. individuals present in each of the 18 waves), analysis of different 'rolling' four-year periods is presented as a variation on this. The period 1991 to 1994 uses individuals present in all of the first four waves. Other periods use individuals present in each wave up to and including the end of that four-year period, except that children born to permanent panel members must be present in each wave from birth to the end of the four-year period.

The same individuals are re-interviewed in successive waves. Account is also taken of the inevitable changes of location that some interviewees experience. The survey follows members of the original household if they move to a new household, which ensures that the household/family history is not lost, and that there is no significant fall-off in interview numbers.

Estimates have been weighted using the longitudinal weights which are constructed by the University of Essex. Although the weights attempt to correct for biases arising from sample attrition that are related to factors observed within the data, such as non-response, unequal selection and accommodation type, it is possible that some biases are related to factors which are uncontrolled.

The BHPS has been subsumed into the larger Understanding Society survey from the start of 2009. A technical note is available at [http://research.dwp.gov.uk/asd/hbai/low\\_income/usoc\\_tech\\_note.pdf](http://research.dwp.gov.uk/asd/hbai/low_income/usoc_tech_note.pdf) setting out details of the move to using Understanding Society for persistent low-income statistics.



Table A2.1: Comparison of modified OECD and McClements equivalence scales

Equivalence scales				
	OECD rescaled to couple without children=1 <sup>1</sup>	OECD 'Companion' Scale to equivalise AHC results	McClements BHC	McClements AHC
First Adult	0.67	0.58	0.61	0.55
Spouse	0.33	0.42	0.39	0.45
Other Second Adult <sup>2</sup>	0.33	0.42	0.46	0.45
Third Adult	0.33	0.42	0.42	0.45
Subsequent Adults	0.33	0.42	0.36	0.40
Children aged under 14yrs <sup>3</sup>	0.20	0.20	0.20	0.20
Children aged 14yrs and over <sup>3</sup>	0.33	0.42	0.32	0.34

**Notes:**

1. Presented here to two decimal places.

2. For the McClements scale, the weight for 'Other second adult' is used in place of the weight for 'Spouse' when two adults living in a household are sharing accommodation, but are not living as a couple. 'Third adult' and 'Subsequent adult' weights are used for the remaining adults in the household as appropriate. In contrast to the McClements scales, apart from for the first adult, the OECD scales do not differentiate for subsequent adults.

3. The McClements scale varies by age within these groups; appropriate average values are shown in the table.

## Appendix 2

**Table A2.2: Material deprivation scores used for children in 2010/11<sup>1</sup>**

Material deprivation questions	Weights	Final Scores
<b>For children</b>		
Outdoor space or facilities nearby to play safely	0.903	6.04
Enough bedrooms for every child of 10 or over of a different sex to have their own bedroom	0.880	5.89
Celebrations on special occasions such as birthdays, Christmas or other religious festivals	0.953	6.37
Leisure equipment such as sports equipment or a bicycle	0.864	5.78
A family holiday away from home for at least one week a year	0.594	3.97
A hobby or leisure activity	0.703	4.71
Swimming at least once a month	0.527	3.53
Friends around for tea or a snack once a fortnight	0.654	4.38
Go on school trips	0.888	5.94
Toddler group/nursery/playgroup at least once a week	0.665	4.45
<b>For adults</b>		
Enough money to keep your home in a decent state of decoration	0.770	5.15
A hobby or leisure activity	0.584	3.91
A holiday away from home for at least one week a year, whilst not staying with relatives at their home	0.523	3.50
Household contents insurance	0.711	4.76
Have friends or family around for a drink or meal at least once a month	0.617	4.13
Regular savings of £10 a month or more for rainy days or retirement	0.539	3.61
Two pairs of all weather shoes for each adult	0.890	5.96
Replace any worn out furniture	0.525	3.51
Replace or repair major electrical goods such as a refrigerator or a washing machine, when broken	0.644	4.31
A small amount of money to spend each week on yourself, not on your family	0.627	4.19
In winter, able to keep accommodation warm enough	0.883	5.91
<b>Sum of all weights</b>	<b>14.943</b>	<b>100</b>

**Notes:**

1. Material deprivation weights are calculated based on responses in the survey year in question.
2. This does not include the new items and services first asked about in the 2010/11 FRS.

