

Households Below Average Income

An analysis of the income distribution 1994/95 – 2011/12

June 2013 (United Kingdom)

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**An analysis of the income distribution
1994/95 – 2011/12**

Editorial team

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**Department
for Work &
Pensions**

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Chapter 1

Summary and background

Summary

The latest figures cover a period where the UK economy was showing little GDP growth and average earnings fell in real terms. Benefit reforms, including the adoption of CPI for the uprating of many benefits and tax credits (instead of RPI), the triple guarantee for pensions, measures to reduce housing benefit expenditure and the focussing of tax credits on lower income families were introduced in 2011/12.

This summary presents three main measures of low income:

- someone is considered to be in relative low income if they receive less than 60 per cent of the average income¹ in the year in question.
- someone is considered to be in absolute low income if they receive less than 60 per cent of average income¹ in 2010/11 adjusted by inflation.
- income inequality, as measured by the Gini coefficient, ranges from zero (when everybody has identical incomes) to 100 per cent (when all income goes to only one person).

Overall findings

- Average income decreased by 3 per cent in 2011/12 in real terms compared with 2010/11, similar to the decrease in 2010/11. Incomes across the distribution grew by less than RPI inflation². Average income fell as earnings and benefit income grew more slowly than the cost of living as measured by RPI. Prior to 2010/11, average income had risen in most years since 1994/95³.
- The percentage of individuals in relative low income, Before Housing Costs (BHC), was 16 per cent. This is unchanged from 2010/11 and continues the lowest level since the 1980s. Levels remained static because, in the main, real incomes for households near the bottom of the income distribution fell by roughly the same rate as real incomes for households at the average.
- In 2011/12, the percentage of individuals in absolute low income, measured against the 2010/11 baseline⁴, was 17 per cent, BHC, which is 1 percentage point, or 900,000 people, higher than in 2010/11⁵. As incomes across the distribution

¹ In this summary the **average income** is defined as the median equivalised net household income, where the median income divides the population of individuals, when ranked by income, into two equal sized groups. Equivalisation is a process that makes adjustments to incomes, so that the standard of living of households with different compositions can be compared.

² HBAI uses RPI to look at how incomes are changing over time in real terms. As described in the background section, the use of different inflation measures has an effect on historical real terms income figures.

³ This is the first year of data available on a consistent basis.

⁴ The change of baseline from 1998/99 to 2010/11 is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

⁵ This increase is statistically significant.

1 Summary

grew by less than RPI inflation in 2011/12, and the absolute low-income threshold was uprated by RPI inflation, the population falling into absolute low income rose.

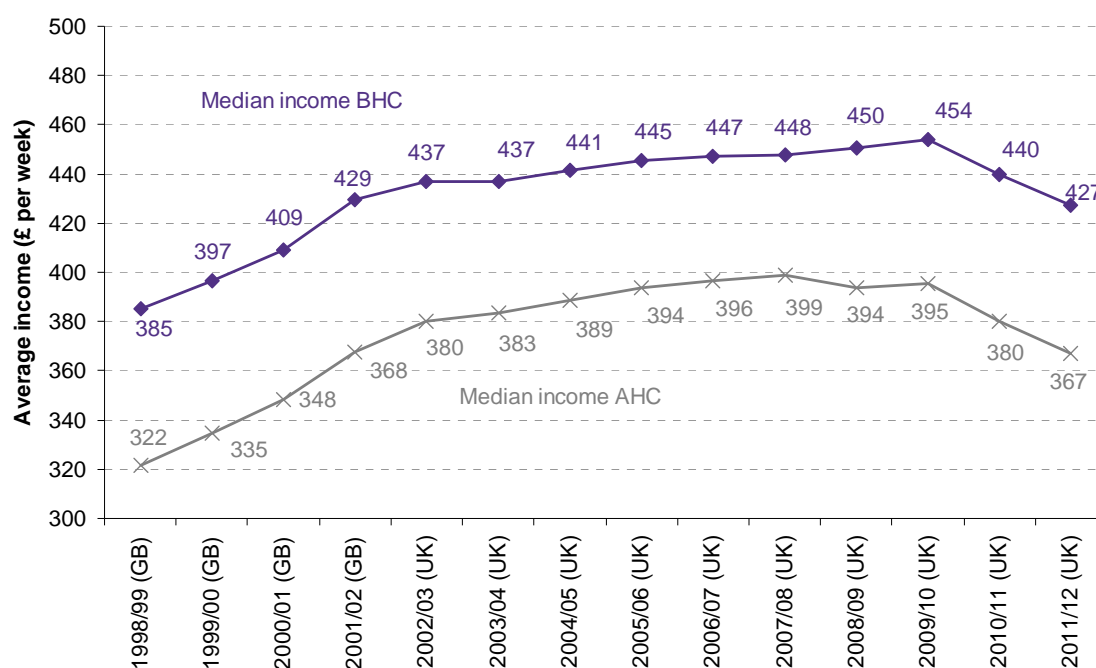
- Income inequality remained reasonably level between 2010/11 and 2011/12, as incomes fell by broadly similar amounts across the entire distribution. Having fallen between 2009/10 and 2010/11, income inequality is now at levels last seen in the middle of the last decade having reached historic highs in recent years.

Average income and the income distribution

HBAI uses variants of RPI to adjust for inflation to look at how incomes are changing over time in real terms. As described in the background section, the use of different inflation measures has an effect on historical real terms income figures.

Average income decreased by 3 per cent in 2011/12 in real terms compared with 2010/11, and incomes across the distribution grew by less than RPI inflation. Average income fell as earnings and benefit income grew more slowly than the cost of living as measured by RPI. Incomes in 2011/12 have fallen to around 2001/02 levels, but are still higher than in 1998/99 in real terms.

Chart 1.1: Average incomes, 1998/99 to 2011/12, United Kingdom (2011/12 prices)



The reduction in real terms earnings may partly be due to a combination of both pay freezes and economic restructuring following the recession⁶.

Various benefit reforms⁷ were introduced in 2011/12. These included the adoption of the CPI, rather than the RPI, for the uprating of many benefits and tax credits, the triple guarantee for basic State Pensions, measures to reduce housing benefit expenditure, and the focussing of tax credits on lower income families. These reforms

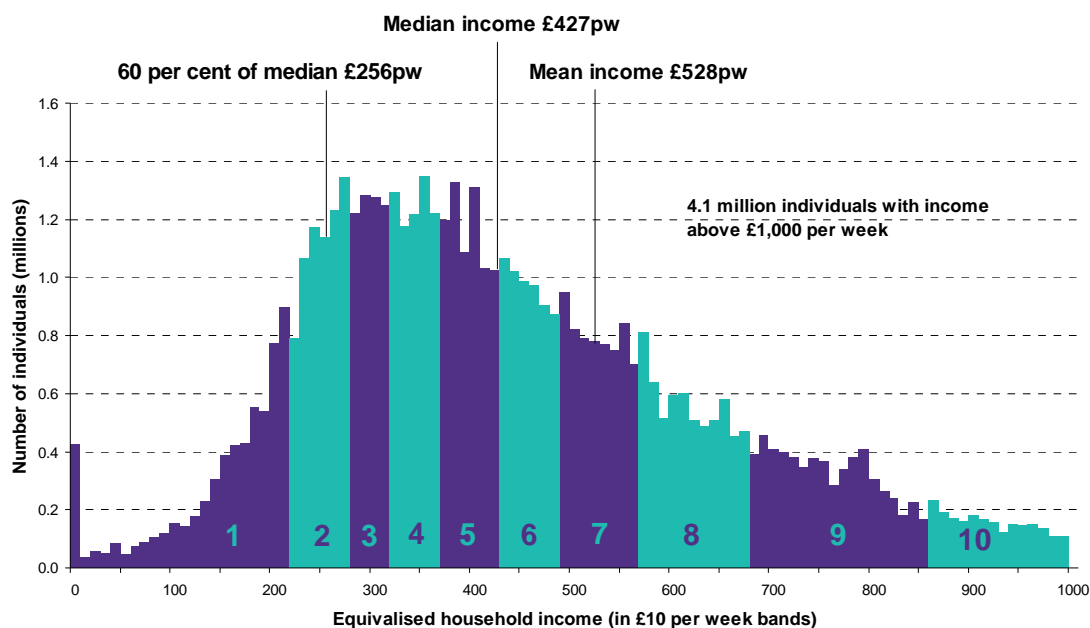
⁶ See ONS publication <http://www.ons.gov.uk/ons/rel/regional-trends/regional-economic-analysis/changes-in-real-earnings-in-the-uk-and-london--2002-to-2012/sum-real-wages-down-by-8-5--since-2009.html>

⁷ See Table A, **Chapter 2** for more details.

had different effects on different benefit recipients but overall resulted in a real terms fall in benefit income.

Average income in 2011/12 was £427 per week, BHC, and £367 per week, AHC. This meant that the most commonly used threshold to determine if someone is in relative low income, 60 per cent of average income, was £256 per week, BHC, and £220 per week, AHC. The income distribution showed a high concentration of individuals close to the relative low-income threshold (Chart 1.2).

Chart 1.2 (BHC): Income distribution for the whole population, 2011/12

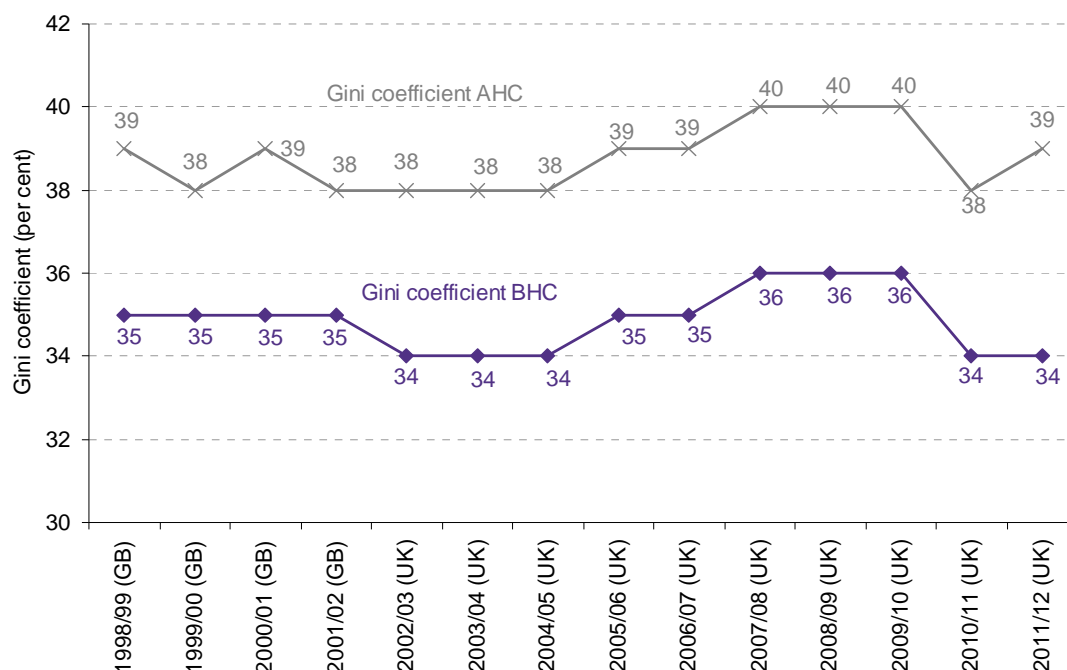


Income inequality

Income inequality is measured by the Gini coefficient (which ranges from zero when everybody has identical incomes to 100 per cent when all income goes to only one person) and remained reasonably level between 2010/11 and 2011/12, because household incomes fell by a broadly similar proportion across the entire distribution. Income inequality is now at levels last seen in the middle of the last decade having reached historic highs in recent years.

1 Summary

Chart 1.3: Income inequality, 1998/99 to 2011/12, United Kingdom



Individuals in low income and material deprivation

This section presents the latest annual estimates of the percentage living in relative and absolute low income, for the whole population, and then separately for children, working-age adults and pensioners, together with statistics on children living in combined low income and material deprivation and pensioners living in material deprivation.

HBAI uses variants of RPI to adjust for inflation to look at how incomes are changing over time in real terms. As described in the background section, the use of different inflation measures has an effect on absolute low income figures.

Average income decreased by 3 per cent in 2011/12 in real terms compared with 2010/11, and incomes across the distribution grew by less than RPI inflation. Average income fell as earnings and benefit income grew more slowly than the cost of living as measured by RPI.

Whole population

Both BHC and AHC measures are used to examine low income for the whole population. In this summary we focus on BHC measures⁸, as AHC measures can underestimate the true living standard of families who choose to spend more on housing to attain a higher standard of accommodation.

The proportion of individuals in relative low income has not changed since last year, after falling in both of the previous three years; however the percentage of individuals in absolute low income rose by 1 percentage point⁹, a similar increase to that seen between 2009/10 and 2010/11, and returns to levels last seen in 2008/09.

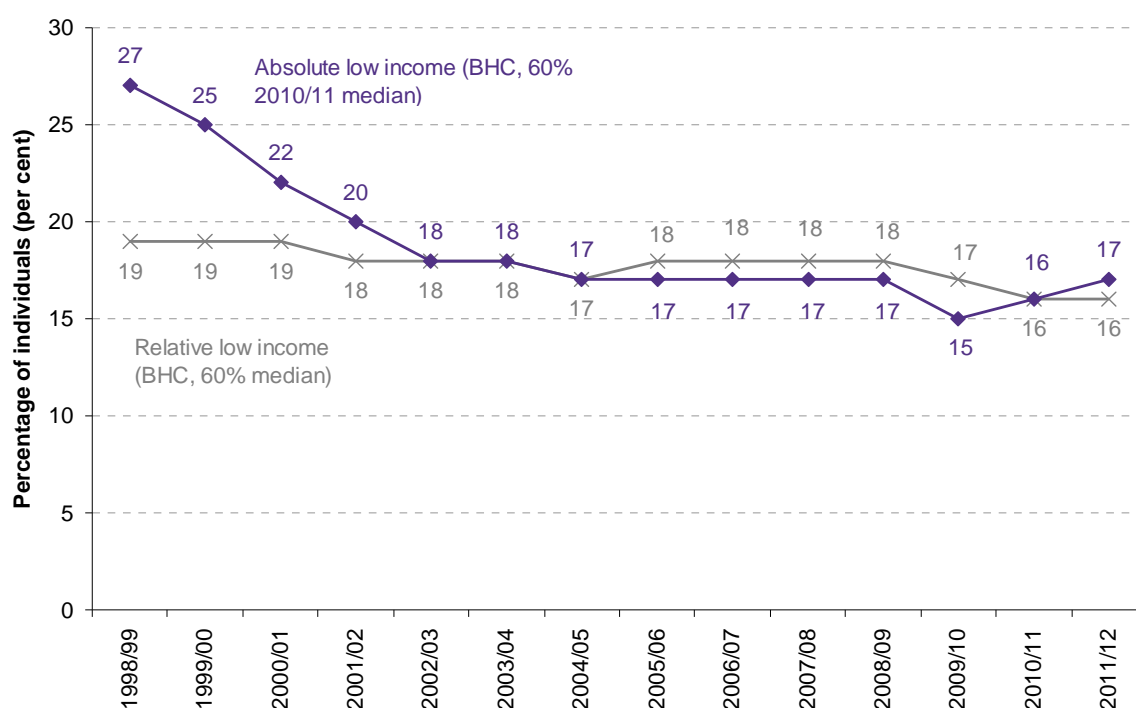
⁸ Both BHC and AHC measures are reported later in this report.

⁹ This increase is statistically significant.

16 per cent of individuals were in relative low income with incomes below £256 per week¹⁰ BHC, the same as 2010/11 and the lowest level since the 1980s, having fallen between 2008/09 and 2010/11. Incomes for households near the bottom of the income distribution fell by roughly the same rate as incomes for households at the average. As a result, levels of relative low income remained static.

In 2011/12, the percentage of individuals in absolute low income measured against the 2010/11 baseline¹¹ was 17 per cent, which is 1 percentage point higher than in 2010/11¹². This follows a period of decreases or stability between 1995/96 and 2009/10, and levels have increased to those last seen between 2004/05 and 2008/09. The recent increase was driven by an increase in the percentage of children and working-age adults in absolute low income, because there was a reduction in real terms income. The absolute low income threshold was uprated by RPI inflation and so the population falling into low income increased.

Chart 1.4: All individuals, main measures, 1998/99 to 2011/12, United Kingdom



The following groups were more likely to be in relative low income BHC in 2011/12 compared to the overall population:

- children and working-age adults in workless families, lone-parent families, those in families with three or more children and people in households with no savings;
- those aged 85 or more, pensioners having no occupational/personal pensions and pensioners living alone;

¹⁰ This is the relative low income threshold.

¹¹ The change of baseline from 1998/99 to 2010/11 is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

¹² This increase is statistically significant.

1 Summary

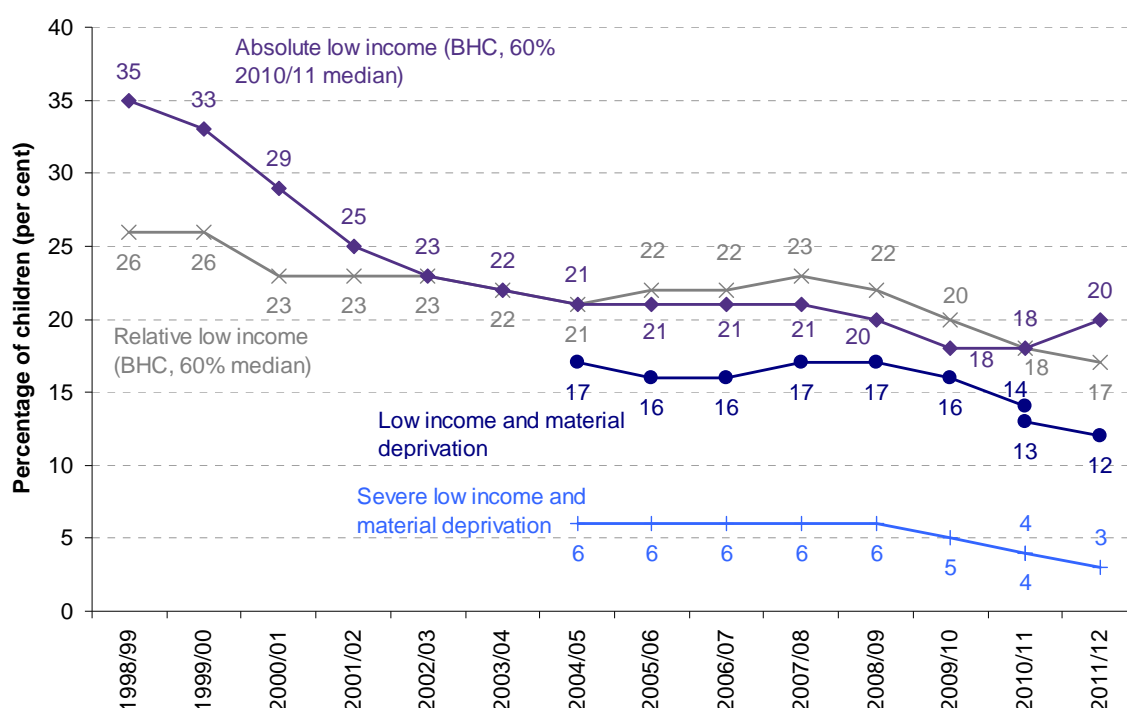
- households headed by a member of certain ethnic minority groups, particularly someone of Pakistani or Bangladeshi ethnic origin;
- individuals in families containing one or more disabled member and social rented sector tenants.

Children

Both BHC and AHC measures are used to examine low income for children. The preferred measure of low income for children is based on incomes measured BHC¹³, as AHC measures can underestimate the true living standard of families who choose to spend more on housing to attain a higher standard of accommodation. The [Child Poverty Act 2010](#) sets out four income related targets that the Government must meet by 2020. These are based on the measures of relative low income, absolute low income, low income and material deprivation¹⁴ and persistent poverty¹⁵.

Whilst the proportion in absolute low income rose in 2011/12¹⁶, the proportion of children in combined low income and material deprivation, and severe poverty continued to fall¹⁷, whilst the proportion in relative low income remained flat¹⁸.

Chart 1.5: Children, main measures, 1998/99 to 2011/12, United Kingdom



Note: Because new material deprivation items were introduced in 2010/11, low income and material deprivation and severe poverty figures prior to 2010/11 are not comparable to 2011/12.

¹³ Both BHC and AHC measures are reported later in this report.

¹⁴ Below 70 per cent of equivalised median household income, BHC and material deprivation.

¹⁵ Below 60 per cent of median household income for at least three of the last four years.

¹⁶ This increase is statistically significant.

¹⁷ These reductions are not statistically significant.

¹⁸ Table 4.1tr in the HBAI statistical report shows a change from 18 to 17 per cent between 2010/11 and 2011/12, but unrounded figures show relative low income to be flat. Rounding figures at the final point of calculation of a statistic produces the best estimate. This change is not statistically significant

Between 2010/11 and 2011/12, the percentage of children in relative low income was 17 per cent, and was at its lowest level since the mid 1980s. The stability in 2011/12 was driven primarily by incomes for families with children at the lower end of the income distribution falling at the same rate as incomes around the median.

The percentage of children in absolute low income BHC increased by 2 percentage points, or 300,000 children, between 2010/11 and 2011/12¹⁹. This was the first percentage point increase since the early 1990s, BHC. The recent increase was driven by a reduction in real terms income. The absolute low income threshold was uprated by RPI inflation and so the population falling into low income increased.

New material deprivation items were introduced in 2010/11. The proportion of children living in low income (below 70 per cent of equivalised median household income, BHC) and material deprivation and severe poverty (below 50 per cent of median household income and in material deprivation) for 2011/12 has fallen to 12 per cent and 3 per cent respectively in 2011/12, representing a 1 percentage point fall for both measures compared to 2010/11²⁰. As the proportion of households with children falling below the 70 per cent and 50 per cent low-income thresholds remained the same in 2011/12 compared to 2010/11, this fall was primarily driven by a decrease in the proportion of families experiencing material deprivation. As only two years' worth of data exists using the new items it is not possible to compare the trends prior to 2010/11 for either measure²¹.

Working-age adults

Both BHC and AHC measures are used to examine low income for working-age population. In this summary we focus on BHC measures²², as AHC measures can underestimate the true living standard of families who choose to spend more on housing to attain a higher standard of accommodation.

Between 2010/11 and 2011/12 the percentage of working-age adults in relative low income BHC remained constant, but an increase in the population led to a further 100,000 working-age adults in relative low income. This stability was driven by incomes for households near the bottom of the income distribution falling by roughly the same rate as incomes for households in the middle. The real terms decline in average income was driven by both earnings and benefit income growing by less than inflation.

The percentage of working-age adults in absolute low income increased by 1 percentage point BHC²³. This constituted an increase of 600,000 working-age adults BHC in absolute low income. The recent increase was driven by a reduction in real terms earnings and in real terms benefit income. The absolute low income threshold was uprated by RPI inflation and so the population falling into low income increased.

¹⁹ This increase is statistically significant.

²⁰ These reductions are not statistically significant.

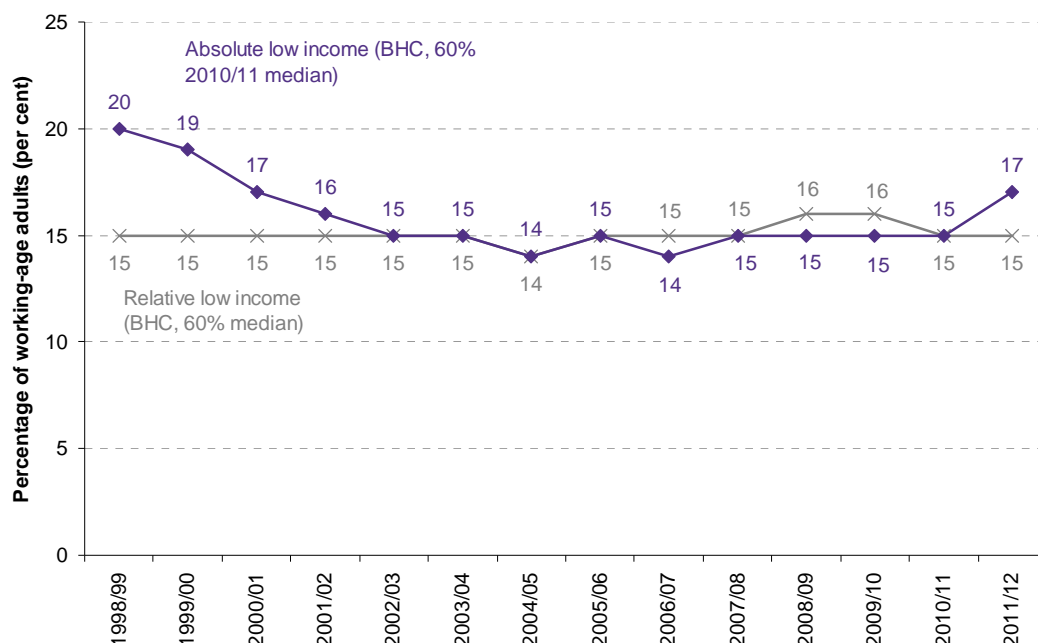
²¹ The break in the series is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

²² Both BHC and AHC measures are reported in the rest of the report.

²³ This increase is statistically significant.

1 Summary

Chart 1.6: Working-age adults, main measures, 1998/99 to 2011/12, United Kingdom



Pensioners

Both BHC and AHC measures are used to examine low income for the working-age population. The preferred measure of low income for pensioners is based on incomes measured AHC²⁴, as around three quarters of pensioners own their own home. Considering pensioners' incomes compared to others after deducting housing costs allows for more meaningful comparisons of income between working-age people and pensioners, and for pensioners over time. 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. For example, pensionable age at 30 June 2011 was 65 for men and approximately 60 years and 238 days for women.

There was a decrease in the percentage of pensioners in relative low income between 2010/11 and 2011/12²⁵, with the percentage close to a historic low, and pensioners less likely to be in relative low income than the population as a whole, AHC. The reduction of 100,000 pensioners was driven primarily by incomes for pensioners at the lower end of the income distribution falling less than incomes around the middle. Households containing pensioners in the lowest quintiles generally received a larger proportion of their income from benefits and a smaller proportion from other sources. The introduction of the triple guarantee in 2011/12 meant that the key pensioner benefit – the basic State Pension – was uprated by 4.6 per cent in April 2011 (the higher of earnings, prices or 2.5 per cent). In addition the Pension Credit (Guarantee Credit) was increased by 3.6 per cent to ensure the lowest income pensioners received the full increase of the basic State Pension. These increases were larger than

²⁴ Both BHC and AHC measures are reported in the rest of this report.

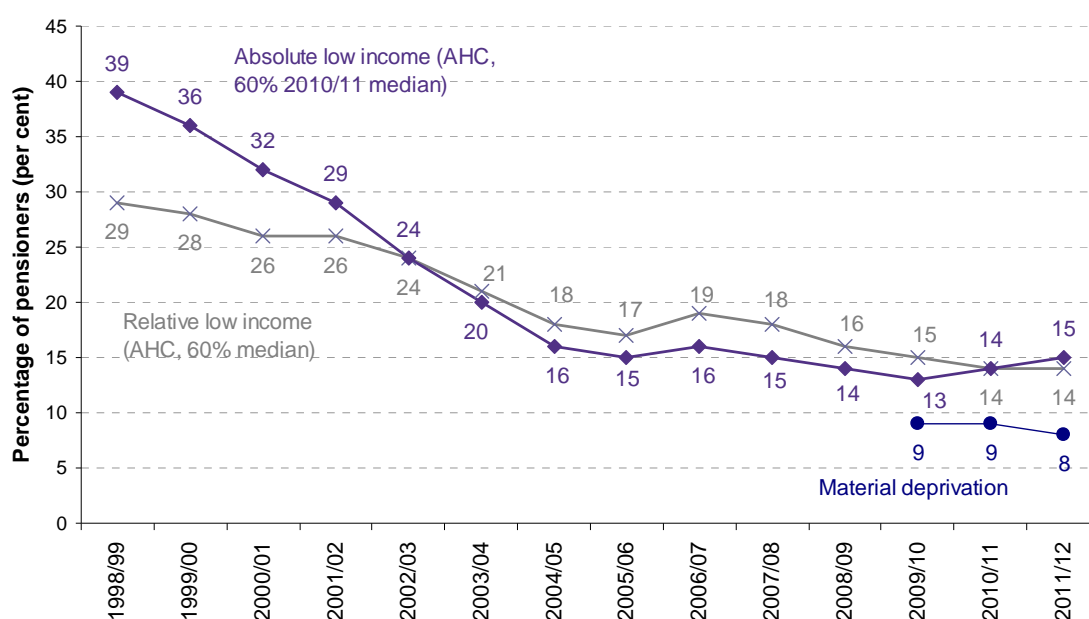
²⁵ Figure 7 shows that the percentage in relative low income AHC was 14 per cent in 2010/11 and 2011/12, but unrounded figures show a reduction of 1 percentage point. This reduction is not statistically significant.

for many other state benefits, which meant that pensioners in the lowest quintiles saw their income fall less in real terms than other households.

There was a 1 percentage point increase²⁶ in the proportion of pensioners in absolute low income AHC, as low-income households containing pensioners saw their income fall in real terms. This is because, despite the higher increases in benefits, incomes for low-income pensioners in 2011/12 rose by less than RPI inflation. The absolute low income threshold was uprated by RPI inflation and so the population falling into low income increased by 100,000.

There has been a small decrease in the proportion of pensioners aged 65 or over in material deprivation, down from 9 per cent in 2010/11 to 8 per cent in 2011/12²⁷.

Chart 1.7: Pensioners, main measures, 1998/99 to 2011/12, United Kingdom



Disability

Both BHC and AHC measures are used to examine relative low income for disabled people. In this summary we focus on BHC measures²⁸, in line with most of the other figures in this release.

Between 2010/11 and 2011/12, there has been a decrease in the percentage of individuals living in relative low income in families where at least one member is disabled by 1 percentage point to 19 per cent BHC²⁹, whilst the percentage of individuals living in relative low income in families where no member is disabled has remained constant.

²⁶ This increase is statistically significant.

²⁷ This reduction is not statistically significant.

²⁸ Both BHC and AHC measures are reported in the rest of this report.

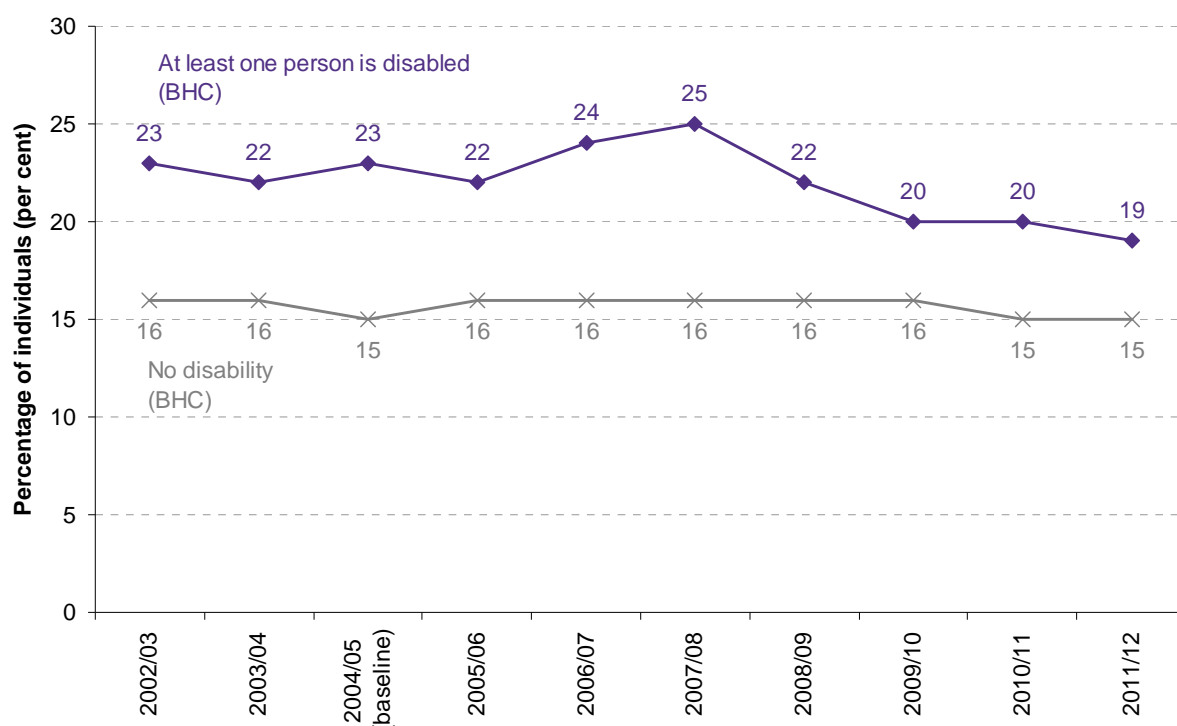
²⁹ This reduction is not statistically significant.

1 Summary

Over the longer term, since the Office for Disability Issues (ODI) baseline of 2004/05³⁰, BHC, there has been a decrease in the percentage of individuals living in relative low income in families where at least one member is disabled of 4 percentage points to 19 per cent³¹. The percentage of individuals living in relative low income in families where no-one is disabled BHC has remained level.

A higher proportion of individuals living in families with at least one disabled member live in relative low income BHC, 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 member and not receiving disability benefits.

Chart 1.8: Individuals by family disability status 2002/03 to 2011/12, United Kingdom



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

³⁰ The ODI has an indicator which looks at the percentage of individuals living in families containing one or more disabled member in low income with a baseline of 2004/05. <http://odi.dwp.gov.uk/disability-statistics-and-research/disability-equality-indicators.php>

³¹ This reduction is statistically significant.

Background

This report presents information on living standards in the United Kingdom as determined by net disposable income in 2011/12, and changes in income patterns over time.

What does HBAI measure?

Households Below Average Income (HBAI) uses net disposable weekly household income, after adjusting for the household size and composition, as an assessment for material living standards - the level of consumption of goods and services that people could attain given the net 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. HBAI assumes that all individuals in the household benefit equally from the combined income of the household. 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.

Income Before Housing Costs (BHC) takes income from all household members including dependants and 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 and tax credits¹;
- 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;
- 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.

¹ For the full list, please see the glossary in **Appendix 1**.

Changes to the 2011/12 publication

The following changes have been made to the analyses within the publication this year. These were detailed in the Statistical Notice released on 16th May 2013.

- **Change of reference year for absolute low income:** As advised in the 2010/11 HBAI publication, and in order to measure absolute low income in line with the Child Poverty Act 2010 and to keep the absolute measure more in line with contemporary living standards, absolute low incomes are measured against the median in 2010/11 adjusted for inflation, instead of against the 1998/99 median income as in previous publications.
- **Child material deprivation:** As advised in the 2010/11 HBAI publication, four new questions about additional material deprivation items for children were introduced into the 2010/11 Family Resources Survey (FRS) and from 2011/12 four questions from the original suite were removed. We present the breakdown tables for 2011/12 including the new questions. The time series table presents figures from the original suite of questions up to and including 2010/11, and the new suite of questions from 2010/11 onwards. Therefore 2010/11 data is presented on both bases as figures from the old and new suite of questions are not comparable. Due to the break in the series it is not possible to calculate results for ethnicity or regional breakdowns for this publication as these require three consecutive years of data; this will be available for the 2012/13 HBAI publication.
- **State Pension Age:** 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 basic State Pension qualifying age for women has been gradually increasing. The changes do not affect the State Pension age for men, currently 65. Therefore, as with the 2010/11 publication, the age groups covered by the analysis of working-age adults and pensioners have changed for this publication.
- **Pensioner material deprivation:** For this publication we have 3 years of data on pensioner material deprivation, and therefore present ethnicity and regional breakdowns for the first time.
- **Ethnicity breakdowns:** The ethnicity figures in this publication reflect the new harmonised standards published in August 2011 and updated in February 2013. This has resulted in some changes, the most significant being to the following categories²:
 - Chinese has moved from the 'Chinese or other ethnic group' section to the 'Asian/ Asian British' section;
 - Arab is now specifically included in the 'Other ethnic group' section; and
 - the treatment for 'Gypsy' and 'Gypsy or Irish traveller' is different for respondents in Northern Ireland compared to Great Britain.

² These changes are described in more detail in **Appendix 2**.

Uses of HBAI

The main source of data used in this publication is the UK Department for Work and Pensions (DWP) Family Resources Survey (FRS). Prior to 2002/03 the survey covered Great Britain; from 2002/03 the survey was extended to cover the UK.

HBAI is a key source for data and information about household income. Users include: policy and analytical teams within the DWP, the Devolved Administrations and other government departments, local authorities, parliament, academics, journalists, and the voluntary sector.

Researchers and analysts outside government use the statistics and data³ to examine topics such as income inequality, poverty, the distributional impacts of fiscal policies and understanding the income profile of vulnerable groups. Examples of published reports using HBAI data include:

- “[Living standards, poverty and inequality in the UK](#)”: Cribb, Joyce and Phillips, Institute for Fiscal Studies, 2012;
- “[Working families receiving benefits](#)”: Kenway, New Policy Institute, 2013;
- “[Squeezed Britain 2013](#)”: Resolution Foundation, 2013;
- “[Monitoring poverty and social exclusion 2012](#)”: Aldridge, Kenway, MacInnes and Parekh, Joseph Rowntree Foundation and New Policy Institute, 2012;
- “[Ending child poverty by 2020. Progress made and lessons learnt](#)”: Child Poverty Action Group, 2012; and
- “[Later Life in the United Kingdom](#)”: Age UK, 2013.

Within government the statistics and data are used to:

- to inform policy development and monitoring, and for international comparisons;
- to inform the [Child Poverty Strategy](#); and the four income-related targets set in the [Child Poverty Act](#) 2010⁴;
- to inform the [Social Justice Strategy](#) and the [Social Mobility Strategy](#);
- to inform the DWP indicators to measure progress on [disability equality](#) for the [Independent Living Strategy](#), the [Roadmap](#) to achieving disability equality by 2025 and the [UN Convention on the Rights of Persons with Disabilities](#);
- to inform the DWP indicator to measure progress on the aim that all [pensioners](#) have a decent and secure income in retirement;
- for use in the DWP’s Policy Simulation Model (PSM)⁵ and HM Treasury’s Inter-Governmental Tax Benefit Model (IGOTM)⁶; and

³ The UK Data Service web-site provides information on access to HBAI data <http://discover.ukdataservice.ac.uk/catalogue/?sn=5828&type=Data%20catalogue>

⁴ The HBAI report presents data for the four income-related targets set in the Child Poverty Act 2010. The Child Poverty Act sets out targets for relative low income, combined low income and material deprivation, absolute low income and persistent poverty (this target will be set at a later date). The other indicators covered in the HBAI report are: severe poverty, in-work poverty and poverty by family structure.

1 Background

- for use in the [DWP's annual equality information report](#) on its compliance with the Equality Duty under the Equality Act 2010.

The Scottish Government uses the HBAI data to:

- to support users to understand the issues and inequalities of concern in Scotland;
- to help to inform policy action, and to measure and evaluate the impact of changes or interventions;
- evidence the Scottish Government's National Performance Framework, specifically for the [Scottish Government's Solidarity Purpose Target](#);
- to inform two of the [Scottish Government's Scotland Performs National Indicators](#);
- to monitor progress of the [Scottish Government Child Poverty Strategy](#)⁷; and
- to inform the [Scottish Government's Equality Evidence Strategy](#).

The Welsh Government uses the HBAI data to:

- to support users to understand issues relating to poverty in Wales, and to help inform policy in this area;
- measure progress on the [Welsh Government's Programme for Government Poverty indicators](#);
- monitor progress of the [Welsh Government's Tackling Poverty Action Plan 2012-2016](#).

The Department of Social Development in Northern Ireland uses the HBAI data to:

- to monitor progress of the [Northern Ireland Child Poverty Strategy](#); and
- to measure progress on the [Northern Ireland Executive Programme for Government 2011-2015 targets](#).

Using HBAI data and statistics

The HBAI statistics incorporate widely-used, international standard measures of low income and inequality. There are a range of measures of low income, income inequality and material deprivation to capture different aspects of changes to living standards. The series started in 1994/95 and so allows for comparisons over time, as well as between different groups of the population. The statistics are based on the FRS, whose focus is capturing information on incomes, and as such captures more detail on different income sources compared to other household surveys. The FRS captures a lot of contextual information on the household and individual circumstances, such as employment, education level and disability. This is therefore a very comprehensive data source allowing for a lot of different analysis.

⁵ PSM is used extensively by analysts in DWP and the Department for Social Development, Northern Ireland, for policy evaluation and costing of policy options.

⁶ IGOTM is used to model possible tax and benefit changes before policy changes are decided and announced.

⁷ The Scottish Government Child Poverty Strategy focuses on policy matters that are devolved to the Scottish Parliament and Scottish Ministers.

The FRS is a household survey and so subject to the nuances of using a survey. **Chapter 1** of the **FRS 2011/12** publication and **Appendix 2** of this publication summarise key points to note when using FRS data including sampling error, non-response error, survey coverage, survey design and sample size.

From April 2011, the target achieved GB sample size for the FRS was reduced by 5,000 households, resulting in an overall achieved sample size for the UK of around 20,000 households for 2011/12. We previously published an [assessment](#) concluding 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.

The following issues need to be born in mind when using the HBAI:

- **Lowest incomes.** 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.
- **Adjustment for inflation.** There are a range of indices which seek to measure inflation, but there are differences in their coverage, calculation and population base⁸. As with previous years, the HBAI statistics use variants of the Retail Prices Index (RPI) to look at how incomes are changing over time in real terms. DWP is aware that in January 2013 the National Statistician announced, following a review and consultation, that the formula used to produce the RPI did not meet international standards and recommended that a new index be published (RPIJ) using the Jevons⁹ formula. The National Statistician also noted that there was significant value to users in maintaining the continuity of the existing RPI's long time series without major change, so that it may continue to be used for long-term indexation and for index-linked gilts and bonds in accordance with user expectations. In accordance with the Statistics and Registration Service Act 2007, the RPI and its derivatives have been assessed against the Code of Practice for Official Statistics and found not to meet the required standard for designation as National Statistics. A full report can be found on the [UK Statistics Authority website](#). In response to this announcement regarding the limitations of RPI, DWP plans to engage with users of the HBAI data and publications during Summer 2013, to explore whether the adoption of an alternative index would be appropriate, taking into account user needs, data availability and methodological issues¹⁰.

⁸ The ONS web-site provides further information on consumer price indices.

<http://www.ons.gov.uk/ons/guide-method/user-guidance/prices/cpi-and-rpi/index.html>

⁹ This is a geometric formula, whereas the RPI uses the Carli with is an arithmetic formula. These formulae are used at the elementary aggregate level (i.e. the first stage of calculation where no weighting data are available). At higher levels of aggregation weighted averages are used.

¹⁰ See Statistical Notice at http://research.dwp.gov.uk/asd/hbai/statistical_notice_13_06_2013.pdf

1 Background

- The differences have resulted in different annual growth rates in the indices. To illustrate the effect of differences in calculation, in 2010/11 and 2011/12 the annual growth in the RPI was 0.7 percentage points higher than the RPIJ. In earlier years the difference was slightly lower, at 0.3 to 0.4 percentage points. The differences between indices will therefore have an effect on the statistics on real terms income trends and the percentage of people in absolute low income. Using other inflation indices instead of RPI would increase real term income prior to 2011/12 (with the differences increasing over time), moderately increase the proportion of people in absolute low income prior to 2010/11 and moderately decrease the proportion of people in absolute low income in 2011/12. Between 2010/11 and 2011/12 income grew less than all inflation measures, but the gap was largest using RPI.
- The CPI factor used for the uprating of many benefits and tax credits in 2011/12 (based on the change between September 2009 and September 2010) was 1.2 percentage points lower than actual CPI inflation in 2011/12, 1 percentage point less than actual RPIJ inflation and 1.7 percentage points less than actual RPI inflation. Therefore, as the uprating of many benefits in 2011/12 was lower than actual CPI, RPIJ and RPI inflation in 2011/12, this would have meant a reduction in real terms income for these benefits and tax credits irrespective of which inflation measure was used. For those benefits uprated by RPI, the factor was 0.2 and 1.3 percentage points lower than actual RPI and AHC RPI inflation in 2011/12. As mentioned above, the HBAI statistics use variants of RPI to look at how incomes are changing over time in real terms.
- **Benefit receipt.** Relative to administrative records, the FRS is known to under-report benefit receipt. However, the FRS is considered to be the best source for looking at benefit and tax credit receipt by characteristics not captured on administrative sources, and for looking at total benefit receipt on a benefit unit or household basis. It is often inappropriate to look at benefit receipt on an individual basis because means-tested benefits are paid on behalf of the benefit unit. DWP recently published research ([Working Paper 115](#)) which explores the reasons for benefit under-reporting with the aim of improving the benefits questions included within the FRS. Table M.6 of the 2011/12 FRS publication presents a comparison of receipt of state support between FRS and administrative data.
- **Self-employed.** All analyses in this publication include the self-employed. 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. 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. 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.
- **Gender analysis.** The HBAI 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. Research¹¹ has suggested that, particularly in low income households, the 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.

- **Students.** 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.
- **Elderly.** The effect of the exclusion of the elderly who live in residential homes is likely to be small overall except for results specific to those aged 80 and above.
- **Ethnicity analysis.** 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.
- **Disability analysis.** 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. Analysis excluding Disability Living Allowance and Attendance Allowance from the calculation of income has been published on the [ODI web-site](#).
- **Regional analysis.** Disaggregation by geographical regions¹² is presented as three-year averages. This presentation has been used as single-year regional estimates are considered too volatile. This issue was 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 AHC measure will partly take into account differences in housing costs.

Interpreting low-income measures

Relative low income sets the threshold as a proportion of the average income, and moves each year as average income moves. It is used to measure the number and proportion of individuals who have incomes a certain proportion below the average.

The percentage of individuals in relative low income will **increase** if:

- the average income stays the same, or rises, and individuals with the lowest incomes see their income fall, or rise less, than average income; or
- the average income falls and individuals with the lowest incomes see their income fall more than the average income.

¹¹ 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.

¹² Regional information is at [NUTS1](#) level.

1 Background

The percentage of individuals in relative low income will **decrease** if:

- the average income stays the same, or rises, and individuals with the lowest incomes see their income rise more than average income; or
- the average income falls and individuals with the lowest incomes see their income rise, or fall less, than average income, or see no change in their income.

Absolute low income sets the low income line in a given year, then adjusts it each year with inflation as measured by variants of the RPI. This measures the proportion of individuals who are below a certain standard of living in the UK (as measured by income).

- The percentage of individuals in absolute low income will **increase** if individuals with the lowest incomes see their income fall or rise less than inflation.
- The percentage of individuals in absolute low income will **decrease** if individuals with the lowest incomes see their incomes rise more than inflation.

Income inequality, measured by the Gini Coefficient, shows how incomes are distributed across all individuals, and provides an indicator of how high and low-income individuals compare to one another. It ranges from zero (when everybody has identical incomes) to 100 per cent (when all income goes to only one person).

BHC measures allow an assessment of the relative standard of living of those individuals who were actually benefiting from a better quality of housing by paying more for better accommodation, and income growth over time incorporates improvements in living standards where higher costs reflected improvements in the quality of housing.

AHC measures allow an assessment of living standards of individuals whose housing costs are high relative to the quality of their accommodation, and 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.

Other publications focussing on income and low-income statistics

The HBAI first release and report are released alongside a number of other publications focused on income and low-income statistics:

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

EU comparisons

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**.

The effects of taxes and benefits on household income. The article provides estimates of income, taxes and benefits (in cash and in kind) in decile groups ranked by equivalised disposable income.

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

Pensioners' Incomes series. This gives more a more detailed analysis of pensioners' incomes. http://research.dwp.gov.uk/asd/index.php?page=pensioners_income

Family Resources Survey

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

Low-Income Dynamics

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

Survey of Personal Incomes

<http://www.hmrc.gov.uk/statistics/personal-incomes.htm>

Estimates of income and low-income levels for small areas

HBAI data cannot be broken down below the level of region ([NUTS1](#)), 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 benefit unit not household level, a series of manipulations have to be made to calculate this. The 2010 data, which is the most recent published, is available for England, Wales, Scotland and Northern Ireland at the following geographic levels: region ([NUTS1](#)), 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/statistics/child-poverty-stats.htm>.

The local child poverty proxy 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 Local Authority level. Data is available from 2011 and can be accessed via the following link:

http://research.dwp.gov.uk/asd/asd1/ben_hholds/index.php?page=child_ben_hholds

1 Background

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>.

Guide to the tables

tr suffix

headline trends over time.

db suffix

detailed breakdown results for the most recent year.

ts suffix

time series.

db: quintile distribution

the percentage of the population with a particular characteristic in each income quintile, with the value of the income quintiles determined by the household income of all individuals in the whole population, so that the quintiles are equal sized groups of all individuals in the whole population .

db: composition

the composition of people in relative low income.

db: percentage of people in low-income groups

the percentage of people with a particular characteristic who are in relative low income.

The publication follows the following conventions.

.. not available due to small sample sizes (less than 100)

- the estimate is less than 50,000 or the percentage is less than 0.5 per cent

Population estimates are rounded to the nearest 100,000.

Percentages are rounded to the nearest 1 per cent.

Assessment of compliance with the Code of Practice for Official Statistics

In December 2011, the UK Statistics Authority (UKSA) published [assessment report 161](#) on whether it was appropriate for HBAI to be designated as a National Statistic.