Table A2.3: Material deprivation scores used for pensioners in 2010/11<sup>1</sup>

Material deprivation questions	Weights	Final Scores
<b>For pensioners aged over 65</b>		
At least one filling meal a day	0.986	7.26
Go out socially at least once a month	0.760	5.60
See friends or family at least once a month	0.949	6.99
Take a holiday away from home	0.568	4.19
Able to replace cooker if it broke down	0.886	6.53
Home kept in a good state of repair	0.966	7.11
Heating, electrics, plumbing and drains working	0.982	7.24
Have a damp-free home	0.945	6.96
Home kept adequately warm	0.967	7.13
Able to pay regular bills	0.969	7.14
Have a telephone to use, whenever needed	0.968	7.13
Have access to a car or taxi, whenever needed	0.889	6.55
Have hair done or cut regularly	0.891	6.56
Have a warm waterproof coat	0.980	7.22
Able to pay an unexpected expense of £200	0.869	6.40
<b>Sum of all weights</b>	<b>13.575</b>	<b>100</b>

**Notes:**

1. Material deprivation weights are calculated based on responses in the survey year in question.

## Appendix 2

**Table A2.4: Grossing factor control totals**

<b>Control variables used to generate grossing factors for private households</b>		
<b>Variable</b>	<b>Groupings</b>	<b>Source of data</b>
Males by: Region/age/sex (England); and Country/age/sex (Scotland, Wales, and Northern Ireland)	For each region/country: males in the following age groups; 0-9, 10-19* dependents, 0-19 dependents (NI only), 16-24* non-dependents, 25-29, 30-34, 35-39, 40-44, 45-49, 50-59, 60-64, 65-74, 75-79, 80 plus	Office for National Statistics (ONS), Northern Ireland Statistics and Research Agency (NISRA)
Females by: Region/age/sex (England); and Country/age/sex (Scotland, Wales, and Northern Ireland)	For each region/country: females in the following age groups; 0-9, 10-19* dependents, 0-19 dependents (NI only), 16-24* non-dependents, 25-29, 30-34, 35-39, 40-44, 45-49, 50-59, 60-69, 70-74, 75-79, 80 plus	ONS, NISRA
*16-19 year old dependents	Dependents aged 16-19 in Scotland, England and Wales	DWP estimates using data derived from ONS and HMRC
Lone parents (Great Britain)	Male, Female	Labour Force Survey estimates
Lone parents (Northern Ireland)	All	Northern Ireland Department for Social Development (DSD) estimates
Families (England and Wales, Scotland)	Number of families with children	HMRC estimates
Tenure type (England and Wales, Scotland)	Number of households of types: Local Authority renters, private renters, owner occupiers	Communities and Local Government (CLG)
Council Tax Band (England and Wales, Scotland)	Number of households of types: A, B, C-D, E-H (as well as band I for Wales)	Valuation Office, Scottish Government
Region	Number of households in London, Scotland, "rest of England and Wales", Northern Ireland	CLG estimates, DSD estimates
Households Containing 'Very Rich' People (Great Britain, and Northern Ireland)	Pensioners, Non-pensioners	HMRC Survey of Personal Incomes (SPI)

**Note:**

1. Some totals have to be adjusted to correspond to the FRS survey year.

Table A2.5: Ninety-five per cent confidence intervals for numbers and percentages of individuals below various thresholds of contemporary median income, United Kingdom<sup>1</sup>