Subject to specific requirements, it was agreed that this was the case. To meet these requirements, in the 2010/11 publication we introduced commentary to the start of **Chapters 2 to 6** to aid user interpretation of the statistics in the report. We also published an [analysis](#) looking at the balance between users' needs for accuracy and timeliness. Finally, a comparison on how the methods used for measuring income differ from other European measures of income was included in **Appendix 2**.

In November 2012, the UKSA reviewed progress on these requirements following the 2010/11 publication and [confirmed](#) the designation of the outputs as National Statistics on the understanding that DWP:

- includes information about strengths and weaknesses in relation to uses in future releases; and
- continues to improve commentary in HBAI, taking into account users' views.

The DWP has addressed these comments for this publication and plans to engage with users about the future format and structure of the HBAI publication.

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 HM Revenue and Customs (HMRC) 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.

Future developments

DWP statisticians plan to engage with HBAI users over the coming year on the following issues:

- **Adjustment for inflation.** As mentioned above, HBAI uses variants of the Retail Price Index (RPI) to adjust for inflation. DWP is aware that in January 2013 the National Statistician announced, following a review and consultation, that the formula used to produce the RPI did not meet international standards and recommended that a new index be published (RPIJ) using the Jevons¹³ formula. The RPI and its derivatives have been assessed against the Code of Practice for Official Statistics and found not to meet the required standard for designation as National Statistics. In response to this announcement regarding the limitations of RPI, we plan to engage with users to explore whether the adoption of an alternative index would be appropriate, taking into account user needs, data availability and methodological issues.

¹³ This is a geometric formula, whereas the RPI uses the Carli which is an arithmetic formula. These formulae are used at the elementary aggregate level (i.e. the first stage of calculation where no weighting data are available). At higher levels of aggregation weighted averages are used.

1 Background

- **Publication format and structure.** As mentioned above, we plan to engage with users about the future format and structure of the HBAI publication.
- **Weighting methodology for the material deprivation measures.** Comments have been made about the methodology used to calculate the prevalence weights for material deprivation items¹⁴. We currently recalculate the prevalence weights each year based on the question responses from that year. The maximum possible material deprivation score for each year is then rescaled to 100 for ease of interpretation, and children in a family with a score of at least 25, or pensioners with a score of 20 or more, are classed as being materially deprived. If over time more families can afford a certain item, then a family lacking such a good will see an increasing overall deprivation score, and will be considered as becoming more materially deprived. The concern with the current method is that if there is a general increase in access to items, this should imply that a family lacking a particular number of items is now suffering from greater relative deprivation than before. But, because of the rescaling of scores to 100, each item lacked still counts the same amount towards the overall material deprivation score and a family is still required to lack five items to reach a score of 25 and be declared materially deprived. We will be engaging with users to explore whether an alternative methodology would be more appropriate.

In addition, for next year's publication we plan to incorporate the 2011 Census based mid-year population estimates into the grossing regime for HBAI data, as by that time data for all countries regions of the UK will be available, as well as a consistent historical series.

National Statistics

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods; and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

¹⁴ Living standards, poverty and inequality in the UK: Cribb, Joyce and Phillips, 2012; p.98.

Chapter 2

The income distribution

Key findings

- *Median equivalised net household income*¹ in 2011/12 was £427 per week, *Before Housing Costs (BHC)* and £367 per week, *After Housing Costs (AHC)*. This meant that the most commonly used threshold to determine if someone is in *relative low income*, 60 per cent of *median income*, was £256 per week, *BHC* and £220 per week, *AHC*.
- In 2011/12 *median income* decreased by 3 per cent in real terms compared with 2010/11, similar to the decrease in 2010/11. Prior to this, average income had risen in most years since 1994/95². Incomes across the distribution grew by less than Retail Prices Index (RPI) inflation³ in 2011/12. Median incomes fell as earnings and benefit income grew more slowly than the cost of living as measured by RPI.
- Overall there were *real terms* increases in *income* across the *income distribution* from 1998/99 to 2011/12. *Incomes*, both *BHC* and *AHC*, saw fastest growth in the lowest *quintile*.
- 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 *BHC*, a long 'tail' for higher *incomes*.
- Following a large reduction between 2009/10 and 2010/11, *income inequality* remained broadly level between 2010/11 and 2011/12. This is because the income of households fell by similar amounts across the entire distribution with no strong trend *BHC*, although *AHC* the incomes of households in the lowest quintiles fell by more than those in the highest quintiles. *Income inequality* is now at levels last seen in the middle of the last decade having increased towards the end of the decade.

¹ Technical terms in the key findings in italics are explained immediately before the tables.

² This is the first year of data available on a consistent basis.

³ HBAI uses variants of RPI to look at how incomes are changing over time in real terms. The use of the RPI in comparison to other measures to adjust for inflation has an effect on historical figures as described in the background section in **Chapter 1**. In accordance with the Statistics and Registration Service Act 2007, the Retail Prices Index and its derivatives have been assessed against the Code of Practice for Official Statistics and found not to meet the required standard for designation as National Statistics. A full report can be found on the UK Statistics Authority website.

2 The income distribution

1. 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 2011/12.

2. Income as a measure of living standards

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](#) published in 2011 includes income measures, while the influential [Stiglitz-Sen-Fittoussi report on the Measurement of Economic Performance and Social Progress](#) 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 **Chapter 1**.

3. Drivers of low income

Economic indicators show:

- sustained growth in GDP between 1994/95 and 2007/08. After a contraction in both 2008/09 and 2009/10, there was a generally upward trend in 2010/11 although this growth slowed in 2011/12.
- growth in average earnings for 2011/12 was similar to that seen in 2010/11. Between 1996/97 and 2007/08, earnings growth was generally above RPI⁴, RPIJ and Consumer Prices Index (CPI) inflation, but it was lower than these indices in 2008/09, 2010/11 and 2011/12. This meant that in three of the last four years, average earnings fell in real terms. The reduction in real terms earnings may partly be due to a combination of both pay freezes and economic restructuring following the recession.
- growth in earnings seen in the survey data tended to be higher than the average earnings index. This was primarily due to increased numbers of working individuals in the survey data and went some way to mitigate real terms earnings reductions.
- the Bank of England interest rate in 2011/12 remained at the same low since 2009/10 (0.5 per cent), but inflation rates have been high at 4.8 per cent for the RPI, 4.1 per cent for RPIJ and 4.3 per cent for CPI⁵.
- there was a fall in the real disposable household income across the distribution in 2011/12. The fall was not as large as that seen in 2010/11 but

⁴ In accordance with the Statistics and Registration Service Act 2007, the Retail Prices Index and its derivatives have been assessed against the Code of Practice for Official Statistics and found not to meet the required standard for designation as National Statistics. A full report can be found on the [UK Statistics Authority](#) website.

⁵ All BHC 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 AHC incomes in this publication have been adjusted for inflation using the Retail Price Index excluding housing.

these two years constitute the only decreases seen since the series began in 1994/95.

- Following a reduction between 2007/08 and 2009/10, employment rates have been broadly flat between 2009/10 and 2011/12 for both males and females.

Earnings and benefit income grew more slowly than the cost of living as measured by the RPI, and these were drivers of the reduction in median and mean incomes⁶ in 2011/12. Mean income fell less than median income reflecting the slower reduction in earnings compared to benefit income.

Various benefit reforms (see Table A, overleaf) were introduced in 2011/12. These included the adoption of the CPI, rather than the RPI, for the uprating of many benefits and tax credits, the triple guarantee for basic State Pensions, measures to reduce housing benefit expenditure, and the focussing of tax credits on lower income families. These reforms had different effects on different benefit recipients but overall resulted in a real terms fall in benefit income.

HBAI uses variants of RPI to adjust for inflation to look at how incomes are changing over time in real terms. As described in the background section of **Chapter 1**, the use of different inflation measures has an effect on historical real terms income figures.

⁶ Such a reduction was predicted. For instance, in their 2012 commentary, available at <http://www.ifs.org.uk/comms/comm124.pdf>, IFS stated “recent forecasts by IFS researchers have suggested that median household income will continue to fall in real terms until 2013–14”.

Table A: Benefit and tax reform in 2011/12

Uprating

From April 2011 many benefits and tax credits were uprated in line with the CPI instead of RPI. From April 2011 basic State Pension uprating was governed by a 'triple guarantee' where the increase is the highest of earnings, prices or 2.5%. Prices were measured by RPI in 2011, although CPI was the Government's preferred measure for benefit uprating. The standard minimum income guarantee in Pension Credit was increased in April 2011 by the cash rise in a full basic State Pension.

Child Benefit

Child Benefit was frozen to help fund increases in the Child Tax Credit.

Housing Benefit (HB)

The following reforms impacted HB recipients in the private rented sector subject to Local Housing Allowance (LHA) calculations: the removal of the £15 excess, overall caps on LHA rates, the restriction to the four bedroom rate and reducing the level at which LHA rates are set to the 30th percentile of market rents rather than the median. Nine months transitional protection was afforded to existing customers from the anniversary of their claim. In January 2012, the shared accommodation rate in LHA (for claimants under the age of 25) was extended to claimants under 35 years old. The Government increased its contribution to local authorities' funding for Discretionary Housing Payments by £10 million in 2011/12, and it started to include an additional bedroom within the size criteria used to assess HB claims in the private rented sector where a disabled person, or someone with a long term health condition, has a proven need for overnight care and it is provided by a non-resident carer. There were also increases in non-dependent deductions for those in receipt of HB and renting in the private or social rented sectors.

Maternity payments

From April 2011 the Government restricted eligibility to the Sure Start Maternity Grant to the first child only and abolished the Health in Pregnancy Grant from January 2011.

Tax credits

The family element of the Child Tax Credit previously payable to families with an income of up to £50,000 was reduced to incomes of £40,000 from April 2011. The Government increased the rate at which tax credits are withdrawn once household incomes rise. The Government froze Child Benefit to help fund above indexation increases in the Child Tax Credit. The baby element of Child Tax Credit was removed from 2011-12. The basic and 30 hour element of working tax credits were frozen, and there was a reduction from 80 per cent to 70 per cent of eligible childcare costs. From April 2011, the level of in-year rises of income disregarded from calculations of tax credit entitlement decreased from £25,000 to £10,000. From April 2011, people aged over 60 qualified for Working Tax Credit if they worked at least 16 hours a week, rather than 30 as previously.

Council Tax

The Government allocated £650 million to help local authorities to implement a council tax freeze in England in 2011-12.

Personal allowance

There was a £1,000 cash increase in the income tax personal allowance, with a corresponding decrease in the levels at which the 40% higher rate of tax and the 2% rate of NICs are paid, for those aged under 65.

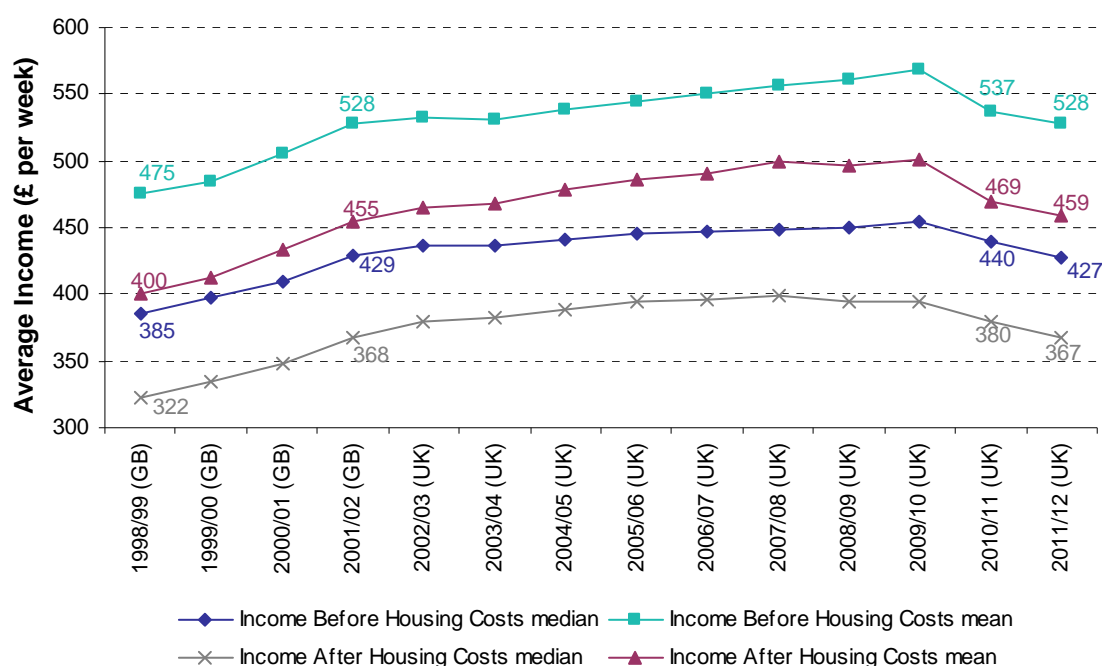
National Insurance Contributions

The main employee and self-employed NICs rate was increased by 1% in 2011-12. The additional employee and self-employed NICs rate was increased by 1%, from 1% to 2%. The primary threshold and lower profits limit were increased, whilst the upper earnings limit and upper profits limit were reduced.

4. What the figures show

Trends in average income: There were decreases in average incomes on all bases between 2010/11 and 2011/12 (Chart 2.1 and Table 2.1ts). Median incomes fell by around £12 a week⁷ (around 3 per cent both BHC and AHC) and mean incomes fell by around £10 per week (around 2 per cent both BHC and AHC) in real terms. This means that incomes in 2011/12 have fallen to around 2001/02 levels, adjusted by variants of the RPI, but are still higher than in 1998/99⁸.

Chart 2.1: Average incomes, 1998/99 to 2011/12, United Kingdom⁹



Income inequality: Income inequality remained reasonably level between 2010/11 and 2011/12. This is because the income of households fell by broadly similar amounts across the entire distribution with no strong trend BHC, although AHC the incomes of households in the lowest quintiles fell by more than those in the highest quintiles (Chart 2.2 and Table 2.1ts). The equivalised household income of individuals fell by 3 per cent both BHC and AHC. Individuals in the bottom quintile saw reductions of 2 per cent and 4 per cent BHC and AHC respectively. The higher falls in AHC income are driven by Housing support not rising in line with housing costs.

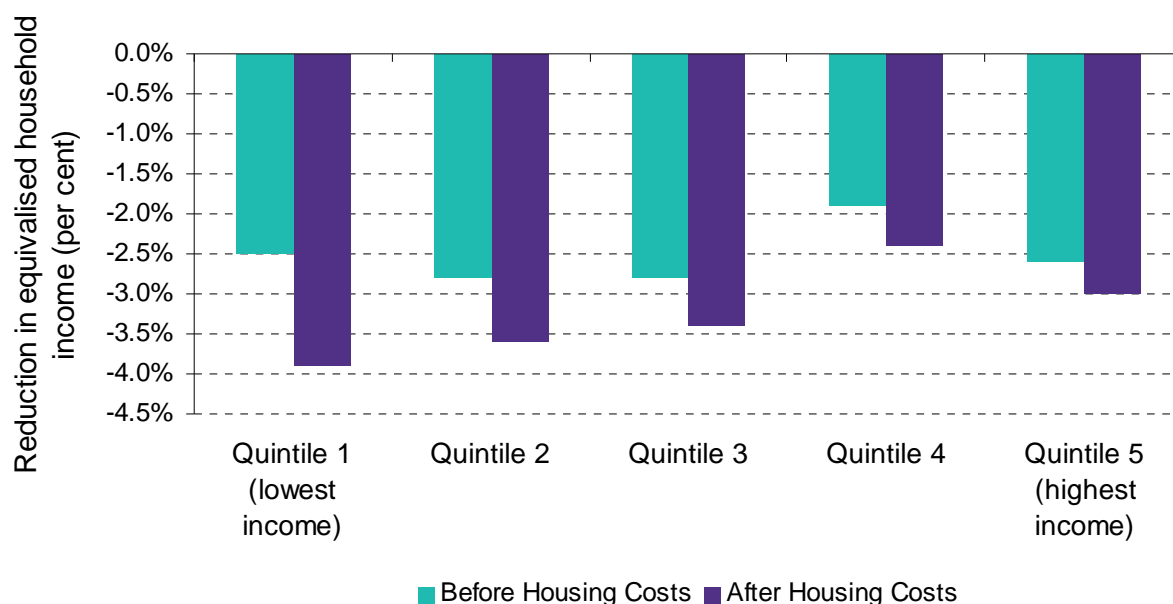
⁷ Chart 2.1 shows the reduction in median incomes to be equal to £13, BHC and AHC. This apparent inconsistency is due to rounding. Rounding figures at the final point of calculation of a statistic produces the best estimate.

⁸ Data are only available for the United Kingdom from 2002/03.

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

2 The income distribution

Chart 2.2: Reduction in incomes by Quintile, 2010/11 to 2011/12, United Kingdom

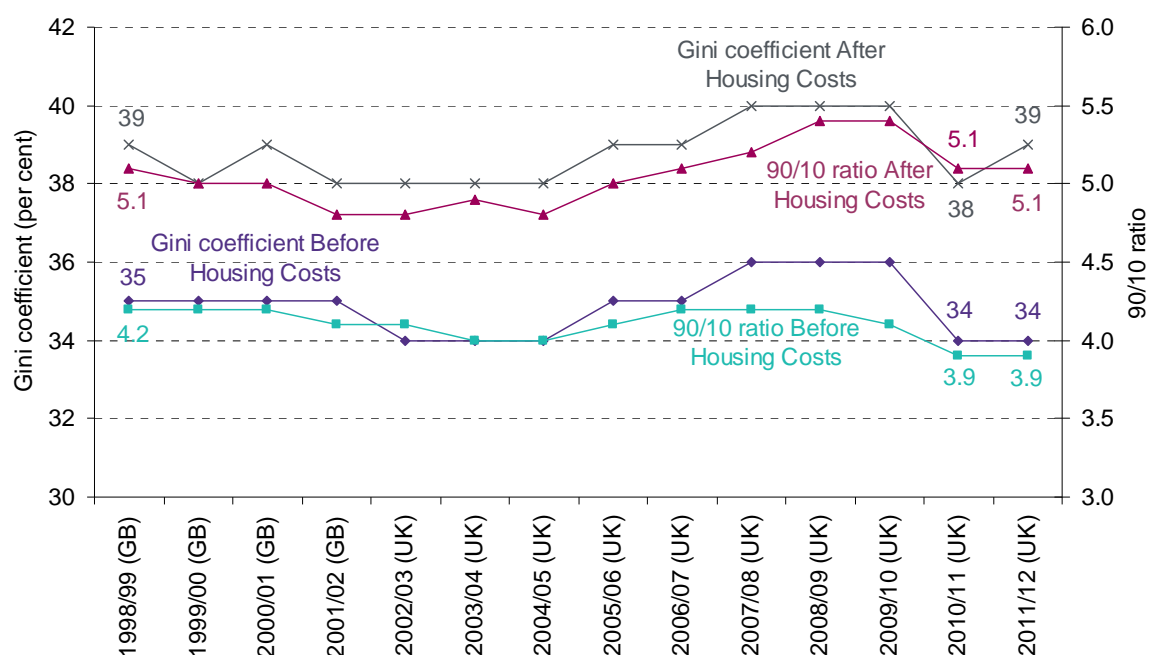


This change in income keeps the Gini coefficient¹⁰ broadly level, both BHC and AHC. The Gini coefficient BHC was 34 per cent in 2011/12 while AHC it was 39 per cent. No change was seen in the 90/10 ratio¹¹, BHC and AHC. Following a peak between 2007/08 and 2009/10 income inequality in 2011/12 is now around levels seen in 2004/05 BHC, and 2006/07 AHC. Despite this, in 2011/12, individuals in the top quintile accounted for over 40 per cent of total income both BHC and AHC, whilst those in the bottom quintile accounted for less than 10 per cent. (Chart 2.3 and Table 2.2ts).

¹⁰ The Gini coefficient is a widely-used measure of inequality, which can 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 one person).

¹¹ A further measure of inequality, defined as the ratio of the top quintile median (90th percentile) to the bottom quintile median (10th percentile).

Chart 2.3: Measures of income inequality, 1998/99 to 2011/12, United Kingdom¹²



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 contemporary median income, was £256 per week, BHC and £220 per week, AHC in 2011/12. The absolute low-income threshold is based on 60 per cent of the median income in 2010/11¹³, which was £264 per week, BHC and £228 per week, AHC in 2011/12 prices.

¹² Data are only available for the United Kingdom from 2002/03.

¹³ The change of baseline from 1998/99 to 2010/11 is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

2 The income distribution

The overall income distribution: Chart 2.4 shows the income distribution for the United Kingdom in 2011/12 both BHC and AHC. The shaded areas numbered 1 to 10 show each successive tenth, or decile, of the population.

An explanation of how the negative incomes AHC and zero incomes BHC shown in the chart can occur is given in **Appendix 1**.

Chart 2.4 (BHC): Income distribution for the total population, 2011/12

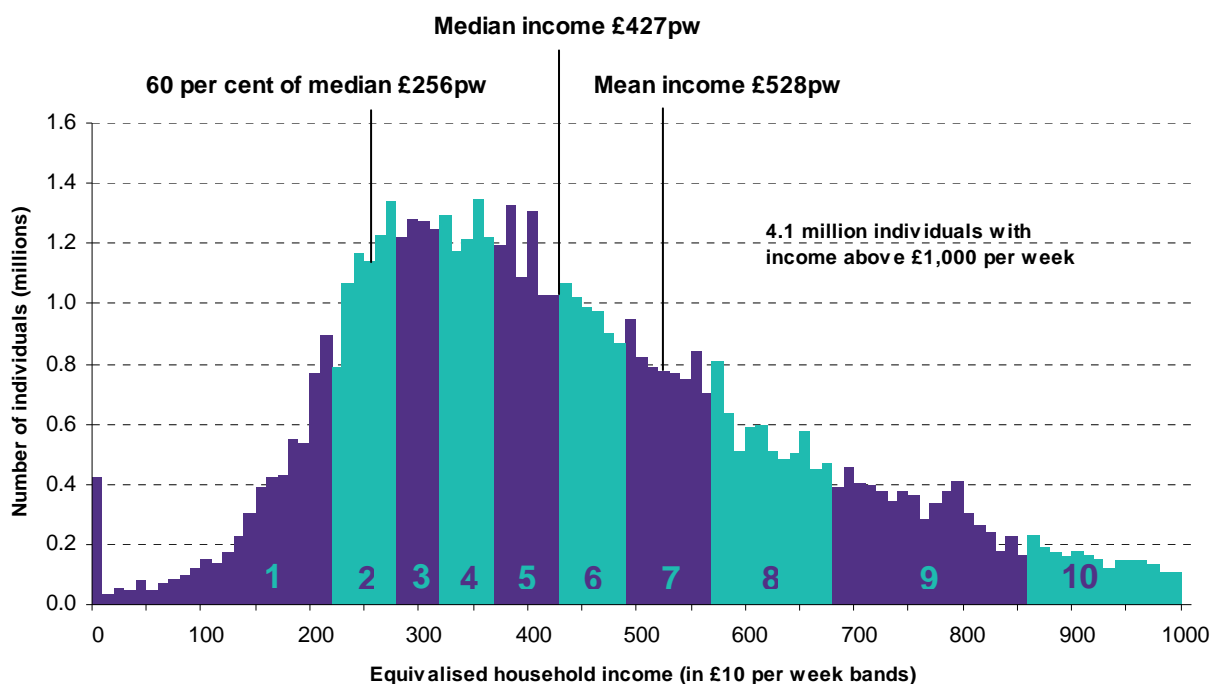
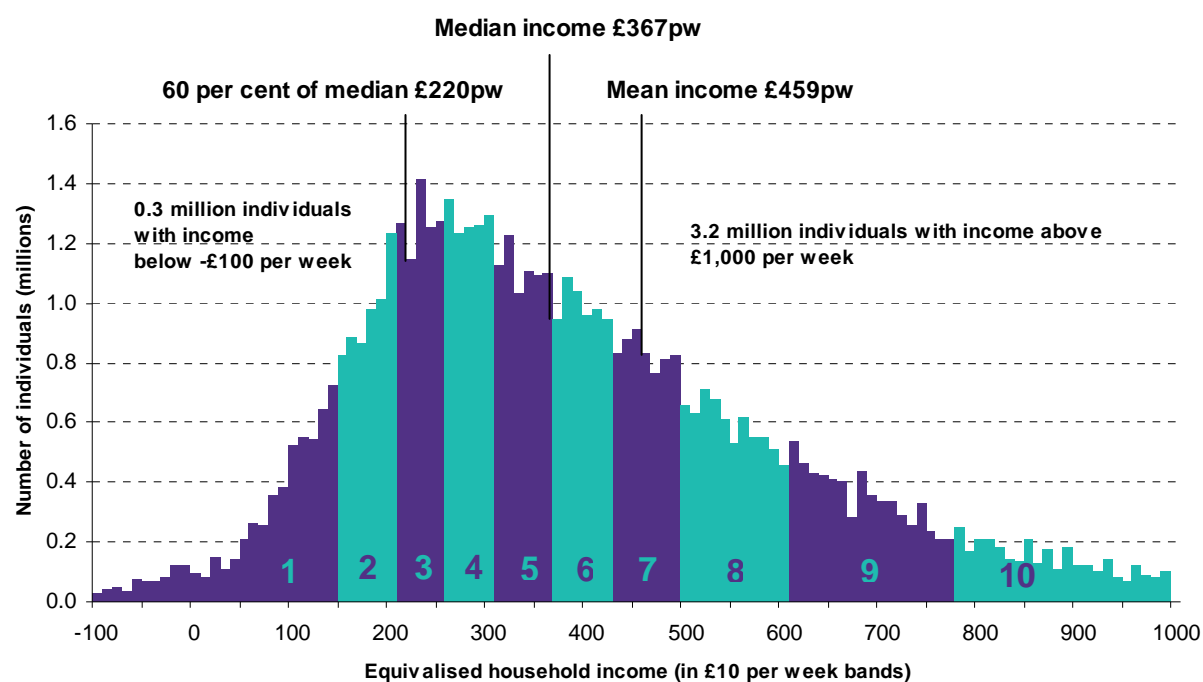


Chart 2.4 (AHC): Income distribution for the total population, 2011/12



The income distribution for 2011/12 is clearly skewed towards the lower end and has a long tail at the upper end. On a BHC 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 AHC 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. Overall, BHC, earnings have increased to around 36 per cent of the gross income of the bottom quintile while state support made up 53 per cent (Table 2.1db). In the top quintile, 83 per cent of income was derived from earnings. AHC, earnings made up around 41 per cent of the gross income of the bottom quintile while state support made up 50 per cent. In the top quintile, 82 per cent of income was derived from earnings.

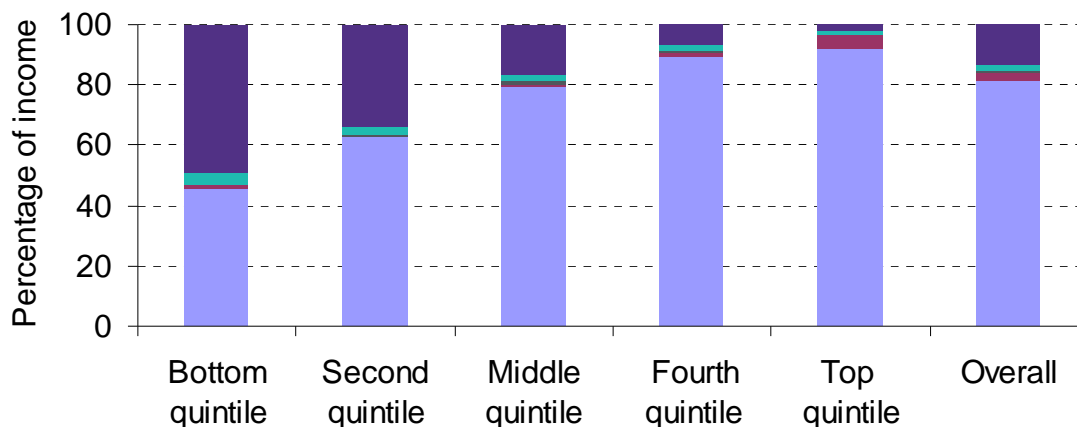
Chart 2.5 below looks at the distribution of gross income sources for different household types for each fifth, or quintile, of the population, ranked by net disposable household income, and by the various sources of income as a percentage of the total gross income of the quintile. Successive quintiles, 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.

2 The income distribution

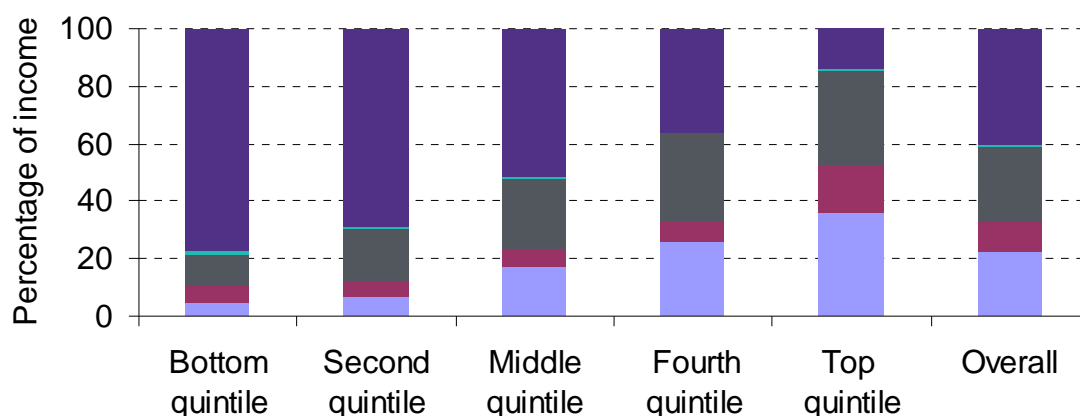
Chart 2.5 (BHC): Income sources as a proportion of gross income by quintile and household type, 2011/12



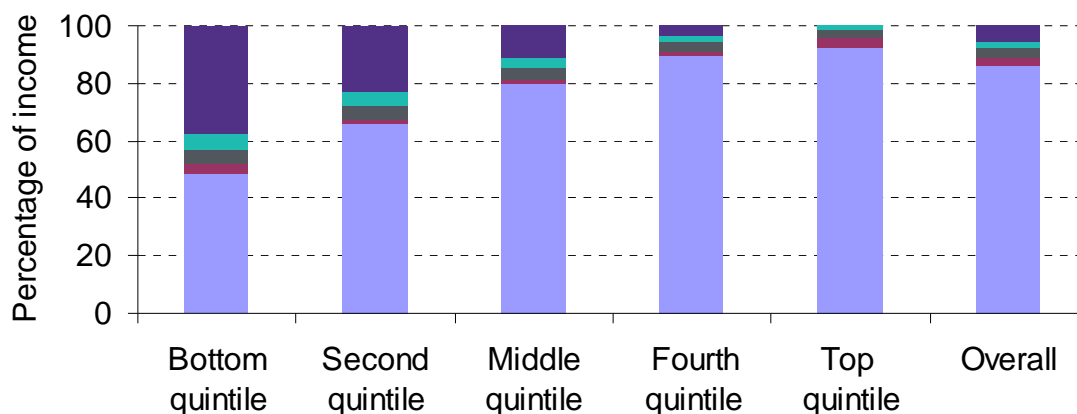
Households containing children



Households containing pensioners and no children



Households containing working-age adults only



Chapter 2 Glossary

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 sources¹⁴ of all household members including dependants. For *BHC*, housing costs¹⁵ are not deducted from income, while for *AHC* they are.

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.

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 (*BHC*). 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.

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 found by adding up *equivalised household incomes* for each individual in a population and dividing the result by the number of people.

¹⁴ 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.

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

2 The income distribution

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.

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. Results for the bottom decile are also particularly vulnerable to income measurement problems.

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, BHC or AHC. 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, BHC or AHC. The year 2010/11 is used in this report, in order to measure absolute low income in line with the Child Poverty Act 2010, and to keep the absolute measure more in line with contemporary living standards. Absolute low-income statistics fall if low-income households are seeing their incomes rise faster than inflation.

High income

Results for the top 10 per cent are particularly susceptible to sampling errors and income measurement problems.

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 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.

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 Chart 2.4 are positively skewed.

Chapter 2 tables

2.1tr	Key economic indicators.
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 th percentile) to the bottom quintile median (10 th 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.

Table 2.1tr: Recent economic indicators^{1,2,3}

Percentages		Source: ONS, Bank of England							
	GDP Growth ⁴	Base Interest Rate ⁵	Inflation Rate (RPI) ⁶	Inflation Rate (RPIJ) ^{6,7}	Inflation Rate (CPI) ⁶	Male Employment rate ⁸	Female Employment Rate ⁸	Average Earnings Growth ⁹	Real Household Disposable Income growth ¹⁰
1994/95	4.6	5.6	2.7	-	2.0	75.9	62.3	3.6	1.4
1995/96	3.0	6.5	3.3	-	2.7	76.5	63.1	3.0	3.2
1996/97	3.1	5.8	2.4	-	2.3	77.0	63.7	3.8	4.2
1997/98	4.0	6.9	3.3	-	1.7	78.0	64.3	4.5	4.0
1998/99	3.2	6.8	3.1	2.8	1.6	78.5	64.9	5.0	1.9
1999/00	3.6	5.4	1.6	1.3	1.1	79.0	65.4	5.1	4.7
2000/01	4.0	6.0	3.0	2.6	0.8	79.3	66.0	4.4	4.7
2001/02	2.6	4.7	1.5	1.2	1.4	79.1	66.1	4.4	5.2
2002/03	2.7	4.0	2.1	1.8	1.2	79.1	66.4	3.2	2.4
2003/04	4.1	3.7	2.8	2.5	1.3	79.3	66.6	3.1	2.5
2004/05	2.2	4.6	3.1	2.8	1.5	79.2	66.7	4.9	1.7
2005/06	3.3	4.6	2.6	2.3	2.1	78.9	66.9	4.7	1.4
2006/07	2.3	4.8	3.7	3.3	2.6	78.8	66.7	4.9	1.0
2007/08	3.6	5.5	4.1	3.7	2.2	78.9	66.7	4.5	0.9
2008/09	-3.2	3.6	3.0	2.6	3.8	78.0	66.6	1.7	0.3
2009/10	-2.2	0.5	0.5	0.0	2.2	75.4	65.8	1.6	2.4
2010/11	1.8	0.5	5.0	4.3	3.5	75.7	65.5	2.0	-0.7
2011/12	0.8	0.5	4.8	4.1	4.3	75.5	65.5	2.0	-0.3

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. In accordance with the Statistics and Registration Service Act 2007, the Retail Prices Index and its derivatives have been assessed against the Code of Practice for Official Statistics and found not to meet the required standard for designation as National Statistics. A full report can be found
7. RPIJ are designated by ONS as 'experimental statistics' which are undergoing evaluation and being assessed for National Statistics status. The series starts from 1997.
8. Employment Rates are seasonally adjusted figures for the financial year and now cover the age range 16 to 64.
9. 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.
10. Real disposable income growth is based on the Real Disposable Income series, seasonally adjusted, financial years, chained volume measures.

Percentages	HBAI mean net disposable unequivalised income growth (BHC) ^{1,2}		Source: FRS
	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	
2011/12	-2.0	2.9	

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 gross¹ household income by quintile

Percentage of gross ¹ household income	Source: FRS 2011/12				
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile
Before Housing Costs					
Earnings	36	46	64	76	83
Investments	3	2	2	3	6
Occupational pensions	5	7	8	8	6
Miscellaneous	4	3	2	2	1
State support received	53	42	24	12	3
After Housing Costs					
Earnings	41	50	64	75	82
Investments	2	2	2	3	6
Occupational pensions	2	5	7	9	7
Miscellaneous	5	3	2	1	1
State support received	50	40	24	12	3

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 2011/12 prices, United Kingdom^{1,2}

£pw equivalised 2011/12 prices								Source: FRS 2011/12
	Mean	Median	60% median	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile
Before Housing Costs								
Couple with no children								
(equivalised income benchmark)	528	427	256	< 276	276 - 374	375 - 490	491 - 676	677 +
Single with no children	354	286	172	< 185	185 - 251	252 - 328	329 - 453	454 +
Couple with two children aged 5 and 14	808	654	392	< 423	423 - 573	574 - 750	751 - 1,034	1,035 +
Single with two children aged 5 and 14	634	513	308	< 332	332 - 449	450 - 588	589 - 811	812 +
After Housing Costs								
Couple with no children								
(equivalised income benchmark)	459	367	220	< 215	215 - 311	312 - 428	429 - 607	608 +
Single with no children	266	213	128	< 125	125 - 180	181 - 248	249 - 352	353 +
Couple with two children aged 5 and 14	743	594	357	< 349	349 - 504	505 - 694	695 - 983	984 +
Single with two children aged 5 and 14	550	440	264	< 258	258 - 373	374 - 514	515 - 728	729 +

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 2011/12 for a couple (the equivalised income reference) was £256 per week. This translates to a reference income of £172 for a single person with no children. This implies that a single person with no children with a cash income of less than £172 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 2011/12 prices, United Kingdom¹

£pw equivalised 2011/12 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		
Income Before Housing Costs												
1994/95	152	200	238	281	330	386	450	527	638	910	357	430
1995/96	151	203	240	283	331	386	447	523	647	923	357	432
1996/97	155	206	247	293	345	401	464	544	663	941	372	447
1997/98	153	208	252	299	353	407	472	555	674	962	379	459
1998/99	157	212	256	304	358	416	486	571	698	1,017	385	475
1999/00	159	220	264	312	368	425	494	584	708	1,028	397	484
2000/01	162	230	276	325	380	440	508	600	732	1,063	409	506
2001/02	174	241	290	344	400	460	529	620	765	1,107	429	528
2002/03	174	247	297	350	407	468	540	628	766	1,117	437	532
2003/04	173	248	299	351	407	468	540	632	768	1,110	437	531
2004/05	178	254	304	357	412	471	543	635	775	1,126	441	538
2005/06	174	254	305	357	413	477	550	644	785	1,156	445	545
2006/07	168	252	306	360	417	477	549	646	791	1,154	447	550
2007/08	167	250	306	360	416	481	553	648	795	1,177	448	556
2008/09	167	253	309	364	421	483	559	654	808	1,185	450	561
2009/10	177	261	316	367	423	485	562	657	808	1,210	454	569
2010/11	175	258	309	358	412	471	539	625	767	1,130	440	537
2011/12	176	251	301	350	400	458	527	617	754	1,110	427	528
Income After Housing Costs												
1994/95	89	146	178	223	269	319	376	444	544	785	293	355
1995/96	97	148	179	223	270	319	374	443	547	798	294	357
1996/97	98	148	184	233	284	335	392	463	571	826	309	372
1997/98	97	151	192	242	290	341	399	473	581	839	315	384
1998/99	105	156	196	246	295	349	412	488	601	892	322	400
1999/00	105	163	206	256	307	362	422	504	615	910	335	412
2000/01	105	173	218	270	322	377	438	524	645	944	348	434
2001/02	116	186	232	289	341	397	459	541	671	990	368	455
2002/03	116	193	242	297	352	410	474	558	684	1,001	380	465
2003/04	114	195	247	300	354	413	479	564	692	1,019	383	468
2004/05	116	204	255	306	361	418	485	571	702	1,043	389	478
2005/06	113	200	254	308	363	426	493	584	717	1,071	394	486
2006/07	106	197	253	309	367	426	494	583	721	1,075	396	491
2007/08	105	196	253	309	369	431	501	590	731	1,104	399	500
2008/09	96	194	251	307	364	426	502	596	737	1,103	394	497
2009/10	102	196	252	306	363	427	501	592	737	1,126	395	501
2010/11	102	193	246	297	351	413	478	561	697	1,048	380	469
2011/12	102	187	239	287	339	397	464	550	681	1,017	367	459

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 2011/12 prices, United Kingdom¹

£pw equivalised 2011/12 prices							Source: FRS		
	Quintile group medians								
	Quintile 1	Quintile 2	Quintile 3 (median)	Quintile 4	Quintile 5	Population mean	Ratio of top to bottom quintile medians	Ratio of top to middle quintile medians	Ratio of middle to bottom quintile medians
Income Before Housing Costs									
1994/95	180	259	357	486	733	430	4.1	2.1	2.0
1995/96	182	261	357	482	738	432	4.1	2.1	2.0
1996/97	184	269	372	501	759	447	4.1	2.0	2.0
1997/98	186	274	379	511	772	459	4.2	2.0	2.0
1998/99	189	279	385	525	801	475	4.2	2.1	2.0
1999/00	196	288	397	536	813	484	4.2	2.0	2.0
2000/01	202	300	409	552	843	506	4.2	2.1	2.0
2001/02	214	317	429	572	883	528	4.1	2.1	2.0
2002/03	217	322	437	578	886	532	4.1	2.0	2.0
2003/04	219	325	437	582	878	531	4.0	2.0	2.0
2004/05	224	330	441	587	889	538	4.0	2.0	2.0
2005/06	223	331	445	594	903	545	4.1	2.0	2.0
2006/07	219	331	447	593	910	550	4.2	2.0	2.0
2007/08	218	332	448	597	919	556	4.2	2.1	2.1
2008/09	222	337	450	603	934	561	4.2	2.1	2.0
2009/10	229	341	454	605	936	569	4.1	2.1	2.0
2010/11	227	334	440	579	888	537	3.9	2.0	1.9
2011/12	221	325	427	568	865	528	3.9	2.0	1.9
Income After Housing Costs									
1994/95	125	199	293	408	624	355	5.0	2.1	2.3
1995/96	129	200	294	405	631	357	4.9	2.1	2.3
1996/97	130	207	309	425	656	372	5.1	2.1	2.4
1997/98	132	216	315	433	670	384	5.1	2.1	2.4
1998/99	137	221	322	446	698	400	5.1	2.2	2.3
1999/00	142	231	335	460	711	412	5.0	2.1	2.4
2000/01	149	243	348	477	746	434	5.0	2.1	2.3
2001/02	161	260	368	498	778	455	4.8	2.1	2.3
2002/03	165	268	380	514	793	465	4.8	2.1	2.3
2003/04	164	273	383	518	799	468	4.9	2.1	2.3
2004/05	171	280	389	525	816	478	4.8	2.1	2.3
2005/06	168	281	394	535	832	486	5.0	2.1	2.4
2006/07	164	280	396	534	840	491	5.1	2.1	2.4
2007/08	162	281	399	543	851	500	5.2	2.1	2.5
2008/09	159	279	394	544	857	497	5.4	2.2	2.5
2009/10	160	279	395	542	861	501	5.4	2.2	2.5
2010/11	159	273	380	516	809	469	5.1	2.1	2.4
2011/12	153	263	367	503	785	459	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^{1,2,3,4}

	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	11/12
Quintile shares of total income (%)																		
Bottom 20% of the income distribution	8	8	8	7	7	7	7	7	7	7	8	7	7	7	7	7	8	8
Second quintile	12	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	16
Fourth quintile	23	23	23	22	22	22	22	22	22	22	22	22	22	22	22	21	22	22
Top 20% of the income distribution	41	41	41	41	42	42	43	42	42	42	42	42	43	43	43	43	42	42
Share ratios																		
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	2.6
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	2.1
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	5.5
Other comparisons																		
<i>Bottom 10% of the income distribution:</i> ²	3	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	13
Bottom 40% of the income distribution	20	20	20	19	19	19	19	19	20	20	20	20	19	19	19	19	20	20
Bottom 50% of the income distribution	27	28	27	27	27	27	27	27	27	27	28	27	27	27	27	27	28	28
<i>Top 10% of the income distribution:</i> ³	26	26	26	27	27	27	28	28	28	27	27	28	28	29	29	29	27	28
Top 30% of the income distribution	53	53	53	54	54	54	55	54	54	54	54	54	54	55	55	55	53	54
Top 40% of the income distribution	64	64	64	64	64	64	65	64	64	64	64	64	64	65	65	65	63	64
Top 50% of the income distribution	73	72	73	73	73	73	73	73	73	73	72	73	73	73	73	73	72	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	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	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	2.6
Gini coefficient (per cent)	33	33	33	34	35	35	35	35	34	34	34	35	35	36	36	36	34	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^{1,2,3,4}

	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	11/12
Quintile shares of total income (%)																		
Bottom 20% of the income distribution	6	6	6	6	6	6	6	6	6	6	6	6	6	5	5	5	6	6
Second quintile	11	11	11	11	11	11	11	11	12	12	12	12	11	11	11	11	12	11
Middle quintile	17	17	17	16	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	22
Top 20% of the income distribution	43	43	43	44	44	44	45	44	44	44	44	44	45	46	46	46	44	45
Share ratios																		
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	2.8
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	2.8
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	7.9
Other comparisons																		
<i>Bottom 10% of the income distribution:</i> ²	2	2	2	2	2	2	2	2	2	2	2	2	2	1	1	1	2	2
Bottom 30% of the income distribution	11	11	11	11	11	11	11	11	11	11	11	11	11	10	10	10	11	11
Bottom 40% of the income distribution	17	17	17	17	17	17	17	17	18	18	18	17	17	17	16	16	17	17
Bottom 50% of the income distribution	25	25	25	25	24	24	24	25	25	25	25	25	24	24	24	24	25	25
<i>Top 10% of the income distribution:</i> ³	28	28	28	28	29	29	30	29	29	29	29	29	30	31	31	31	29	30
Top 30% of the income distribution	56	56	56	56	57	56	57	56	56	56	56	56	57	57	58	58	56	57
Top 40% of the income distribution	66	66	66	66	67	67	67	66	66	66	66	67	67	67	68	68	66	67
Top 50% of the income distribution	75	75	75	75	76	76	76	75	75	75	75	75	76	76	76	76	75	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	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	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	3.1
Gini coefficient (per cent)	37	37	37	38	39	38	39	38	38	38	38	39	39	40	40	40	38	39

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 2011/12 prices^{1,2,3}

Income Before Housing Costs (£pw equivalised 2011/12 prices)						Source: FRS
	Bottom quintile	Second quintile	Middle quintile (median)	Fourth quintile	Top quintile	Whole Group (mean)
1996/97 - 1998/99 (Great Britain)⁴						
Pensioner couple	189	253	324	435	693	411
Single male pensioner	173	239	289	372	572	352
Single female pensioner	159	223	269	344	505	317
Couple with children	186	286	378	489	724	451
Couple without children	249	418	540	685	994	614
Single with children	172	205	236	285	420	278
Single male without children	189	312	430	566	814	496
Single female without children	196	306	414	539	781	473
One or more full-time self-employed	149	292	418	584	1,060	577
Single/couple all in full-time work	326	447	550	678	937	616
Couple, one full-time, one part-time work	274	357	433	534	747	499
Couple, one full-time work, one not working	198	276	360	468	708	446
No full-time, one or more part-time work	170	238	301	408	646	380
Workless, one or more aged 60 or over	170	231	283	365	549	339
Workless, one or more unemployed	119	172	199	239	367	228
Workless, other inactive	158	199	231	284	422	269
All individuals	186	274	379	512	777	460
2009/10 - 2011/12 (United Kingdom)						
Pensioner couple	240	333	426	557	844	525
Single male pensioner	232	319	382	481	696	461
Single female pensioner	208	289	360	450	627	404
Couple with children	231	335	439	573	890	555
Couple without children	263	457	592	757	1,130	699
Single with children	217	278	328	397	537	365
Single male without children	193	325	442	589	865	519
Single female without children	202	331	444	580	842	510
One or more full-time self-employed	188	328	453	629	1,138	646
Single/couple all in full-time work	355	486	598	746	1,069	694
Couple, one full-time, one part-time work	318	417	513	632	929	598
Couple, one full-time work, one not working	237	313	395	524	855	562
No full-time, one or more part-time work	202	295	370	477	726	449
Workless, one or more aged 60 or over	216	300	367	461	662	424
Workless, one or more unemployed	120	207	250	304	456	278
Workless, other inactive	162	244	292	360	515	333
All individuals	226	333	440	584	896	545

Notes:

1. The 1996/97-1998/99 information is for Great Britain and 2009/10-2011/12 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 2011/12 prices^{1,2,3}

Income After Housing Costs (£pw equivalised 2011/12 prices)						Source: FRS
	Bottom quintile	Second quintile	Middle quintile (median)	Fourth quintile	Top quintile	Whole Group (mean)
1996/97 - 1998/99 (Great Britain)⁴						
Pensioner couple	153	216	289	399	650	371
Single male pensioner	149	184	252	351	577	325
Single female pensioner	141	175	226	323	489	288
Couple with children	130	222	305	400	602	367
Couple without children	187	348	460	585	856	522
Single with children	112	142	161	212	349	208
Single male without children	112	239	357	483	714	415
Single female without children	116	232	340	458	678	388
One or more full-time self-employed	84	225	342	494	936	487
Single/couple all in full-time work	257	369	462	575	812	522
Couple, one full-time, one part-time work	215	290	358	448	639	418
Couple, one full-time work, one not working	145	211	289	388	603	367
No full-time, one or more part-time work	116	177	244	351	578	321
Workless, one or more aged 60 or over	146	183	246	336	523	304
Workless, one or more unemployed	56	109	129	159	281	152
Workless, other inactive	95	138	157	205	344	195
All individuals	133	215	315	435	674	385
2009/10 - 2011/12 (United Kingdom)						
Pensioner couple	212	306	402	532	822	498
Single male pensioner	203	284	370	486	737	460
Single female pensioner	181	264	339	447	644	395
Couple with children	159	267	369	500	795	474
Couple without children	196	380	515	672	1,032	616
Single with children	137	198	246	319	466	287
Single male without children	101	240	367	516	794	440
Single female without children	111	249	365	507	777	429
One or more full-time self-employed	115	264	387	557	1,044	568
Single/couple all in full-time work	277	411	521	663	972	612
Couple, one full-time, one part-time work	252	352	443	561	840	526
Couple, one full-time work, one not working	164	247	328	457	771	486
No full-time, one or more part-time work	133	227	304	420	682	387
Workless, one or more aged 60 or over	189	269	345	445	659	405
Workless, one or more unemployed	34	114	168	215	369	189
Workless, other inactive	76	162	210	270	427	244
All individuals	157	271	381	520	818	477

Notes:

1. The 1996/97-1998/99 information is for Great Britain and 2009/10-2011/12 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 2011/12 prices, United Kingdom^{1,2}

£pw equivalised 2011/12 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	11/12
Income Before Housing Costs																		
Median																		
Couple no children	357	357	372	379	385	397	409	429	437	437	441	445	447	448	450	454	440	427
Single no children	239	239	250	254	258	266	274	288	293	293	296	298	300	300	302	304	295	286
Couple with two children aged 5 and 14	546	546	570	580	589	607	626	657	669	669	675	681	684	685	689	694	673	654
Single with two children aged 5 and 14	428	428	447	455	462	476	491	515	524	524	530	534	537	537	541	544	528	513
60% of median																		
Couple no children	214	214	223	228	231	238	246	258	262	262	265	267	268	269	270	272	264	256
Single no children	143	143	150	152	155	160	164	173	176	176	177	179	180	180	181	182	177	172
Couple with two children aged 5 and 14	327	327	342	348	353	364	376	394	401	401	405	409	411	411	413	417	404	392
Single with two children aged 5 and 14	257	257	268	273	277	286	295	309	315	315	318	321	322	322	324	327	317	308
Mean																		
Couple no children	430	432	447	459	475	484	506	528	532	531	538	545	550	556	561	569	537	528
Single no children	288	289	299	307	318	324	339	354	357	356	360	365	368	372	376	381	359	354
Couple with two children aged 5 and 14	658	661	684	702	726	741	774	808	815	812	823	834	841	850	858	871	821	808
Single with two children aged 5 and 14	516	518	536	550	569	581	607	634	639	637	646	654	659	667	673	683	644	634
Income After Housing Costs																		
Median																		
Couple no children	293	294	309	315	322	335	348	368	380	383	389	394	396	399	394	395	380	367
Single no children	170	171	179	183	187	194	202	213	221	222	225	228	230	231	228	229	220	213
Couple with two children aged 5 and 14	475	476	501	510	521	542	564	596	616	621	629	638	642	646	638	641	616	594
Single with two children aged 5 and 14	352	353	371	378	386	402	418	441	456	460	466	473	476	478	472	474	456	440
60% of median																		
Couple no children	176	176	185	189	193	201	209	221	228	230	233	236	238	239	236	237	228	220
Single no children	102	102	108	110	112	116	121	128	132	133	135	137	138	139	137	138	132	128
Couple with two children aged 5 and 14	285	286	300	306	313	325	338	358	370	373	378	383	385	388	383	384	369	357
Single with two children aged 5 and 14	211	212	223	227	232	241	251	265	274	276	280	284	285	287	283	285	274	264
Mean																		
Couple no children	355	357	372	384	400	412	434	455	465	468	478	486	491	500	497	501	469	459
Single no children	206	207	216	223	232	239	252	264	270	271	278	282	285	290	289	291	272	266
Couple with two children aged 5 and 14	575	578	603	623	647	667	703	737	754	757	775	788	795	809	806	812	760	743
Single with two children aged 5 and 14	426	428	447	461	480	494	521	546	558	561	574	584	589	599	597	602	563	550

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 2011/12 for a couple (the equivalised income reference) was £256 per week. This translates to a reference income of £172 for a single person with no children. This implies that a single person with no children with a cash income of less than £172 is below 60 per cent of median equivalised income for the population as a whole.