	Percentage of individuals				Number of individuals				Source: FRS 2010/11
	lower bound	HBAI estimate	upper bound	+/-	lower bound	HBAI estimate	upper bound	+/-	
<b>50 per cent of median income</b>									
<b>Before Housing Costs</b>									
All individuals	8.8	9.2	9.6	0.4	5,390,000	5,640,000	5,900,000	260,000	
Children	8.4	9.1	9.8	0.7	1,090,000	1,180,000	1,270,000	90,000	
Working-age adults	8.9	9.4	9.9	0.5	3,230,000	3,410,000	3,600,000	190,000	
Pensioners	8.4	8.9	9.5	0.6	980,000	1,040,000	1,110,000	70,000	
<b>After Housing Costs</b>									
All individuals	14.0	14.5	15.0	0.5	8,560,000	8,870,000	9,190,000	320,000	
Children	16.3	17.2	18.1	0.9	2,120,000	2,240,000	2,350,000	110,000	
Working-age adults	14.9	15.5	16.2	0.6	5,430,000	5,660,000	5,880,000	220,000	
Pensioners	7.8	8.4	8.9	0.6	910,000	980,000	1,040,000	60,000	
<b>60 per cent of median income</b>									
<b>Before Housing Costs</b>									
All individuals	15.5	16.1	16.7	0.6	9,500,000	9,840,000	10,180,000	340,000	
Children	16.6	17.5	18.5	1.0	2,160,000	2,290,000	2,410,000	120,000	
Working-age adults	14.5	15.1	15.8	0.6	5,280,000	5,520,000	5,750,000	230,000	
Pensioners	16.6	17.5	18.3	0.8	1,940,000	2,030,000	2,130,000	100,000	
<b>After Housing Costs</b>									
All individuals	20.7	21.3	21.9	0.6	12,650,000	13,000,000	13,360,000	360,000	
Children	26.2	27.3	28.3	1.0	3,420,000	3,560,000	3,690,000	130,000	
Working-age adults	20.7	21.4	22.1	0.7	7,540,000	7,790,000	8,040,000	250,000	
Pensioners	13.5	14.2	14.9	0.7	1,570,000	1,650,000	1,730,000	80,000	
<b>70 per cent of median income</b>									
<b>Before Housing Costs</b>									
All individuals	24.2	24.8	25.4	0.6	14,790,000	15,150,000	15,520,000	370,000	
Children	28.4	29.4	30.5	1.1	3,700,000	3,840,000	3,970,000	130,000	
Working-age adults	21.4	22.0	22.7	0.7	7,780,000	8,030,000	8,270,000	240,000	
Pensioners	27.3	28.2	29.1	0.9	3,180,000	3,290,000	3,390,000	100,000	
<b>After Housing Costs</b>									
All individuals	28.3	28.8	29.4	0.6	17,280,000	17,630,000	17,980,000	350,000	
Children	35.8	36.8	37.8	1.0	4,670,000	4,800,000	4,930,000	130,000	
Working-age adults	26.8	27.5	28.2	0.7	9,780,000	10,020,000	10,260,000	240,000	
Pensioners	23.4	24.2	24.9	0.8	2,730,000	2,820,000	2,900,000	80,000	

**Note:**

1. Levels of change needed between two years for a significant movement based on 60 per cent of median are shown in the 'Sampling errors for income growth and numbers below income thresholds' section above.

## Appendix 2

**Table A2.6: Ninety-five per cent confidence intervals for numbers and percentages of individuals below 60 per cent of 1998/99 median income held constant in real terms, United Kingdom**

	Percentage of individuals				Number of individuals			
	lower bound	HBAI estimate	upper bound	+/-	lower bound	HBAI estimate	upper bound	+/-
Source: FRS 2010/11								
<b>60 per cent of 1998/99 median income held in real terms</b>								
<b>Before Housing Costs</b>								
All individuals	10.1	10.6	11.1	0.5	6,190,000	6,470,000	6,760,000	290,000
Children	9.8	10.6	11.4	0.8	1,280,000	1,380,000	1,480,000	100,000
Working-age adults	9.9	10.5	11.0	0.5	3,620,000	3,820,000	4,020,000	200,000
Pensioners	10.3	10.9	11.6	0.7	1,200,000	1,270,000	1,350,000	80,000
<b>After Housing Costs</b>								
All individuals	14.4	15.0	15.5	0.5	8,820,000	9,140,000	9,460,000	320,000
Children	16.9	17.8	18.7	0.9	2,210,000	2,330,000	2,450,000	120,000
Working-age adults	15.3	15.9	16.5	0.6	5,560,000	5,790,000	6,020,000	230,000
Pensioners	8.2	8.8	9.3	0.6	950,000	1,020,000	1,090,000	70,000

## Child material deprivation

### Background

In addition to the low income indicators presented in this publication, there are also two measures of low income and material deprivation which are intended to capture children in families experiencing the material effects of poverty. These are:

Low income and material deprivation. This measure captures children in families who have a material deprivation score of 25 or more and household income below 70 per cent of contemporary median income, Before Housing Costs.

Severe low income and material deprivation (severe poverty). This measure captures children in families who have a material deprivation score of 25 or more and household income below 50 per cent of contemporary median income, Before Housing Costs.

**Appendix 2** provides background detail on how these two measures are calculated.

### Child material deprivation items

A family's material deprivation score is calculated using a series of 21 questions included in the Family Resources Survey (FRS). Each question asks whether or not the family is able to afford a particular item. The choice of the 21 items was based on analysis by independent researchers and was intended to reflect the kinds of goods and services which people in the UK felt were necessary and which everyone should be able to afford. Items were only chosen if they were considered necessary by a sufficient proportion of people surveyed (see DWP Working Paper 13, Developing Deprivation Questions for the Family Resources Survey by McKay and Collard: <http://research.dwp.gov.uk/asd/asd5/WP13.pdf>).