Chapter 3

Whole population

Key findings

- The proportion of individuals in *relative low income Before Housing Costs (BHC)* has not changed since last year, after falling in both of the previous two years; however the percentage of individuals in *absolute low income BHC*, measured against the 2010/11 baseline¹, rose by 1 percentage point², or 900,000 people, a similar percentage point increase to that seen between 2009/10 and 2010/11.
- Between 1998/99 and 2011/12 the percentage of individuals in *relative low income* fell by 3 percentage points, both *BHC* and *AHC*, this constituted a fall of 1.4 million and 1.0 million individuals respectively; while the percentage of individuals in *absolute low income* fell by 9 percentage points between 1998/99 and 2011/12, both *BHC* and *AHC*, this constituted a fall of 4.7 million and 4.1 million individuals respectively.
- At 16 per cent for 2011/12, *relative low income BHC* was at its lowest level since the 1980s, having fallen between 2008/09 and 2010/11. On an *AHC* basis it is at levels last seen between 2003/04 and 2004/05 *AHC*. On an *absolute basis* it was 17 per cent *BHC*, following a period of decreases or stability between 1995/96 and 2009/10, and levels have now increased to those last seen between 2004/05 and 2008/09, and at 23 per cent, levels have increased to those last seen in 2001/02 *AHC*.
- In 2011/12, children had the highest rate of *relative low income*, *BHC* and *AHC*. *BHC*, working-age adults had the lowest rate of *relative low income* in 2011/12, followed by pensioners; while *AHC*, pensioners had the lowest rate.
- Levels of *relative low income* were lowest in the South East, both *BHC* and *AHC*. *BHC*, rates of *relative low income* were highest in Yorkshire and the Humber and Northern Ireland. *AHC*, rates of *relative low income* were highest in Inner and Outer London, reflecting the higher housing costs in these regions.
- Individuals living in households with children faced a higher rate of *relative low income* than individuals living in households without children. Individuals living in households headed by someone from an ethnic minority and in households with a disabled working-age adult also faced higher rates of *relative low income*.

¹ The change of baseline from 1998/99 to 2010/11 is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

² This increase is statistically significant.

3 Whole population

1. Introduction

This chapter examines the position of the whole population in the income distribution in 2011/12 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.

2. How is this information used?

The HBAI is used for the analysis of low income by researchers and the Government. Users include: policy and analytical teams within the DWP, the Welsh Government, the Scottish Government, the Department for Social Development, Northern Ireland, and other government departments, local authorities, academics, journalists, and the voluntary sector.

Discussion of the use of low-income statistics is given in **Chapter 1**.

3. Drivers of low income

HBAI uses variants of RPI to adjust for inflation to look at how incomes are changing over time in real terms. As described in the background section of **Chapter 1**, the use of different inflation measures has an effect on absolute low-income figures.

There was a fall in the real disposable household income across the distribution in 2011/12. The fall in median income was driven by earnings and benefit income growing more slowly than the cost of living as measured by RPI in 2011/12.

Various benefit reforms³ were introduced in 2011/12. These included the adoption of CPI, rather than RPI, for the uprating of many benefits and tax credits, the triple guarantee for basic State Pensions, measures to reduce housing benefit expenditure, and the focussing of tax credits on lower income families. These reforms had different effects on different benefit recipients but overall resulted in a real terms fall in benefit income.

As a result of the change in incomes, levels of relative low income remained static because in the main incomes for households near the bottom of the income distribution fell by roughly the same rate as incomes for households at the median.

As incomes across the distribution grew by less than RPI inflation and the absolute low income threshold was uprated by RPI inflation, the population falling into absolute low income increased.

³ See Table A, **Chapter 2** for more details.

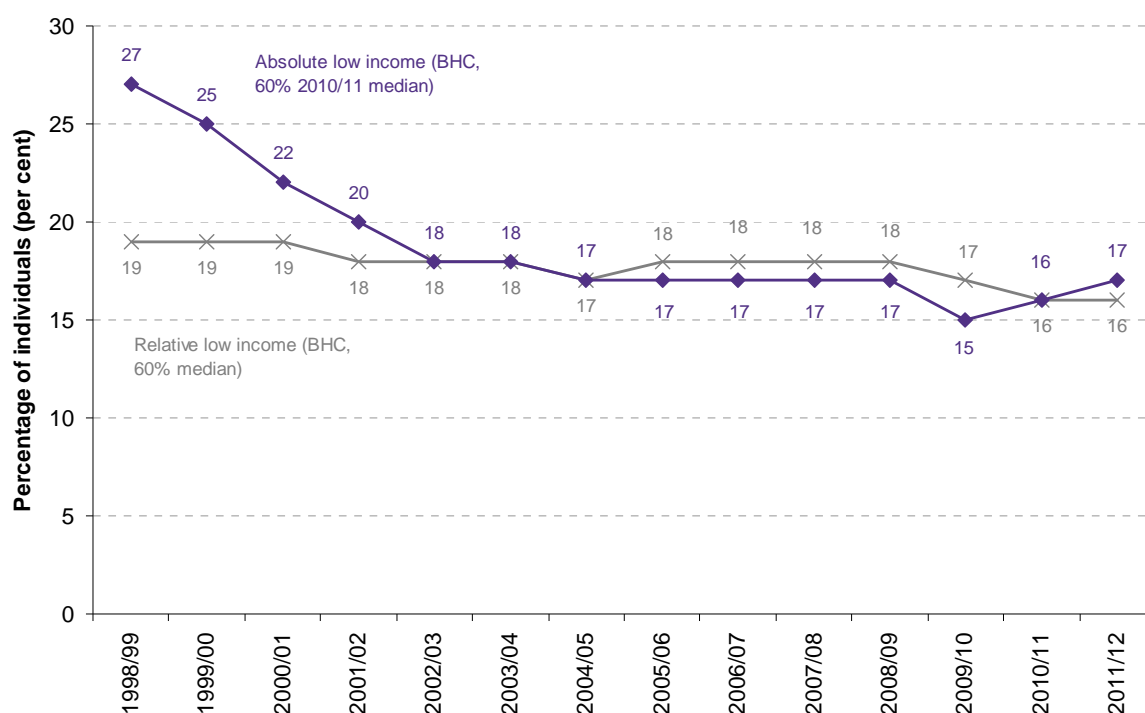
4. What the figures show⁴

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.

Trends in relative low income: 2011/12 has shown no change in the percentage of individuals in relative low income from 2010/11. The reduction in real terms earnings and real terms benefit income were drivers of the reduction in the median in 2011/12, and incomes for households near the bottom of the income distribution fell by roughly the same rate as incomes for households at the average. As a result, levels of relative low income remained static.

At 16 per cent for 2011/12, relative low income BHC was at its lowest level since the 1980s, and fell each year between 2008/09 and 2010/11. Much of the decrease since 1988/89 was driven by higher increases in state support for pensioners and families containing children. At 21 per cent for 2011/12, relative low income AHC is at levels last seen in 2003/04 and 2004/05, falling from 23 per cent in 2007/08.

Chart 3.1: Percentage of individuals in relative and absolute low income, BHC, United Kingdom



Trends in absolute low income: In 2011/12, the percentage of individuals in absolute low income BHC, measured against the 2010/11 baseline⁵, was 17 per cent, which is 1 percentage point higher than in 2010/11, following a period of decreases or stability between 1995/96 and 2009/10. It has now increased to levels last seen between 2004/05 and 2008/09.

⁴ This analysis is based on a 60 per cent of median income threshold.

⁵ The change of baseline from 1998/99 to 2010/11 is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

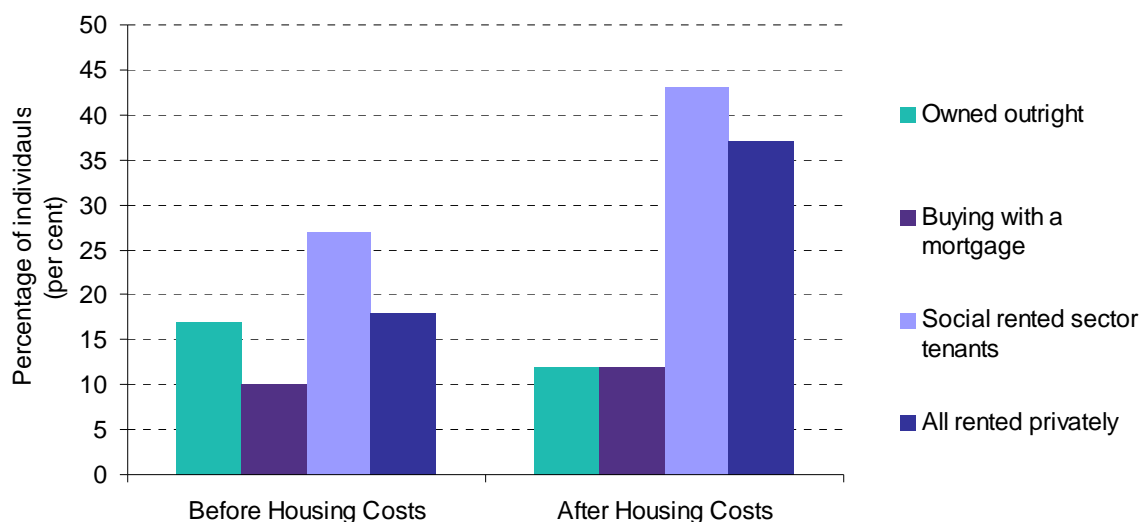
3 Whole population

Between 1995/96 and 2004/05 the percentage of individuals in absolute low income AHC fell steadily. It stayed relatively stable between 2005/06 and 2009/10 before increasing by 1 percentage point in both 2010/11 and 2011/12 to 23 per cent, a return to levels last seen in 2001/02.

The recent increase was mainly driven by an increase in the percentage of children and working-age adults in absolute low income. Incomes grew by less than RPI inflation. The absolute low income threshold was uprated by RPI inflation and therefore the population falling into absolute low income increased by 900,000.

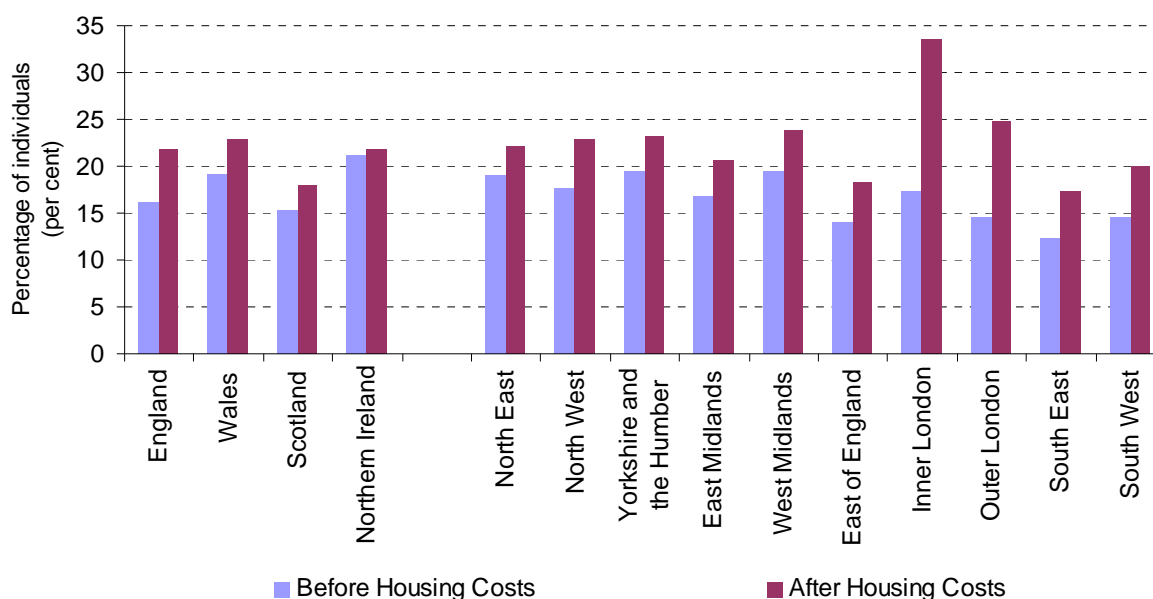
Tenure: As in previous years individuals in the social rented sector had the highest rate of relative low income, BHC and AHC. AHC, individuals in the private rented sector also had high rates of relative low income reflecting the higher costs of private rents. Those in the rented sector accounted for 46 per cent of all individuals in relative low income, BHC and 62 per cent, AHC.

Chart 3.2: Percentage of individuals in relative low income by tenure, United Kingdom



Region: Individuals in Yorkshire and the Humber and Northern Ireland had the highest rate of relative low income, BHC. AHC, individuals in Inner and Outer London had the highest rate of relative low income, reflecting the higher housing costs in these regions.

Chart 3.3: Percentage of individuals in relative low income by Region/Country, United Kingdom (3-year average)



Disability: [The Office for Disability Issues \(ODI\) has an indicator](#) which looks at the percentage of individuals living in families containing one or more disabled member in low income with a baseline of 2004/05.

Since the baseline of 2004/05, BHC, there has been a decrease in the percentage of individuals living in low income in families where at least one member is disabled of 4 percentage points to 19 per cent, while AHC, there has been a decrease of 2 percentage points to 24 per cent⁶ (Table 3.12ts). There has been an increase in the percentage of individuals living in low income in families where no-one is disabled AHC by 1 percentage point to 20 per cent, while BHC the level has remained constant.

Between 2010/11 and 2011/12, 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 19 per cent BHC and by 1 percentage point to 24 per cent⁷ AHC. The percentage of individuals living in low income in families where no member is disabled has remained constant over the period, both BHC and AHC.

Both BHC and AHC, 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 member and not receiving disability benefits⁸.

⁶ Table 3.12ts shows a reduction between 2004/05 and 2011/12, from 25 per cent to 24 per cent AHC. This apparent inconsistency is due to rounding. Rounding figures at the final point of calculation of a statistic produces the best estimate. This reduction is statistically significant, for BHC and AHC.

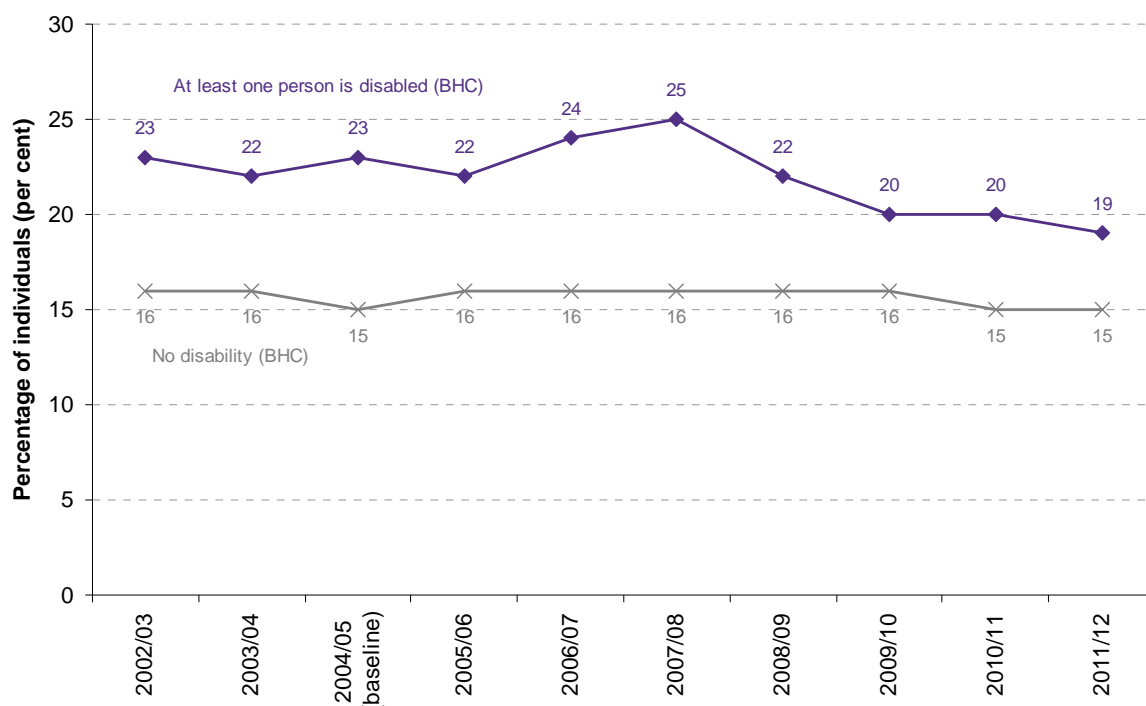
⁷ Table 3.12ts shows a constant level of 24 per cent. This apparent inconsistency is due to rounding. This reduction is not statistically significant, for both BHC and AHC.

⁸ 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 Whole population

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

Chart 3.4: Percentage of individuals in relative low income by family status, United Kingdom



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. 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 ethnic origin.⁹

⁹ See Table A09 of Labour Market Statistics, available at <http://www.ons.gov.uk/ons/publications/reference-tables.html?edition=tcn%3A77-263579> which shows economic activity by ethnic group.

Chapter 3 Glossary

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 sources¹⁰ of all household members including dependants. For *BHC*, housing costs¹¹ are not deducted from income, while for *AHC* 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.

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.

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.

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, BHC or AHC. 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

¹⁰ 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.

¹¹ Housing costs include rent, water rates, mortgage interest payments, buildings insurance payments and ground rent and service charges.

3 Whole population

median income) in a specific year adjusted for inflation, BHC or AHC. The year 2010/11 is used in this report, in order to measure absolute low income in line with the Child Poverty Act 2010, and to keep the absolute measure more in line with contemporary living standards. Absolute low-income statistics fall if low-income households are seeing their incomes rise faster than inflation.

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

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, 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**.

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. So, for example, the pensionable age at 30 June 2011 was approximately 60 years and 238 days for women. The changes do not affect the State Pension age for men, currently 65.

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.

Research¹² 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

The ethnicity figures in this publication reflect the new harmonised standards published in August 2011 and updated in February 2013. This has resulted in some changes, the most significant being to the following categories¹³:

- Chinese has moved from the 'Chinese or other ethnic group' section to the 'Asian/ Asian British' section;
- Arab is now specifically included in the 'Other ethnic group' section; and
- the treatment for 'Gypsy' and 'Gypsy or Irish traveller' is different for respondents in Northern Ireland compared to Great Britain.

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.

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 received on their investments. It is likely that there is some under-reporting of capital

¹² 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.

¹³ These changes are described in more detail in **Appendix 2**.

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

Region and country

Disaggregation by geographical regions¹⁴ 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.

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 AHC measure will partly take into account differences in housing costs.

¹⁴ Regional information is at [NUTS1](#) level.

Chapter 3 tables

3.1tr – 3.4tr	Trends over time for headline figures for years covered by the FES and the FRS.
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 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 2010/11 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 2010/11 median income held constant in real terms over time by the categories outlined for tables 3.4ts – 3.6ts.

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Table 3.1tr: Percentage of individuals falling below various thresholds of contemporary median income, United Kingdom ^{1,2}

Percentage of individuals		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
FES (UK) ⁴	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
FRS (GB)	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
FRS (UK)	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
	2011/12	9	16	25	14	21	29
Change	1998/99-2011/12 ^{2,3}	-2	-3	-3	-2	-3	-2
	2010/11-2011/12 ^{2,3}	0	0	0	0	0	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 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 2010/11 median income held constant in real terms, United Kingdom ^{1,2}

Percentage of individuals		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
FES (UK) ⁴	1979	29	44	57	33	49	61
	1981	31	45	57	35	49	61
	1987	26	36	47	31	40	51
	1988 and 1989	24	33	42	28	37	45
	1990 and 1991	23	32	41	27	36	44
	1991 and 1992	23	33	41	28	36	44
	1992 and 1993	23	32	41	28	36	44
	1993/94 to 1994/95	20	31	40	26	35	43
	1994/95 to 1995/96	19	29	38	25	33	41
	1995/96 to 1996/97	19	29	38	26	33	40
FRS (GB)	1994/95	20	31	41	28	36	44
	1995/96	19	31	40	28	36	44
	1996/97	19	29	38	26	34	42
	1997/98	18	28	37	25	32	40
FRS (UK)	1998/99	17	27	36	24	31	39
	1999/00	15	25	34	22	30	37
	2000/01	13	22	32	19	27	34
	2001/02	11	20	29	16	24	31
	2002/03	10	18	27	15	22	30
	2003/04	10	18	27	14	21	29
	2004/05	9	17	26	13	20	27
	2005/06	10	17	25	13	20	27
	2006/07	10	17	25	14	20	27
	2007/08	10	17	25	14	21	27
	2008/09	10	17	25	14	21	28
	2009/10	9	15	24	14	21	28
	2010/11	9	16	25	15	21	29
	2011/12	10	17	27	15	23	31
Change	1998/99-2011/12 ^{2,3}	-7	-9	-9	-8	-9	-8
	2010/11-2011/12 ^{2,3}	1	1	2	1	1	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 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.

3 Whole population

Table 3.3tr: Number of individuals falling below various thresholds of contemporary median income, United Kingdom^{1,2}

Number of individuals (millions)		Source: FES/FRS						
		Before Housing Costs			After Housing Costs			All individuals
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
FES (UK) ⁴	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
	2011/12	5.5	9.8	15.2	8.8	13.0	17.7	61.6
Change	1998/99-2011/12 ^{2,3}	-0.6	-1.4	-0.9	-0.5	-1.0	-0.1	4.1
	2010/11-2011/12 ^{2,3}	-0.1	0.0	0.0	0.0	0.0	0.0	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 numbers 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 2010/11 median income held constant in real terms, United Kingdom ^{1,2}

Number of individuals (millions)		Source: FES/FRS						
		Before Housing Costs			After Housing Costs			All individuals
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
FES (UK) ⁴	1979	15.7	23.6	30.6	18.1	26.3	33.0	54.0
	1981	17.0	24.5	31.2	19.2	26.9	33.6	54.7
	1987	14.4	20.0	25.9	16.9	22.4	28.1	55.4
	1988 and 1989	13.5	18.6	23.7	15.5	20.5	25.4	56.0
	1990 and 1991	13.1	18.1	22.9	15.3	20.1	24.8	56.1
	1991 and 1992	13.2	18.4	23.2	15.8	20.3	24.8	56.6
	1992 and 1993	13.1	18.5	23.5	16.0	20.6	25.1	57.1
	1993/94 to 1994/95	11.7	17.6	22.6	15.1	19.8	24.6	57.3
	1994/95 to 1995/96	10.9	16.8	22.0	14.6	19.1	23.8	57.5
	1995/96 to 1996/97	10.8	16.5	21.8	14.7	18.9	23.2	57.7
FRS (GB)	1994/95	11.3	17.2	22.4	15.4	20.0	24.6	55.3
	1995/96	10.8	17.1	22.3	15.4	20.1	24.5	55.5
	1996/97	10.3	16.1	21.1	14.7	18.9	23.1	55.6
	1997/98	9.8	15.5	20.4	13.7	18.0	22.3	55.7
FRS (UK)	1998/99	9.8	15.4	20.6	13.6	18.0	22.5	57.5
	1999/00	8.7	14.5	19.7	12.6	17.1	21.3	57.7
	2000/01	7.7	13.0	18.4	11.0	15.6	19.9	57.9
	2001/02	6.4	11.6	16.6	9.3	14.0	18.0	58.1
	2002/03	6.0	10.8	15.9	8.5	13.1	17.3	58.3
	2003/04	6.0	10.5	15.6	8.2	12.4	16.7	58.5
	2004/05	5.5	9.9	15.1	7.5	11.5	15.9	58.8
	2005/06	5.7	10.0	15.0	8.0	11.9	16.2	59.1
	2006/07	6.0	10.1	15.1	8.3	12.1	16.3	59.5
	2007/08	6.1	10.5	15.2	8.4	12.4	16.4	59.9
	2008/09	5.8	10.2	14.9	8.7	12.4	16.6	60.3
	2009/10	5.4	9.4	14.3	8.5	12.5	16.8	60.7
	2010/11	5.6	9.8	15.2	8.9	13.0	17.6	61.1
	2011/12	6.1	10.8	16.3	9.5	13.9	18.9	61.6
Change	1998/99-2011/12 ^{2,3}	-3.7	-4.7	-4.3	-4.1	-4.1	-3.6	4.1
	2010/11-2011/12 ^{2,3}	0.4	0.9	1.2	0.7	0.9	1.3	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 numbers 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.

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					Source: FRS 2011/12
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All individuals (millions)
Economic status of adults in the family						
One or more full-time self-employed	23	16	18	19	24	5.9
Single/couple all in full-time work	5	9	20	30	36	16.6
Couple, one full-time, one part-time work	7	17	26	27	23	8.3
Couple, one full-time work, one not working	23	27	19	14	16	6.7
No full-time, one or more in part-time work	28	26	20	15	11	6.0
Workless, one or more aged 60 or over	25	29	21	16	9	10.6
Workless, one or more unemployed	63	22	8	4	3	2.1
Workless, other inactive	46	27	16	7	4	5.4
Family type						
Pensioner couple	18	23	21	20	18	8.3
Single pensioner	26	30	20	16	7	4.5
Male	21	32	21	16	10	1.2
Female	28	29	20	16	6	3.3
Couple with children	19	21	21	20	20	21.8
Couple without children	13	9	16	27	35	11.0
Single with children	31	35	22	9	3	4.9
Single without children	24	17	20	20	20	11.0
Male	24	16	19	20	21	6.8
Female	23	18	21	20	18	4.2
Gender and adulthood						
Adult male	19	18	19	22	23	23.7
Adult female	20	20	20	20	20	24.8
Children	23	25	21	16	15	13.1
Marital status						
Couple	17	18	20	22	23	41.2
Married or Civil Partnered	17	18	20	21	24	33.2
Cohabiting	19	19	19	23	20	8.0
Single	26	24	21	17	13	20.4
Disability						
Disabled individuals	23	27	22	17	10	11.9
Disabled children	22	30	25	15	7	0.8
Disabled working-age adults	27	23	21	16	13	5.8
Disabled pensioners	19	30	24	18	8	5.3
Non-disabled individuals	19	18	19	21	22	49.7
Non-disabled children	23	24	20	16	16	12.3
Non-disabled working-age adults	17	15	19	23	26	31.0
Non-disabled pensioners	22	23	19	18	17	6.4
Ethnic group² of head (3-year average)						
White	19	20	20	21	21	54.6
Mixed/ Multiple ethnic groups	27	23	19	18	14	0.6
Asian/ Asian British	35	20	16	13	15	3.7
Indian	25	18	20	16	22	1.6
Pakistani	51	24	12	7	6	1.0
Bangladeshi	49	28	8	9	6	0.4
Chinese	32	15	12	14	27	0.3
Any other Asian background	28	20	19	17	16	0.5
Black/ African/ Caribbean/ Black British	29	23	19	17	12	1.6
Other ethnic group	33	19	19	15	15	0.7
All individuals³	20	20	20	20	20	61.6

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

2. The ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.

3. 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					Source: FRS 2011/12
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All individuals (millions)
Economic status of adults in the family						
One or more full-time self-employed	22	18	17	18	24	5.9
Single/couple all in full-time work	6	11	19	29	34	16.6
Couple, one full-time, one part-time work	8	17	26	26	23	8.3
Couple, one full-time work, one not working	24	27	19	14	16	6.7
No full-time, one or more in part-time work	30	25	18	14	13	6.0
Workless, one or more aged 60 or over	15	29	25	19	12	10.6
Workless, one or more unemployed	71	16	7	4	2	2.1
Workless, other inactive	53	24	14	5	3	5.4
Family type						
Pensioner couple	11	21	24	23	21	8.3
Single pensioner	16	29	24	20	11	4.5
Male	15	27	23	21	14	1.2
Female	16	30	24	19	10	3.3
Couple with children	20	21	21	19	19	21.8
Couple without children	13	11	16	26	34	11.0
Single with children	40	31	19	7	3	4.9
Single without children	27	16	18	20	19	11.0
Male	27	15	18	20	20	6.8
Female	27	17	19	20	17	4.2
Gender and adulthood						
Adult male	18	17	20	22	23	23.7
Adult female	19	20	20	21	20	24.8
Children	25	25	20	16	15	13.1
Marital status						
Couple	16	19	20	22	23	41.2
Married or Civil Partnered	15	18	20	22	24	33.2
Cohabiting	21	20	20	20	19	8.0
Single	28	23	20	17	13	20.4
Disability						
Disabled individuals	22	25	24	18	12	11.9
Disabled children	25	27	26	14	7	0.8
Disabled working-age adults	30	22	20	15	13	5.8
Disabled pensioners	12	28	28	22	11	5.3
Non-disabled individuals	20	19	19	21	22	49.7
Non-disabled children	25	25	19	16	15	12.3
Non-disabled working-age adults	19	16	18	22	25	31.0
Non-disabled pensioners	13	23	22	21	21	6.4
Ethnic group² of head (3-year average)						
White	18	20	21	21	21	54.6
Mixed/ Multiple ethnic groups	38	19	16	14	13	0.6
Asian/ Asian British	38	23	13	13	14	3.7
Indian	26	21	18	17	19	1.6
Pakistani	51	28	10	6	6	1.0
Bangladeshi	48	32	6	8	5	0.4
Chinese	39	15	6	16	24	0.3
Any other Asian background	40	16	15	15	14	0.5
Black/ African/ Caribbean/ Black British	35	23	17	15	10	1.6
Other ethnic group	41	18	14	14	13	0.7
All individuals³	20	20	20	20	20	61.6

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

2. The ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.

3. 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 2011/12
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All individuals (millions)
Disability and receipt of disability benefits¹						
Those living in families where no-one is disabled	19	17	19	21	24	43.1
Those living in families where someone is disabled	23	26	22	17	12	18.5
1 or more disabled adult, no disabled child	24	25	22	17	12	15.9
Those living in families with disabled children	23	30	25	15	8	2.7
With no disabled adult	21	27	26	18	9	1.6
With 1 or more disabled adult	25	36	22	11	6	1.0
In receipt of disability benefits	15	30	31	18	7	6.0
Not in receipt of disability benefits	28	24	18	17	14	12.6
Tenure						
Owners	16	16	20	23	26	41.4
Owned outright	21	19	20	20	20	16.9
Buying with a mortgage	12	14	20	25	29	24.5
Social rented sector tenants	36	34	20	9	2	9.7
All rented privately	22	22	22	19	15	10.5
Direct payment account²						
No accounts	26	21	19	19	15	1.3
With one or more accounts	20	20	20	20	20	60.3
Savings and investments						
No savings	31	27	20	14	8	23.4
Less than £1,500	17	21	23	23	15	8.9
£1,500 but less than £3,000	16	18	23	24	19	4.2
£3,000 but less than £8,000	14	17	22	24	24	7.3
£8,000 but less than £10,000	12	15	18	33	23	1.7
£10,000 but less than £16,000	12	15	19	25	29	3.8
£16,000 but less than £20,000	12	14	22	25	26	1.5
£20,000 or more	10	11	15	21	42	10.8
Region/Country (3-year average)						
England	20	20	20	20	21	51.3
North East	23	23	22	18	14	2.6
North West	22	23	20	20	15	6.8
Yorkshire and the Humber	24	23	19	19	15	5.2
East Midlands	21	22	22	20	16	4.4
West Midlands	24	22	20	20	14	5.4
East of England	17	18	20	20	25	5.7
London	19	16	17	18	30	7.7
Inner	22	17	13	15	33	2.7
Outer	17	16	19	19	29	5.0
South East	15	16	19	22	28	8.4
South West	18	20	22	21	18	5.2
Wales	23	22	21	20	14	3.0
Scotland	19	20	21	22	18	5.1
Northern Ireland	26	22	21	18	13	1.8
All individuals³	20	20	20	20	20	61.6

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 2011/12
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All individuals (millions)
Disability and receipt of disability benefits¹						
Those living in families where no-one is disabled	19	18	19	21	23	43.1
Those living in families where someone is disabled	22	24	23	18	12	18.5
1 or more disabled adult, no disabled child	22	24	23	18	13	15.9
Those living in families with disabled children	25	28	25	14	8	2.7
With no disabled adult	23	25	27	17	9	1.6
With 1 or more disabled adult	29	34	23	9	6	1.0
In receipt of disability benefits	13	27	32	19	8	6.0
Not in receipt of disability benefits	26	23	19	17	14	12.6
Tenure						
Owners	11	16	21	25	27	41.4
Owned outright	11	18	23	24	25	16.9
Buying with a mortgage	11	15	20	26	28	24.5
Social rented sector tenants	41	32	18	7	1	9.7
All rented privately	36	23	17	13	11	10.5
Direct payment account²						
No accounts	25	20	19	18	17	1.3
With one or more accounts	20	20	20	20	20	60.3
Savings and investments						
No savings	34	26	19	13	8	23.4
Less than £1,500	18	22	23	23	14	8.9
£1,500 but less than £3,000	14	21	23	24	18	4.2
£3,000 but less than £8,000	11	19	22	25	23	7.3
£8,000 but less than £10,000	9	16	22	31	23	1.7
£10,000 but less than £16,000	10	13	21	26	31	3.8
£16,000 but less than £20,000	8	15	22	26	28	1.5
£20,000 or more	7	10	16	22	44	10.8
Region/Country (3-year average)						
England	20	20	20	20	21	51.3
North East	20	23	23	19	15	2.6
North West	21	21	22	20	16	6.8
Yorkshire and the Humber	21	23	20	19	16	5.2
East Midlands	19	21	23	20	17	4.4
West Midlands	22	22	21	20	15	5.4
East of England	17	20	19	20	24	5.7
London	26	16	14	17	27	7.7
Inner	32	16	11	13	28	2.7
Outer	24	16	15	18	26	5.0
South East	16	17	19	21	27	8.4
South West	18	21	22	21	18	5.2
Wales	21	21	21	22	15	3.0
Scotland	16	19	22	23	19	5.1
Northern Ireland	20	23	23	20	14	1.8
All individuals³	20	20	20	20	20	61.6

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 2011/12
	Before Housing Costs			After Housing Costs			All individuals
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
Economic status of adults in the family							
One or more full-time self-employed	13	12	10	11	11	10	10
Single/couple all in full-time work	7	6	7	8	8	9	27
Couple, one full-time, one part-time work	4	4	5	5	5	6	13
Couple, one full-time work, one not working	10	12	13	11	13	14	11
No full-time, one or more in part-time work	14	14	13	14	15	14	10
Workless, one or more aged 60 or over	19	21	22	12	13	17	17
Workless, one or more unemployed	13	12	10	14	12	10	3
Workless, other inactive	20	20	19	25	23	20	9
Family type							
Pensioner couple	10	11	13	6	8	9	14
Single pensioner	9	10	10	5	6	7	7
Male	2	2	2	1	1	2	2
Female	7	8	8	4	4	6	5
Couple with children	31	33	34	34	36	36	35
Couple without children	14	12	10	12	11	10	18
Single with children	10	11	13	14	16	15	8
Single without children	27	22	20	29	24	21	18
Male	16	14	12	18	15	13	11
Female	10	8	8	11	9	8	7
Gender and adulthood							
Adult male	38	37	35	37	35	34	38
Adult female	40	40	40	38	38	38	40
Children	22	23	25	25	27	27	21
Marital status							
Couple	55	56	57	52	54	56	67
Married or Civil Partnered	43	44	45	38	41	43	54
Cohabiting	12	13	12	13	13	13	13
Single	45	44	43	48	46	44	33
Disability							
Disabled individuals	21	23	23	21	21	22	19
Disabled children	1	1	2	2	2	2	1
Disabled working-age adults	13	14	13	15	14	13	9
Disabled pensioners	6	8	9	4	5	7	9
Non-disabled individuals	79	77	77	79	79	78	81
Non-disabled children	20	22	24	23	26	26	20
Non-disabled working-age adults	48	44	41	50	47	44	50
Non-disabled pensioners	11	12	12	6	7	9	10
Ethnic group² of head (3-year average)							
White	79	82	83	79	80	82	89
Mixed/ Multiple ethnic groups	1	1	1	2	2	2	1
Asian/ Asian British	13	11	10	12	11	10	6
Indian	4	3	3	3	3	3	3
Pakistani	5	4	4	4	4	4	2
Bangladeshi	2	2	1	2	1	1	1
Chinese	1	1	1	1	1	1	-
Any other Asian background	1	1	1	2	2	1	1
Black/ African/ Caribbean/ Black British	4	4	4	5	5	4	3
Other ethnic group	2	2	2	3	2	2	1
All individuals (millions=100%)³	5.5	9.8	15.2	8.8	13.0	17.7	61.6

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

2. The ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.

3. 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 2011/12
	Before Housing Costs			After Housing Costs			All individuals
	Income Thresholds - Below Median			50%	60%	70%	
	50%	60%	70%	50%	60%	70%	
Disability and receipt of disability benefits¹							
Those living in families where no-one is disabled	69	65	64	68	67	65	70
Those living in families where someone is disabled	31	35	36	32	33	35	30
1 or more disabled adult, no disabled child	27	30	31	27	28	29	26
Those living in families with disabled children	4	5	5	5	6	6	4
With no disabled adult	3	3	3	3	3	3	3
With 1 or more disabled adult	2	2	2	2	2	3	2
In receipt of disability benefits	5	6	8	5	7	8	10
Not in receipt of disability benefits	26	29	28	27	27	27	20
Tenure							
Owners	58	54	53	37	38	41	67
Owned outright	30	29	28	14	15	18	27
Buying with a mortgage	28	25	25	23	22	23	40
Social rented sector tenants	24	27	29	31	32	32	16
All rented privately	18	19	18	32	30	27	17
Direct payment account²							
No accounts	3	3	3	3	3	3	2
With one or more accounts	97	97	97	97	97	97	98
Savings and investments							
No savings	57	58	58	65	64	62	38
Less than £1,500	11	12	12	12	13	13	15
£1,500 but less than £3,000	6	6	6	5	5	5	7
£3,000 but less than £8,000	7	8	9	6	6	8	12
£8,000 but less than £10,000	2	2	2	1	1	1	3
£10,000 but less than £16,000	4	4	4	3	3	3	6
£16,000 but less than £20,000	1	2	2	1	1	1	2
£20,000 or more	11	9	9	7	6	7	17
Region/Country (3-year average)							
England	83	83	83	85	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	7	7	8	7	7	7	7
West Midlands	11	10	11	10	10	10	9
East of England	8	8	8	8	8	8	9
London	13	12	11	18	16	15	13
Inner	5	5	4	8	7	6	4
Outer	8	7	7	10	9	9	8
South East	10	10	10	11	11	11	14
South West	8	8	8	8	8	8	8
Wales	6	6	6	5	5	5	5
Scotland	8	8	8	7	7	7	8
Northern Ireland	4	4	4	3	3	3	3
All individuals (millions=100%)³	5.5	9.8	15.2	8.8	13.0	17.7	61.6

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 2011/12					
	Before Housing Costs			After Housing Costs		
	Income Thresholds - Below Median			All individuals (millions)		
	50%	60%	70%	50%	60%	70%
Economic status of adults in the family						
One or more full-time self-employed	13	19	26	17	23	29
Single/couple all in full-time work	2	4	6	4	6	9
Couple, one full-time, one part-time work	3	5	10	5	8	13
Couple, one full-time work, one not working	8	17	30	15	26	37
No full-time, one or more in part-time work	13	22	33	21	32	42
Workless, one or more aged 60 or over	10	19	32	10	17	28
Workless, one or more unemployed	34	55	69	59	74	80
Workless, other inactive	21	36	54	40	55	67
Family type						
Pensioner couple	6	13	23	6	12	20
Single pensioner	11	22	33	10	17	29
Male	8	17	28	8	16	26
Female	12	23	35	11	17	30
Couple with children	8	15	24	14	21	29
Couple without children	7	11	14	9	13	17
Single with children	11	22	41	26	43	56
Single without children	13	20	27	23	28	34
Male	13	20	27	23	28	34
Female	13	19	27	23	28	34
Gender and adulthood						
Adult male	9	15	22	14	19	26
Adult female	9	16	24	13	20	27
Children	9	17	29	17	27	37
Marital status						
Couple	7	13	21	11	17	24
Married or Civil Partnered	7	13	21	10	16	23
Cohabiting	8	15	23	15	22	30
Single	12	21	32	21	29	38
Disability						
Disabled individuals	10	19	30	16	23	33
Disabled children	9	17	29	17	27	39
Disabled working-age adults	13	23	33	23	31	41
Disabled pensioners	6	15	27	7	13	23
Non-disabled individuals	9	15	23	14	21	28
Non-disabled children	9	17	29	17	27	37
Non-disabled working-age adults	9	14	20	14	20	25
Non-disabled pensioners	9	18	28	8	14	24
Ethnic group¹ of head (3-year average)						
White	8	15	23	13	19	27
Mixed/ Multiple ethnic groups	15	22	33	28	39	47
Asian/ Asian British	20	30	41	28	40	48
Indian	13	21	29	20	28	35
Pakistani	29	44	60	36	53	65
Bangladeshi	28	41	56	37	52	67
Chinese	22	27	38	30	40	46
Any other Asian background	13	23	32	32	42	48
Black/ African/ Caribbean/ Black British	14	24	36	29	38	48
Other Ethnic Group	20	29	39	35	42	50
All individuals²	9	16	25	14	21	29

1. The ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.

2. 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 2011/12
	Before Housing Costs			After Housing Costs			All individuals (millions)
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
Disability and receipt of disability benefits¹							
Those living in families where no-one is disabled	9	15	23	14	20	27	43.1
Those living in families where someone is disabled	9	19	30	15	24	33	18.5
1 or more disabled adult, no disabled child	9	19	30	15	23	32	15.9
Those living in families with disabled children	9	18	30	17	27	39	2.7
With no disabled adult	9	17	27	17	25	36	1.6
With 1 or more disabled adult	9	19	34	17	31	44	1.0
In receipt of disability benefits	5	10	20	8	14	23	6.0
Not in receipt of disability benefits	12	22	34	19	28	38	12.6
Tenure							
Owners	8	13	19	8	12	17	41.4
Owned outright	10	17	25	7	12	18	16.9
Buying with a mortgage	6	10	15	8	12	17	24.5
Social rented sector tenants	14	27	45	28	43	58	9.7
All rented privately	10	18	27	27	37	46	10.5
Direct payment account²							
No accounts	14	22	32	23	27	35	1.3
With one or more accounts	9	16	25	14	21	29	60.3
Savings and investments							
No savings	14	24	38	24	36	47	23.4
Less than £1,500	7	13	21	12	19	26	8.9
£1,500 but less than £3,000	7	13	20	10	14	23	4.2
£3,000 but less than £8,000	6	11	18	7	12	19	7.3
£8,000 but less than £10,000	6	10	15	6	9	14	1.7
£10,000 but less than £16,000	6	10	15	7	10	14	3.8
£16,000 but less than £20,000	5	10	16	5	9	14	1.5
£20,000 or more	6	9	13	6	8	11	10.8
Region/Country (3-year average)							
England	9	16	25	15	22	29	51.3
North East	10	19	28	15	22	31	2.6
North West	9	18	28	15	23	31	6.8
Yorkshire and the Humber	11	20	30	15	23	32	5.2
East Midlands	10	17	26	14	21	27	4.4
West Midlands	11	19	30	16	24	32	5.4
East of England	8	14	21	13	18	26	5.7
London	10	16	22	21	28	34	7.7
Inner	11	17	25	25	33	40	2.7
Outer	9	15	21	18	25	31	5.0
South East	7	12	19	12	17	24	8.4
South West	8	15	23	14	20	27	5.2
Wales	11	19	30	15	23	31	3.0
Scotland	9	15	24	12	18	25	5.1
Northern Ireland	12	21	31	14	22	30	1.8
All individuals³	9	16	25	14	21	29	61.6

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 Kingdom¹

	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	11/12
Number of individuals whose family type is: (millions)																		
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	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	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	3.3
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	21.8
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	11.0
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	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	6.8
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	4.2
Gender and adulthood: (millions)																		
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	23.7
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	24.8
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	13.1
All individuals (millions)	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	61.6
Percentage of individuals whose family type is:																		
Pensioner couple	12	12	12	12	12	12	12	12	12	12	12	12	13	13	13	14	14	14
Single male pensioner	2	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	5
Couple with children	38	37	37	37	36	36	35	35	35	35	35	34	34	35	34	35	35	35
Couple without children	19	19	19	20	19	20	20	20	20	20	20	19	19	19	19	18	18	18
Single with children	7	8	8	8	8	9	9	9	9	9	9	9	9	8	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	11
Single female without children	6	6	6	6	6	6	6	7	7	7	7	7	7	7	7	7	7	7
Gender and adulthood																		
Adult male	37	37	37	37	37	37	37	37	37	38	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	40
Children	23	23	23	23	23	23	23	22	22	22	22	22	22	21	21	21	21	21
All individuals (per cent)	100	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^{1,2}

	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	11/12
Number of individuals whose economic status is: (millions)																		
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	5.9
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	16.6
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	8.3
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	6.7
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	6.0
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	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	2.1
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	5.4
All individuals (millions)	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	61.6
Percentage of individuals whose economic status is:																		
One or more full-time self-employed	11	10	10	10	9	10	10	9	10	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	27
Couple, one full-time, one part-time work	14	15	16	15	15	15	15	14	14	14	14	14	14	13	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	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	10
Workless, one or more aged 60 or over	18	17	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	3
Workless, other inactive	10	10	10	10	10	10	10	10	10	10	10	10	10	10	9	9
All individuals (per cent)	100	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 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.