A family is allocated a score for each item which they lack because they are unable to afford it. The scores are weighted according to the proportion of families in the population at large who own each item (this is known as prevalence weighting). The scores for each family are summed to produce an overall material deprivation score. Families with a score above a certain threshold are identified as experiencing material deprivation.

A family is therefore identified as materially deprived if there are a sufficiently high number of items, which are considered by people to be necessary, that they are unable to afford.

### Updating the items

When the low income and material deprivation measure was developed, it was envisaged that the 21 items would need to be updated at regular intervals, to reflect changes in the items and activities that people in the UK believe to be necessary. This would ensure that the measure remained a relative measure of poverty. In 2009, the Child Poverty Unit commissioned an independent analytical review of the items (see DWP Research Report Number 746, *Review of the child material deprivation items in the Family Resources Survey*, by S McKay, available at <http://research.dwp.gov.uk/asd/asd5/rports2011-2012/rrep746.pdf>).

Based on the findings of this review, four new questions about four additional items were introduced into the 2010/11 FRS. It was envisaged that these new items would be used in the future calculation of material deprivation scores, replacing four existing items that were identified by the research as potentially out of date, partly because the proportion of the population considering them necessary had fallen. It is not possible to say whether the large drop in the proportions of people rating items as necessary was mainly a recession 'blip', or instead part of a longer-term trend against certain 'social' measures of deprivation that will persist during an economic recovery.

For the 2011/12 survey year, the questions about the potentially out of date items were dropped from the survey. The questions on the 17 remaining items were common across all relevant survey years. So for 2010/11, the FRS included 25 questions, allowing for comparison of the material deprivation results using both the new list of 21 items and the original list of 21 items.

The new questions included in the 2010/11 FRS were:

- Does your child/do your children attend at least one regular organised activity a week outside school, such as sport or a youth group? (Child question)
- Does your child/do your children eat fresh fruit and/or vegetables every day? (Child question)
- Does your child have/do your children have a warm winter coat? (Child question)
- Do you (and your partner) keep up with bills and any regular debt repayments? (Adult question)

The questions not included in the 2011/12 FRS were:

- Does your child/do your children go swimming at least once a month? (Child question)
- Do you have a hobby or leisure activity? (Adult question)
- Do you (and your family/and your partner) have friends or family around for a drink or meal at least once a month? (Adult question)
- Do you have two pairs of all weather shoes for [all adults in Benefit unit]? (Adult question)

The 17 questions common to both survey years can be found in **Appendix 2**.

**Table A3.1** gives key statistics about the new and old material deprivation items, while **Tables 4.7** and **4.8** present quintile distributions of income for children by

whether they or their parents have the material deprivation items, for the four new and four old items, and the 17 items which did not change.

**Table A3.1** shows that compared to the four old items, families in the UK are more likely to own the four new items and less likely to lack the four new items due to an inability to afford them. The result of this is that when material deprivation scores are calculated using the updated list of items, the items considered when deciding if a family is materially deprived are more 'essential' (i.e. lacked by a smaller proportion of the population) than when using the old list.

### Sensitivity of the headline low income and material deprivation child poverty measure to the items used and the threshold chosen

Using the new items instead of the old items translates into higher prevalence weights. Examination of the effect of increasing the sum of weights suggests that, broadly speaking, the higher the overall sum of weights, the lower the overall level of low income and material deprivation (see **Appendix 2** for details of the material deprivation measure calculation).

**Table A3.2** shows that the low income and material deprivation statistics are quite sensitive to the combination of the threshold and items chosen. For a given threshold, using the 17 common items and the four new items gives low income and material deprivation levels of approximately 2 percentage points or 200-300,000 thousand children lower than using the 21 original items. The difference in terms of severe low income and material deprivation is approximately 0.5 percentage points or 50,000 children. This means that changing the items will effectively create a break in the data series.

### Approach used for this report

For the 2010/11 Households Below Average Income report, we have chosen to present results based on the 17 items common across all survey years and the four old items. This is because more analysis is required to decide the most appropriate way to manage the introduction of the new items.

### Next steps

For the 2011/12 FRS, only the new and common items are included in the survey. This means that in the 2011/12 HBAI report, the low income and material deprivation and the severe low income and material deprivation statistics will be based on the four new and 17 common items. We therefore need to take forward further analysis to decide how to present results based on this updated list of items.