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

Table 3.3ts: Population of individuals by disability³ and receipt of disability benefits², United Kingdom¹

	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	11/12
Number of individuals (millions) who are:																		
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	43.1
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	18.5
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	15.9
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	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	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	1.0
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	6.0
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	12.6
All individuals (millions)	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	61.6
Percentage of individuals who are:																		
Individuals in families where no-one is disabled	..	72	74	71	70	72	70	72	71	71	72	70	72	72	72	71	71	70
Individuals in families where someone is disabled	..	28	26	29	30	28	30	28	29	29	28	30	28	28	28	29	29	30
1 or more disabled adult, no disabled child	..	24	22	25	25	24	25	24	25	24	24	25	24	24	24	25	25	26
Those living in families with disabled children	..	4	4	5	5	4	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	3
With 1 or more disabled adult	..	1	1	1	1	1	2	1	2	1	2	2	1	2	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	10
Not in receipt of disability benefits	..	23	19	22	22	20	21	20	20	19	19	20	19	19	19	20	19	20
All individuals (per cent)	100	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 are 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 Kingdom¹

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	11/12
Before Housing Costs																		
Family type																		
Pensioner couple	12	13	12	13	14	13	14	15	15	14	13	13	14	14	13	13	13	11
Single male pensioner	2	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	8
Couple with children	38	38	36	35	34	33	31	30	30	31	30	32	31	32	32	34	34	33
Couple without children	9	9	8	8	8	9	10	9	9	10	10	10	10	10	10	10	11	12
Single with children	16	15	18	19	19	20	19	19	19	18	18	17	17	16	16	13	11	11
Single male without children	9	8	8	8	8	9	9	10	10	10	11	11	11	11	12	13	14	14
Single female without children	5	5	5	5	5	5	6	6	6	6	6	7	6	7	7	8	7	8
Gender and adulthood																		
Adult male	30	30	29	29	30	30	31	31	32	32	32	33	33	33	34	36	37	37
Adult female	39	39	39	39	40	39	41	40	40	41	40	40	40	41	40	40	40	40
Children	31	30	31	31	31	30	28	28	28	28	27	27	27	26	26	25	23	23
All individuals (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Family type																		
Pensioner couple	10	11	10	10	10	10	10	12	12	11	10	9	10	10	9	9	8	8
Single male pensioner	2	2	2	3	3	2	2	2	2	1	1	1	2	1	1	1	1	1
Single female pensioner	10	9	10	10	9	9	9	8	7	6	5	5	6	6	5	4	5	4
Couple with children	36	36	34	34	34	32	32	31	31	32	33	34	34	35	35	37	37	36
Couple without children	8	8	8	8	8	8	9	9	9	10	10	10	10	10	11	10	11	11
Single with children	18	19	20	20	21	22	21	22	21	20	21	20	20	18	18	17	16	16
Single male without children	10	9	10	9	9	10	10	10	11	11	12	13	12	12	13	14	14	15
Single female without children	6	6	6	6	6	6	6	6	7	7	7	8	7	8	8	8	8	9
Gender and adulthood																		
Adult male	30	30	29	29	29	30	30	30	31	32	32	33	33	32	33	35	35	35
Adult female	39	39	40	40	39	39	40	39	39	39	38	38	38	38	38	37	38	38
Children	31	31	31	31	32	31	30	30	30	30	30	30	30	30	29	28	27	27
All individuals (per cent)	100	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^{1,2}

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	11/12
Before Housing Costs																		
One or more full-time self-employed	10	11	10	11	10	10	9	10	11	12	11	11	11	11	13	12
Single/couple all in full-time work	3	3	3	3	4	4	5	5	5	5	5	5	5	5	5	6
Couple, one full-time, one part-time work	2	3	3	3	3	3	3	3	3	4	3	3	3	3	3	4
Couple, one full-time work, one not working	10	10	10	10	10	8	10	9	9	10	11	10	11	11	10	12
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	14
Workless, one or more aged 60 or over	24	25	27	25	26	27	26	25	25	23	25	25	22	21	23	21
Workless, one or more unemployed	17	13	11	10	10	8	9	8	8	9	8	8	10	13	13	12
Workless, other inactive	25	25	25	26	27	28	28	28	28	27	27	26	24	23	21	20
All individuals (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
One or more full-time self-employed	9	10	10	10	10	10	9	10	11	12	11	12	11	11	12	11
Single/couple all in full-time work	4	4	4	4	5	5	6	6	7	7	7	8	8	7	7	8
Couple, one full-time, one part-time work	3	4	4	4	4	4	4	3	4	5	4	4	5	4	4	5
Couple, one full-time work, one not working	10	11	11	10	11	9	11	11	11	12	13	12	13	13	12	13
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	15
Workless, one or more aged 60 or over	23	23	23	22	22	22	21	19	17	16	17	17	15	14	15	13
Workless, one or more unemployed	16	12	11	10	9	8	8	8	7	8	7	8	10	12	12	12
Workless, other inactive	26	26	27	28	28	30	29	31	31	29	29	27	26	26	24	23
All individuals (per cent)	100	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 disability³ and receipt of disability benefits², United Kingdom¹

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	11/12
Before Housing Costs																		
Individuals in families where no-one is disabled	..	65	68	62	60	63	61	61	62	64	63	63	62	62	64	65	64	65
Individuals in families where someone is disabled	..	35	32	38	40	37	39	39	38	36	37	37	38	38	36	35	36	35
1 or more disabled adult, no disabled child	..	28	26	30	32	30	33	34	32	31	32	32	32	32	29	30	32	30
Those living in families with disabled children	..	7	6	8	7	6	6	5	6	5	5	5	5	6	6	5	5	5
With no disabled adult	..	5	4	5	4	3	4	3	3	3	3	3	3	3	3	2	3	3
With 1 or more disabled adult	..	2	2	3	3	3	3	3	3	2	3	2	2	3	3	3	2	2
In receipt of disability benefits	..	2	4	5	5	5	6	6	7	6	7	7	8	8	8	7	6	6
Not in receipt of disability benefits	..	33	29	33	34	31	34	33	31	29	30	30	30	30	28	29	30	29
All individuals (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Individuals in families where no-one is disabled	..	65	68	62	62	64	62	63	64	65	65	65	66	65	67	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	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	28
Those living in families with disabled children	..	7	6	8	7	6	7	6	6	6	6	5	6	7	7	5	6	6
With no disabled adult	..	5	4	5	4	3	4	3	3	3	3	3	3	4	4	3	3	3
With 1 or more disabled adult	..	3	2	3	3	3	3	3	3	2	3	3	2	3	3	3	3	2
In receipt of disability benefits	..	3	4	5	5	5	6	6	7	7	7	7	7	8	7	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	27
All individuals (per cent)	100	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 2010/11 median household income held constant in real terms, by family type, gender and adulthood, United Kingdom¹

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	10/11
Before Housing Costs																		
Family type																		
Pensioner couple	14	15	14	14	14	14	14	16	15	14	13	13	14	14	13	12	13	11
Single male pensioner	3	3	3	3	3	3	3	2	2	2	2	2	2	2	2	2	2	2
Single female pensioner	11	11	11	10	10	10	10	9	9	9	9	8	9	9	8	8	8	8
Couple with children	36	36	34	34	33	32	31	30	30	31	30	32	31	31	32	34	34	34
Couple without children	8	8	8	8	8	8	9	9	9	10	10	10	10	10	11	11	11	12
Single with children	15	16	17	18	19	19	19	19	19	18	18	17	16	16	15	12	11	11
Single male without children	8	8	8	8	8	8	9	9	10	10	11	11	11	11	12	14	14	14
Single female without children	5	5	5	5	5	5	6	6	6	6	6	7	6	7	7	8	7	8
Gender and adulthood																		
Adult male	31	30	30	30	30	30	31	31	32	32	32	33	33	33	35	36	37	36
Adult female	40	41	40	40	40	40	41	40	40	41	40	40	40	41	40	40	40	40
Children	29	29	29	30	30	30	29	28	28	28	27	27	26	26	25	24	23	24
All individuals (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Family type																		
Pensioner couple	12	13	12	12	12	12	11	12	12	11	10	9	9	9	8	8	8	8
Single male pensioner	2	2	2	3	3	3	2	2	2	1	1	1	1	1	1	1	1	2
Single female pensioner	10	9	9	9	9	9	9	9	7	6	5	5	5	5	5	4	5	5
Couple with children	36	37	36	36	35	33	33	32	31	32	33	34	34	36	35	37	37	36
Couple without children	9	9	8	8	8	8	9	9	9	10	10	10	10	10	11	10	11	11
Single with children	16	16	17	18	19	20	20	21	21	21	22	20	20	18	18	17	16	16
Single male without children	9	9	9	9	9	9	9	10	11	11	12	13	13	12	13	14	14	14
Single female without children	5	5	6	6	6	6	6	6	7	7	7	8	7	8	9	8	8	9
Gender and adulthood																		
Adult male	31	31	30	30	30	30	30	30	31	32	32	33	33	32	34	35	35	35
Adult female	40	40	40	40	39	39	40	40	39	39	38	37	38	38	38	37	38	38
Children	29	29	30	30	30	30	30	30	30	30	31	30	30	30	28	28	27	28
All individuals (per cent)	100	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 2010/11 median household income held constant in real terms, by economic status² of the family, United Kingdom¹

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	11/12
Before Housing Costs																		
One or more full-time self-employed	9	10	9	10	9	10	9	10	11	12	11	11	11	11	13	11
Single/couple all in full-time work	4	4	4	4	5	4	5	5	5	5	5	5	5	5	5	6
Couple, one full-time, one part-time work	4	5	5	4	3	3	3	3	3	3	3	3	4	3	3	4
Couple, one full-time work, one not working	11	11	11	11	11	9	10	10	9	10	11	10	11	10	10	12
No full-time, one or more in part-time work	9	10	11	11	10	11	11	11	11	11	11	12	13	12	12	14
Workless, one or more aged 60 or over	27	27	28	26	27	27	26	25	24	23	25	25	22	21	23	21
Workless, one or more unemployed	14	10	9	9	9	8	9	8	8	9	8	9	10	13	13	11
Workless, other inactive	23	23	23	25	26	28	28	28	28	27	27	26	24	24	21	20
All individuals (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
One or more full-time self-employed	9	10	9	10	10	9	9	10	11	12	11	12	11	11	12	11
Single/couple all in full-time work	5	5	6	5	6	5	6	6	7	7	6	8	8	7	7	8
Couple, one full-time, one part-time work	5	7	6	5	5	4	4	3	4	5	4	4	5	4	4	5
Couple, one full-time work, one not working	12	12	12	11	12	10	11	11	11	11	13	12	13	12	12	13
No full-time, one or more in part-time work	10	10	11	11	10	12	12	12	12	12	12	12	13	13	13	15
Workless, one or more aged 60 or over	24	24	24	23	23	23	21	19	17	15	16	15	14	14	15	14
Workless, one or more unemployed	13	10	9	9	8	7	8	8	7	8	8	8	10	13	12	11
Workless, other inactive	23	22	23	25	26	29	29	32	31	30	30	28	27	26	24	22
All individuals (per cent)	100	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 2010/11 median household income held constant in real terms, by disability³ and receipt of disability benefits², United Kingdom¹

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	11/12
Before Housing Costs																		
Individuals in families where no-one is disabled	..	63	65	61	60	62	60	61	62	64	63	63	62	62	65	65	64	65
Individuals in families where someone is disabled	..	37	35	39	40	38	40	39	38	36	37	37	38	38	35	35	36	35
1 or more disabled adult, no disabled child	..	31	28	31	33	31	34	34	32	31	31	32	33	32	29	30	32	30
Those living in families with disabled children	..	7	6	8	7	6	6	5	6	5	5	5	5	6	6	5	5	5
With no disabled adult	..	4	4	5	4	3	4	3	3	3	3	3	3	3	3	2	3	3
With 1 or more disabled adult	..	2	2	3	3	3	2	2	2	2	3	2	2	3	3	3	2	2
In receipt of disability benefits	..	4	6	6	7	7	7	6	7	7	7	7	7	8	8	6	6	7
Not in receipt of disability benefits	..	33	29	32	34	30	33	33	31	29	30	30	30	30	28	28	30	28
All individuals (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Individuals in families where no-one is disabled	..	64	66	62	62	63	62	63	64	65	66	66	67	66	67	67	67	66
Individuals in families where someone is disabled	..	36	34	38	38	37	38	37	36	35	34	34	33	34	33	33	33	34
1 or more disabled adult, no disabled child	..	29	27	31	31	30	31	31	30	29	29	29	28	27	26	27	28	28
Those living in families with disabled children	..	7	6	7	7	7	7	6	6	6	6	5	5	6	7	5	6	6
With no disabled adult	..	4	4	5	4	4	4	3	3	3	3	3	3	4	4	3	3	3
With 1 or more disabled adult	..	2	2	3	3	3	3	3	3	2	3	3	2	3	3	3	3	2
In receipt of disability benefits	..	5	6	7	7	7	7	6	7	7	7	7	7	7	7	6	7	7
Not in receipt of disability benefits	..	31	27	31	32	29	31	31	29	28	28	28	27	27	26	26	26	27
All individuals (per cent)	100	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 Kingdom¹

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	11/12
Before Housing Costs																		
Family type																		
Pensioner couple	19	20	20	21	23	21	21	23	22	20	18	18	20	19	18	16	15	13
Single male pensioner	23	22	23	24	26	25	24	22	23	21	21	21	21	21	18	15	16	17
Single female pensioner	31	29	32	32	32	30	30	29	28	29	27	25	29	30	25	24	23	23
Couple with children	19	18	19	19	18	18	16	16	16	16	15	17	16	17	17	16	15	15
Couple without children	8	8	8	8	8	8	9	9	8	9	9	9	9	9	10	10	10	11
Single with children	41	36	46	47	44	44	40	40	39	37	36	34	35	35	34	27	22	22
Single male without children	16	15	16	16	15	16	17	17	17	17	17	18	18	18	20	21	21	20
Single female without children	14	15	15	16	14	15	17	16	17	16	16	17	16	19	19	19	17	19
Gender and adulthood																		
Adult male	15	15	15	15	15	16	15	15	15	15	15	15	16	16	16	16	16	15
Adult female	18	18	19	19	19	19	19	18	18	18	17	17	18	18	18	17	16	16
Children	25	24	27	27	26	26	23	23	23	22	21	22	22	23	22	20	18	17
All individuals (per cent)	19	18	19	20	19	19	18	18	18	18	17	18	18	18	18	17	16	16
After Housing Costs																		
Family type																		
Pensioner couple	21	22	21	22	21	21	20	22	22	19	17	16	17	17	15	14	13	12
Single male pensioner	28	29	31	35	34	31	29	24	24	17	16	16	18	15	14	14	14	16
Single female pensioner	39	36	41	39	38	37	35	32	28	25	20	20	23	23	19	18	18	17
Couple with children	23	23	23	23	23	22	21	20	20	20	19	22	22	23	23	23	22	21
Couple without children	11	10	10	10	10	10	11	10	10	11	10	11	12	12	13	12	13	13
Single with children	61	60	65	62	62	60	56	57	54	51	51	49	51	50	49	46	41	43
Single male without children	25	23	25	22	22	23	22	22	24	23	23	25	25	25	26	29	28	28
Single female without children	22	23	25	23	22	23	23	22	23	22	22	24	23	26	27	27	26	28
Gender and adulthood																		
Adult male	20	20	20	19	19	19	19	18	19	18	17	19	19	19	19	20	19	19
Adult female	24	24	25	24	24	23	23	22	22	21	19	20	21	21	21	21	20	20
Children	33	33	34	33	34	33	31	31	30	29	28	30	30	31	30	29	27	27
All individuals (per cent)	24	24	25	24	24	24	23	23	22	21	21	22	22	23	22	22	21	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^{1,2}

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	11/12
Before Housing Costs																		
One or more full-time self-employed	18	22	20	21	19	19	18	19	18	21	19	20	20	20	20	19
Single/couple all in full-time work	2	3	2	2	3	3	3	3	3	3	3	3	3	3	3	4
Couple, one full-time, one part-time work	3	4	4	4	3	4	3	4	4	5	4	4	5	4	4	5
Couple, one full-time work, one not working	17	18	18	18	16	14	15	15	14	16	18	17	19	16	15	17
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	22
Workless, one or more aged 60 or over	27	28	30	28	28	28	27	26	25	24	27	27	24	21	21	19
Workless, one or more unemployed	65	65	66	65	68	67	67	64	63	64	63	66	63	61	55	55
Workless, other inactive	48	50	48	50	49	50	51	49	47	48	49	48	45	42	37	36
All individuals (per cent)	19	18	19	20	19	19	18	18	18	18	17	18	18	18	18	17	16	16
After Housing Costs																		
One or more full-time self-employed	23	25	24	25	24	22	21	22	21	25	24	26	26	25	26	23
Single/couple all in full-time work	4	4	4	4	5	4	5	5	5	5	5	6	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	8
Couple, one full-time work, one not working	23	23	24	23	23	19	22	21	21	24	27	25	28	25	24	26
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	32
Workless, one or more aged 60 or over	32	33	32	31	29	29	28	24	21	20	23	22	19	19	18	17
Workless, one or more unemployed	79	77	78	77	78	75	76	76	72	74	73	77	74	75	72	74
Workless, other inactive	67	65	65	66	64	67	66	65	62	63	64	63	61	61	56	55
All individuals (per cent)	24	24	25	24	24	24	23	23	22	21	21	22	22	23	22	22	21	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 disability³ and receipt of disability benefits², United Kingdom¹

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	11/12
Before Housing Costs																		
Individuals in families where no-one is disabled	..	16	18	17	17	17	16	16	16	16	15	16	16	16	16	16	15	15
Individuals in families where someone is disabled	..	22	24	25	26	25	24	25	23	22	23	22	24	25	22	20	20	19
1 or more disabled adult, no disabled child	..	21	23	24	25	24	24	26	23	23	23	22	24	25	22	21	20	19
Those living in families with disabled children	..	29	29	35	31	30	26	24	24	21	23	20	25	26	26	19	17	18
With no disabled adult	..	27	27	32	28	24	24	19	20	18	18	19	23	23	23	14	16	17
With 1 or more disabled adult	..	34	32	39	38	41	30	33	29	27	30	23	29	31	32	26	19	19
In receipt of disability benefits	..	8	10	12	13	13	12	14	14	12	13	14	15	15	14	12	11	10
Not in receipt of disability benefits	..	25	29	30	30	30	29	30	28	27	27	26	29	30	27	25	25	22
All individuals (per cent)	19	18	19	20	19	19	18	18	18	18	17	18	18	18	18	17	16	16
After Housing Costs																		
Individuals in families where no-one is disabled	..	22	23	22	21	21	20	20	20	20	19	20	20	20	21	21	20	20
Individuals in families where someone is disabled	..	30	31	31	31	31	30	30	28	26	25	25	27	28	26	25	24	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	23
Those living in families with disabled children	..	39	39	40	40	37	34	33	30	29	29	28	32	36	35	28	27	27
With no disabled adult	..	36	38	37	36	31	32	27	27	26	23	24	30	31	32	21	24	25
With 1 or more disabled adult	..	48	42	47	48	49	38	44	37	35	38	35	34	43	40	38	32	31
In receipt of disability benefits	..	13	13	15	15	16	15	16	17	16	16	17	17	18	17	16	14	14
Not in receipt of disability benefits	..	34	37	37	37	37	36	36	33	31	30	29	32	33	30	29	29	28
All individuals (per cent)	24	24	25	24	24	24	23	23	22	21	21	22	22	23	22	22	21	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.

Table 3.13ts: Percentage of individuals living in households with less than 60 per cent of 2010/11 median household income held constant in real terms, by family type, gender and adulthood, United Kingdom¹

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	11/12
Before Housing Costs																		
Family type																		
Pensioner couple	38	39	34	33	33	29	26	25	23	21	18	17	19	19	16	14	15	14
Single male pensioner	49	48	41	43	41	36	32	24	23	21	21	20	20	20	16	14	16	18
Single female pensioner	57	54	51	48	46	41	38	31	28	29	27	24	28	28	24	22	23	25
Couple with children	29	29	27	26	24	23	19	17	16	16	15	16	15	16	16	15	15	17
Couple without children	13	13	12	11	11	11	10	9	8	9	9	9	9	9	10	9	10	12
Single with children	65	65	65	62	61	55	49	44	40	38	35	33	33	33	31	24	22	25
Single male without children	26	24	24	22	21	21	19	18	17	17	17	18	18	18	19	20	21	22
Single female without children	23	24	23	24	20	20	20	17	18	16	16	17	16	18	18	18	17	21
Gender and adulthood																		
Adult male	26	25	24	22	22	20	18	17	16	15	14	15	15	15	15	15	16	17
Adult female	31	31	29	28	27	25	23	20	19	18	17	17	17	18	17	15	16	17
Children	39	39	37	36	35	33	28	25	23	22	21	21	21	21	20	18	18	20
All individuals (per cent)	31	31	29	28	27	25	22	20	18	18	17	17	17	17	17	15	16	17
After Housing Costs																		
Family type																		
Pensioner couple	38	39	35	33	32	29	26	24	22	19	15	14	15	14	13	13	13	14
Single male pensioner	50	49	43	46	43	41	36	29	24	16	14	15	15	13	13	13	14	18
Single female pensioner	59	56	53	50	48	44	41	36	28	24	18	17	20	20	17	16	18	19
Couple with children	35	36	33	31	30	28	25	22	20	20	19	20	20	21	21	21	22	23
Couple without children	16	16	15	14	13	13	13	11	10	11	10	11	11	11	12	12	13	13
Single with children	77	76	76	72	72	68	61	59	54	50	49	46	47	46	45	42	41	46
Single male without children	33	32	31	27	27	27	24	22	23	23	22	24	24	23	25	27	28	29
Single female without children	31	32	32	29	27	27	27	23	23	22	22	22	21	25	26	26	26	29
Gender and adulthood																		
Adult male	30	30	28	26	25	24	22	20	19	18	16	17	17	17	18	19	19	20
Adult female	36	36	34	32	31	29	27	24	22	20	18	19	19	19	19	19	20	21
Children	46	46	44	43	42	39	36	33	30	28	27	28	28	29	28	27	27	29
All individuals (per cent)	36	36	34	32	31	30	27	24	22	21	20	20	20	21	21	21	21	23

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 2010/11 median household income held constant in real terms, by economic status of the family, United Kingdom^{1,2}

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	11/12
Before Housing Costs																		
One or more full-time self-employed	25	26	25	25	22	20	18	19	18	21	18	19	19	18	20	21
Single/couple all in full-time work	4	4	4	4	4	3	3	3	3	3	3	3	3	3	3	4
Couple, one full-time, one part-time work	8	10	8	6	5	4	4	4	4	4	3	3	4	3	4	6
Couple, one full-time work, one not working	28	28	25	25	22	16	16	15	14	15	17	16	17	14	15	20
No full-time, one or more in part-time work	41	38	39	36	30	29	25	24	22	21	22	25	25	20	21	24
Workless, one or more aged 60 or over	45	43	43	38	35	31	28	26	24	23	25	25	22	19	21	21
Workless, one or more unemployed	78	77	75	75	73	68	67	65	63	63	60	65	60	58	55	57
Workless, other inactive	66	65	62	61	58	54	51	49	46	46	47	46	43	38	37	40
All individuals (per cent)	31	31	29	28	27	25	22	20	18	18	17	17	17	17	17	15	16	17
After Housing Costs																		
One or more full-time self-employed	30	31	30	29	28	23	21	22	21	24	22	24	24	24	26	25
Single/couple all in full-time work	7	7	7	6	6	4	5	5	5	5	5	6	6	5	6	7
Couple, one full-time, one part-time work	12	14	12	11	9	7	6	5	5	6	6	6	7	6	7	9
Couple, one full-time work, one not working	35	35	33	30	29	22	22	20	19	21	23	23	24	22	24	28
No full-time, one or more in part-time work	49	44	45	43	37	37	32	30	28	28	28	29	30	28	30	34
Workless, one or more aged 60 or over	46	45	43	40	36	32	28	23	19	18	20	19	17	16	18	19
Workless, one or more unemployed	87	83	84	84	81	76	76	75	70	72	71	75	72	74	72	75
Workless, other inactive	77	74	73	73	69	68	66	65	60	60	61	60	58	57	56	58
All individuals (per cent)	36	36	34	32	31	30	27	24	22	21	20	20	20	21	21	21	21	23

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 2010/11 median household income held constant in real terms, by disability³ and receipt of disability benefits², United Kingdom¹

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	11/12
Before Housing Costs																		
Individuals in families where no-one is disabled	..	27	26	24	23	22	19	17	16	16	15	15	15	15	15	14	15	16
Individuals in families where someone is disabled	..	41	38	37	36	33	30	27	24	23	22	21	23	24	21	18	20	20
1 or more disabled adult, no disabled child	..	40	37	35	35	32	30	28	24	23	22	21	23	24	20	19	20	20
Those living in families with disabled children	..	46	44	47	43	39	31	26	24	22	22	20	23	25	25	17	17	19
With no disabled adult	..	43	43	44	39	31	28	21	21	19	18	18	21	22	22	12	16	18
With 1 or more disabled adult	..	53	45	53	50	52	36	36	29	27	30	22	26	31	29	24	19	22
In receipt of disability benefits	..	26	24	24	23	22	18	15	14	13	13	13	14	14	13	11	11	12
Not in receipt of disability benefits	..	44	43	41	41	38	35	32	28	28	27	25	27	29	25	22	25	24
All individuals (per cent)	31	31	29	28	27	25	22	20	18	18	17	17	17	17	17	15	16	17
After Housing Costs																		
Individuals in families where no-one is disabled	..	32	31	28	27	26	24	21	20	19	18	19	19	19	19	20	20	21
Individuals in families where someone is disabled	..	46	43	42	40	38	35	32	28	26	24	23	24	25	24	23	24	26
1 or more disabled adult, no disabled child	..	45	42	40	39	37	34	31	27	25	23	23	23	24	22	22	24	25
Those living in families with disabled children	..	54	52	52	49	47	41	36	30	29	28	26	28	31	33	25	27	29
With no disabled adult	..	50	51	48	46	39	38	30	27	25	23	22	27	28	30	19	24	27
With 1 or more disabled adult	..	63	56	60	57	60	45	47	37	35	36	31	31	38	37	35	32	32
In receipt of disability benefits	..	34	30	29	27	27	22	17	16	16	14	14	15	15	15	14	14	16
Not in receipt of disability benefits	..	49	48	46	45	43	40	38	33	30	29	27	29	30	28	27	29	30
All individuals (per cent)	36	36	34	32	31	30	27	24	22	21	20	20	20	21	21	21	21	23

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.