One potential solution is to change the material deprivation threshold score from 2011/12 onwards.

The new threshold score would be chosen such that for the 2010/11 data (which includes all 25 items), there is approximately the same number of children captured when using the new items and the new threshold as when using the old items and the current threshold of 25.

This would mean that any change in the published time series between 2010/11 (using the old list and old threshold) and 2011/12 (using the new list and new threshold) would be due to changes in the circumstances of families rather than due to the changes to the items,

The best match is achieved if the threshold score is reduced by three. This is the case for both the low income and material deprivation measure and the severe low income and material deprivation measure. Minimising the difference would therefore mean that a threshold of 22 instead of the current 25 would be used in combination with the low income threshold, for 2011/12 onwards.

Over the next year, we will be working with stakeholders to decide the most appropriate basis for the series. The key alternatives are to continue to use the current threshold of 25, which will result in an obvious break in the series, reflecting the introduction of more 'essential' items (i.e. those lacked by a smaller proportion of the population), or to reduce the threshold so there is approximately the same number of children for 2010/11 using the new items and a lower threshold as using the old items and a threshold of 25.

Table A3.1: Ownership of the new and old material deprivation items and services, United Kingdom

Material deprivation questions	Have this	Want but can't afford this	Percentage of children	
			Don't want or need; doesn't apply	Weights
<b>New material deprivation items</b>				
<b>For Children</b>				
Attends regular organised activity outside school each week	66	9	26	0.625
Eat fresh fruit or vegetables every day	89	4	7	0.880
Have a warm winter coat	96	2	1	0.963
<b>For Adults</b>				
Keep up with bills and regular debt repayments	88	12	0	0.887

Material deprivation questions	Have this	Want but can't afford this	Percentage of children	
			Don't want or need; doesn't apply	Weights
<b>Old material deprivation items</b>				
<b>For Children</b>				
Swimming at least once a month	55	11	34	0.527
<b>For Adults</b>				
A hobby or leisure activity	57	20	22	0.584
Have friends or family around for a drink or meal at least once a month	61	18	21	0.617
Two pairs of all weather shoes for each adult	89	10	1	0.890

**Notes:**

1. Material deprivation weights are calculated based on responses in the survey year in question.

## Appendix 3

**Table A3.2: Percentage and number of children falling below thresholds of low income and material deprivation based on different items and thresholds, United Kingdom, 2010/11**

Source: FRS						
Common items plus	Threshold	Low income and material deprivation		Severe low income and material deprivation		All children
		Percentage	Number (millions)	Percentage	Number (millions)	
<b>Old items</b>	20	17	2.2	5	0.7	13.0
	21	17	2.2	5	0.6	13.0
	22	16	2.1	5	0.6	13.0
	23	16	2.1	5	0.6	13.0
	24	15	2.0	5	0.6	13.0
	25	14	1.9	4	0.6	13.0
	26	14	1.8	4	0.6	13.0
	27	14	1.8	4	0.5	13.0
	28	13	1.7	4	0.5	13.0
	29	13	1.6	4	0.5	13.0
	30	12	1.6	4	0.5	13.0
<b>New items</b>	20	16	2.1	5	0.6	13.0
	21	15	2.0	5	0.6	13.0
	22	15	1.9	5	0.6	13.0
	23	14	1.8	4	0.6	13.0
	24	13	1.7	4	0.5	13.0
	25	13	1.7	4	0.5	13.0
	26	12	1.6	4	0.5	13.0
	27	12	1.5	4	0.5	13.0
	28	11	1.4	3	0.4	13.0
	29	10	1.3	3	0.4	13.0
	30	10	1.3	3	0.4	13.0

**Notes:**

1. The income threshold used in the low income and material deprivation calculation is 70 per cent of median, Before Housing Costs.
2. The income threshold used in the severe low income and material deprivation calculation is 50 per cent of median, Before Housing Costs.



**Households Below Average  
Income: An analysis of the  
income distribution  
1994/95 – 2010/11**

Households Below Average Income (HBAI) uses household disposable incomes, adjusted for household size and composition, as a proxy for material living standards or, more precisely, for the level of consumption of goods and services that people could attain given the disposable income of the household in which they live.

This report is the twenty-third in the HBAI series and principally gives information on the income distribution from 1994/95 – 2010/11 using cross-sectional data from the DWP Family Resource Survey. It also includes a small section on persistence of low income over the period 1991 to 2008 using longitudinal data from the British Household Panel Survey, which is run by the ESRC UK Longitudinal Studies Centre at the University of Essex.

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