Chapter 4

Children

Key findings

- Whilst the proportion in *absolute low income*¹ rose² in 2011/12, the proportion of children in *combined low income and material deprivation*³, and *severe poverty*³ continued to fall, and the proportion in *relative low income* remained flat⁴. The increase in *absolute low income* was driven by RPI inflation rising faster than incomes did for households with children, whilst the stable rates in *relative low income* were driven by *incomes* for families with children at the lower end of the income distribution falling at the same rate as *incomes* around the *median*.
- In 2011/12, the percentage of children in *relative low income* was 17 per cent, *BHC*. It fell between 1998/99 and 2004/05, after which it increased until 2007/08. It then fell for three years to 2010/11, and it is now at its lowest level since the mid 1980s⁵. *AHC*, the percentage of children in *relative low income* was 27 per cent in 2011/12, around the levels seen in the late 1980s^{5,6}.
- Between 2010/11 and 2011/12 the percentage of children in *absolute low income*, measured against the 2010/11 baseline⁷, increased by 2 percentage points, or 300,000 children, both *BHC* and *AHC*². The percentage of children fell between 1998/99 and 2004/05, after which it remained fairly stable until 2007/08. It then fell for two years to 2009/10. Since 1998/99 the percentage of children has fallen by 15 percentage points *BHC*, and 13 percentage points *AHC*⁵.
- Children in workless families were more likely to live in *low income* and *combined low income and materially deprived* households 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 2011/12, around two in three children living in both relative and absolute low income were living in families where at least one adult was in work. For combined low income and material deprivation, almost one in two of the children were living in families where at least one adult was in work.

¹ Technical terms in the key findings in italics are explained immediately before the tables.

² The percentage point increase is statistically significant BHC and AHC, the increase in the number is statistically significant for BHC but not AHC.

³ This reduction is not statistically significant.

⁴ Table 4.1tr shows a change from 18 to 17 per cent between 2010/11 and 2011/12, but unrounded figures show relative low income to be flat. Rounding figures at the final point of calculation of a statistic produces the best estimate. This change is not statistically significant.

⁵ The statistical significance of movements based on the relative and absolute-low income threshold of 60 per cent of median, BHC and AHC, have been tested. The reductions between 1998/99 and 2011/12 are statistically significant.

⁶ 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, then falling (see <http://www.ifs.org.uk/fiscalFacts/povertyStats>).

⁷ The change of baseline from 1998/99 to 2010/11 is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

1. Introduction

This chapter examines the position of children in the income distribution in 2011/12 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.

2. Child Poverty Strategy

The [Child Poverty Strategy](#), published on 5 April 2011, sets out the Government's vision to end child poverty through tackling its root causes.

The [Child Poverty Act 2010](#) sets out four income related targets that the Government must meet by 2020, the following four targets use measures which are reported in HBAI:

- Relative low income: The proportion of children living in households where income is less than 60 per cent of median household income, BHC (the target is less than 10 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, BHC in 2010/11 adjusted for prices (the target is less than 5 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, BHC (the target is less than 5 per cent by 2020/21).
- Persistent poverty: The proportion of children living in households where income is less than 60 per cent of median household income, BHC, for at least three out of the last four years.⁸

The 'Measuring Child Poverty: A consultation on better measures of child poverty' set out the Government's wish to develop better measures of child poverty in order to better understand and focus on tackling the root causes of child poverty such as worklessness and poor educational achievement. The consultation finished in February 2013 and the Government will be publishing its response in the summer.

⁸ A target for persistent poverty will be set at a later date.

3. Drivers of low income

HBAI uses variants of RPI to adjust for inflation to look at how incomes are changing over time in real terms. As described in the background section of **Chapter 1**, the use of different inflation measures has an effect on absolute low-income figures.

The relative low income measure indicates how the incomes at the lower end of the income distribution are keeping pace with those in the middle and is affected by the levels of income inequality across the distribution. The proportion of children in relative low-income households remained unchanged in 2011/12⁹.

Incomes across the distribution fell in 2011/12 compared to 2010/11, with incomes near the bottom of the income distribution for households with children falling in real terms by roughly the same rate as household incomes at the median in 2011/12 compared to 2010/11, both BHC and AHC. The real terms decline in median household equivalised income was due to earnings and benefit income growing more slowly than the cost of living as measured by the RPI.

The reduction in real terms earnings may partly be due to a combination of both pay freezes and economic restructuring following the recession.

Various benefit reforms¹⁰ were introduced in 2011/12. These included the adoption of the CPI, rather than the RPI, for the uprating of many benefits and tax credits, the triple guarantee for basic State Pensions, measures to reduce housing benefit expenditure, and the focussing of tax credits on lower income families. These reforms had different effects on different benefit recipients but overall resulted in a real terms fall in benefit income. A large proportion of the incomes of households at the lower end of the distribution, including those with children, were sourced through state support.

As the rate of RPI inflation rose faster than incomes across the distribution, this meant the proportion of children in absolute low-income households increased.

Between 2010/11 and 2011/12 the risk of relative low income for children being in workless households fell, this continues a trend seen since 2006/07, for both BHC and AHC. This decrease in the relative low income for workless households was largely observed in households with children compared to those without children which have remained flat.

⁹ Table 4.1tr shows a change from 18 to 17 per cent between 2010/11 and 2011/12, but unrounded figures show relative low income to be flat. This change is not statistically significant.

¹⁰ See Table A, **Chapter 2** for more details.

4. The position of children in the overall income distribution

Chart 4.1 shows the income distribution for all individuals and children for the United Kingdom in 2011/12 both BHC and AHC. The distribution was skewed towards the lower end of the population distribution. An explanation of how the negative incomes AHC and zero incomes BHC shown in the chart can occur is given in **Appendix 1**.

Chart 4.1 (BHC): Income distribution; all individuals and all children by income band, 2011/12

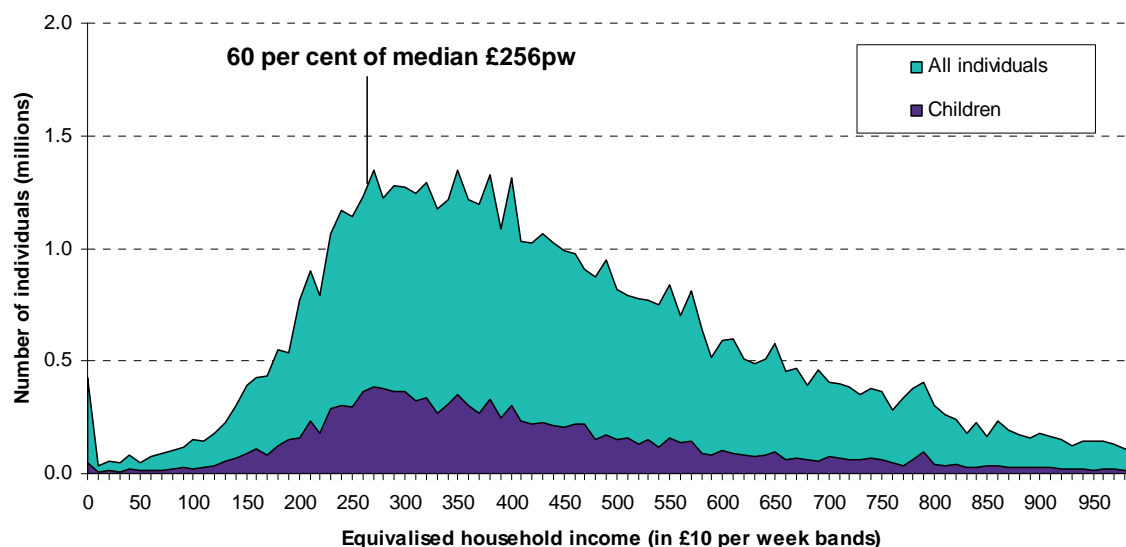
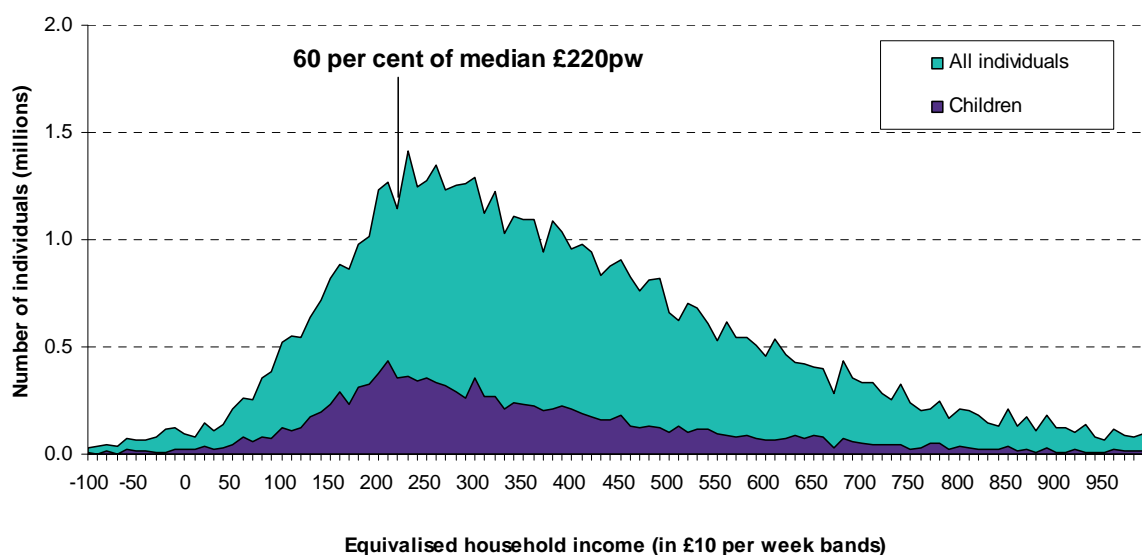


Chart 4.1 (AHC): Income distribution; all individuals and all children by income band, 2011/12



5. What the figures show¹¹

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.

Whilst the proportion in absolute low income rose¹² in 2011/12, the proportion of children in combined low income and material deprivation, and severe poverty continued to fall, and the proportion in relative low income remained flat¹³. The increase in absolute low income was driven by RPI inflation rising faster than incomes did for households with children, whilst the stable rates in relative low income were driven by incomes for families with children at the lower end of the income distribution falling at the same rate as incomes around the median.

Trends in relative low income: There was a reduction in the proportion of children in relative low income between the years 1998/99¹⁴ and 2011/12 both BHC and AHC¹⁵ (Table 4.1tr). The figures initially fell between 1998/99 and 2004/05, rose between 2004/05 and 2007/08, and then fell between 2007/08 and 2010/11¹⁶, however the proportion of children in relative low income has remained broadly flat for the last year.

At 17 per cent for 2011/12, relative low income BHC was at its lowest rate since the mid 1980s, with much of the reduction since 1998/99 driven by increased entitlements to state support¹⁷. The proportion of children in relative low income remained broadly the same from the levels seen in 2010/11; this was driven primarily by incomes for families with children at the lower end of the income distribution falling at the same rate as incomes around the median. AHC, relative low income also remained unchanged at 27 per cent between 2010/11 and 2011/12.

Trends in absolute low income: Over the period 1998/99 to 2010/11, there was a marked fall in the proportion of children in absolute low income, measured against the 2010/11 baseline¹⁸, both BHC and AHC¹⁹ (Table 4.2tr). The majority of this reduction occurred between 1998/99 and 2002/03.

However, in 2011/12, the proportion of children in absolute low income, measured against the 2010/11 baseline¹⁸, BHC, increased to 20 per cent. This was a two percentage point, or 300,000 children, increase between 2010/11 and 2011/12²⁰. The recent increase was driven by a reduction in real terms income. The absolute low-income threshold was uprated by RPI inflation and so the population falling into low income increased.

¹¹ This analysis is based on a 60 per cent of median income threshold.

¹² This increase is statistically significant, both BHC and AHC.

¹³ Table 4.1tr shows a change from 18 to 17 per cent between 2010/11 and 2011/12, but unrounded figures show relative low income to be flat. This change is not statistically significant.

¹⁴ 1998/99 is the first year where results are available for the United Kingdom.

¹⁵ This reduction is statistically significant, both BHC and AHC.

¹⁶ These movements are all statistically significant, both BHC and AHC, with the exception of the BHC increase from 2004/05 to 2007/08.

¹⁷ See Table 4.3 of the 2012 IFS commentary available at <http://www.ifs.org.uk/publications/6196>.

¹⁸ The change of baseline from 1998/99 to 2010/11 is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

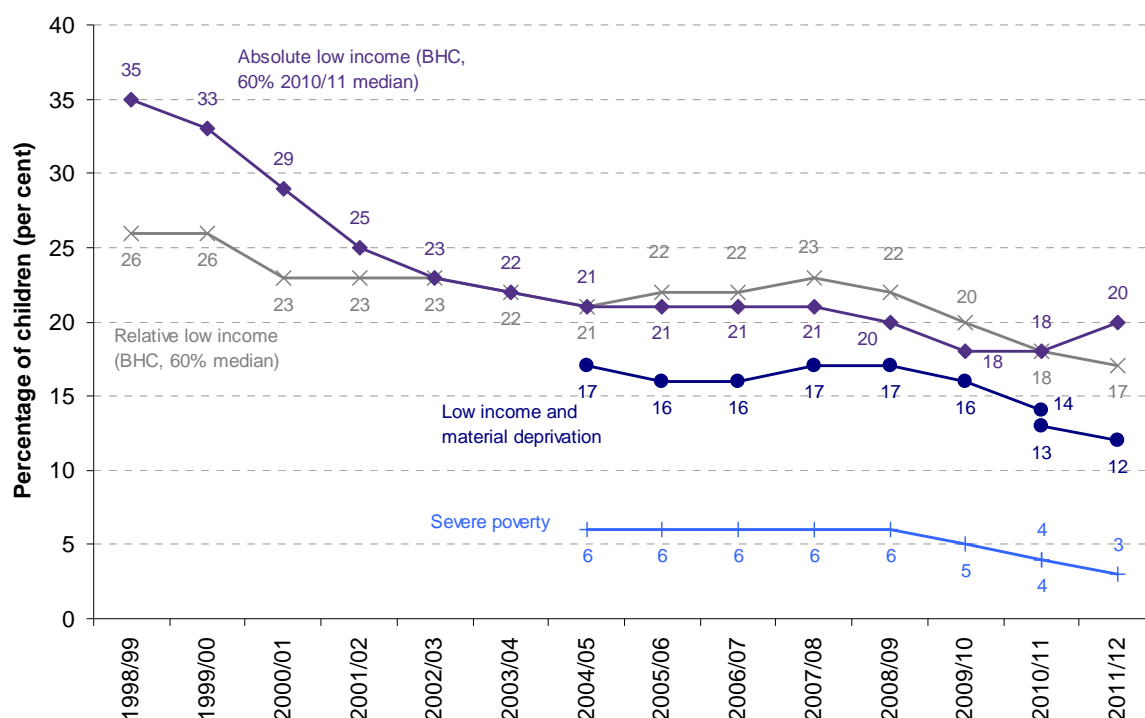
¹⁹ This reduction is statistically significant, both BHC and AHC.

²⁰ This increase is statistically significant.

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For AHC the proportion of children in absolute low income increased to 29 per cent, this was a two percentage point, or 300,000 children, increase between 2010/11 and 2011/12²¹. This is for the same reasons as for the BHC measure.

Chart 4.2: Percentage of children in relative and absolute low income, BHC, United Kingdom



Note: Because new material deprivation items were introduced in 2010/11, low income and material deprivation and severe poverty figures prior to 2010/11 are not comparable to 2011/12.

Trends in combined low income and material deprivation and severe poverty:

New material deprivation items were introduced in 2010/11. The proportion of children living in low income (below 70 per cent of equivalised median household income, BHC) and material deprivation and severe poverty (below 50 per cent of median household income and in material deprivation) for 2011/12 has fallen to 12 per cent and 3 per cent respectively in 2011/12, representing a 1 percentage point fall for both measures compared to 2010/11²². As the proportion of households with children falling below the 70 per cent and 50 per cent low-income thresholds remained the same in 2011/12 compared to 2010/11, this fall was primarily driven by a decrease in the proportion of families experiencing material deprivation. As only two years' worth of data exists using the new items it is not possible to compare the trends prior to 2010/11 for either measure²³.

Based on the old suite of questions, the proportion of children who were living in low income (below 70 per cent of equivalised median household income, BHC) and material deprivation remained broadly flat from 2004/05 until 2008/09, and fell

²¹ The percentage point increase is statistically significant, the increase in the number is not statistically significant.

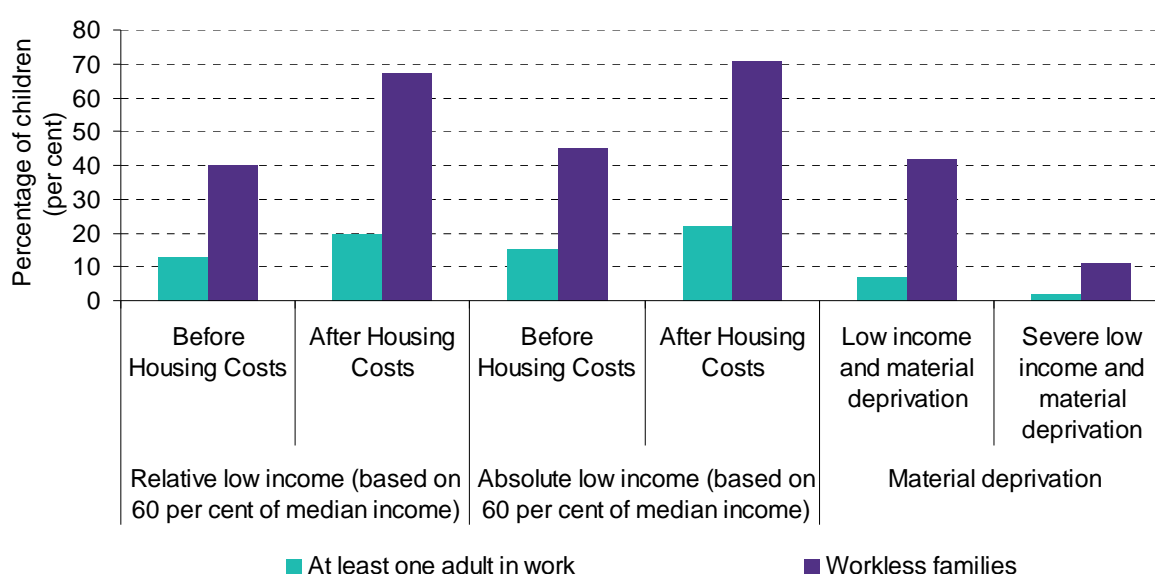
²² These reductions are not statistically significant.

²³ The break in the series is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

between 2008/09 and 2010/11 (Table 4.5tr). Trends in severe poverty (below 50 per cent of median household income and in material deprivation) were similar to those for combined 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 4.3: Percentage of children in low-income groups by economic status of the family, 2011/12, United Kingdom



Work status: Children in workless families were much more likely to live in low-income households and households in combined low income and material deprivation than those in families with at least one adult in work (Chart 4.3 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 2011/12.

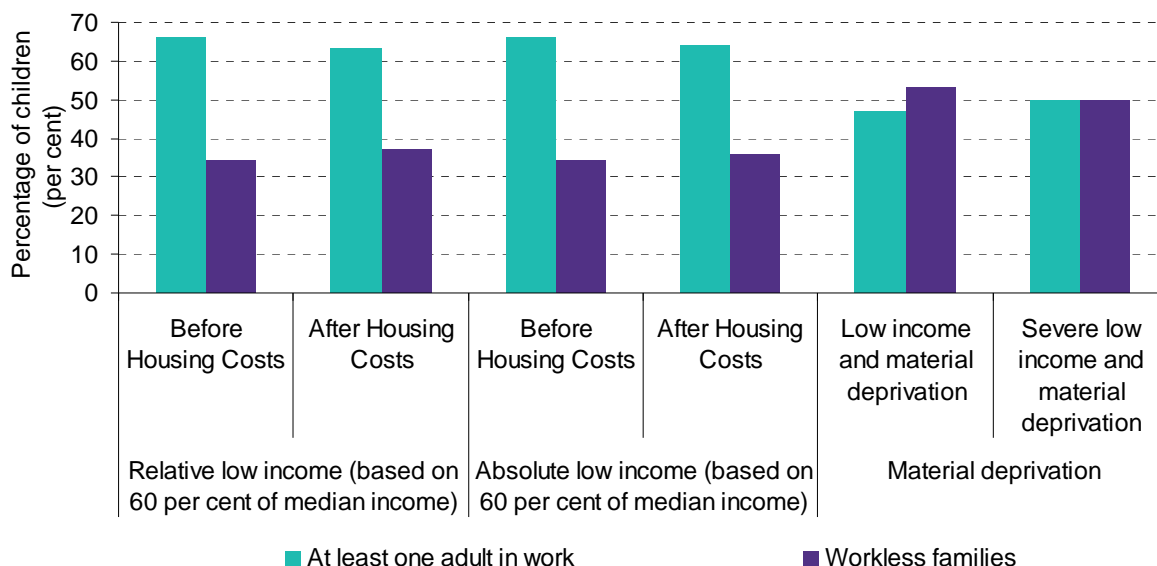
For children in workless families, the risk of being in relative low income reduced by 2 percentage points to 40 per cent between 2010/11 and 2011/12, BHC and by 1 percentage point to 67 per cent, AHC, (Table 4.14ts). This was because these workless families received a higher proportion of their income from state support than families with children who had at least one adult in work.

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. However, for children living in families with at least one adult in work, the risk

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increased by 1 percentage point between 2010/11 and 2011/12 to 13 per cent²⁴, BHC and by 1 percentage point to 20 per cent, AHC.

Chart 4.4: Composition of children in low-income groups by economic status of the family, 2011/12, United Kingdom



Despite their lower risk of relative and absolute 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 (Table 4.3db, Table 4.6ts and Table 4.10ts). They accounted for around two-thirds of children in relative and absolute low income, and around half of those in combined low income and material deprivation in 2010/11 (Chart 4.4). This is because children living in families where at least one adult was in work made up such a large proportion (over 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 combined low income and material deprivation than those in couple families (Table 4.5db). The likelihood was reduced greatly if the lone parent was in full-time work. Since 1998/99, there has been a reduction in the proportion of children in lone-parent families who are in relative low income (Table 4.14ts). Lone-parent employment rates increased over this period, which, along with real terms increases in Child Tax Credits, contributed to this effect²⁵.

For children in lone-parent families, the risk of being in relative low income has remained unchanged at 22 per cent between 2010/11 and 2011/12, BHC and increased by 1 percentage point to 43 per cent, AHC²⁶. This follows the trend for all children where incomes for families with children at the lower end of the income

²⁴ Table 4.14ts shows a constant level of 13 per cent in 2010/11 and 2011/12. This apparent inconsistency is due to rounding.

²⁵ See Table B of working and workless households, 2012, available at <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcn%3A77-269948> which shows increasing lone parent employment rates over the period.

²⁶ Table 4.14ts shows a change from 41 per cent in 2010/11 to 43 per cent in 2011/12. This apparent inconsistency is due to rounding.

distribution have fallen at the same rate as incomes around the median, causing proportions of children in relative low income to remain broadly the same.

Family size: Children in large families – those with three or more children – were more likely to live in low-income households and households in combined low income and material deprivation, although the proportion of children in large families in relative low income has decreased since 1998/99 (Table 4.18ts). For children in large families, the risk of being in relative low income increased by 1 percentage point to 25 per cent between 2010/11 and 2011/12, BHC, and increased by 1 percentage point to 36 per cent, AHC.

Disability: Children in families containing one or more disabled member were more likely to live in low-income households and households in combined low income and material deprivation than those in families with no disabled member. The proportion of children in this group who were in relative low income increased from 2003/04 to 2007/08 before falling to 21 per cent in 2011/12 (Chart 4.4 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 [2004/05 disability equality baseline for indicator C1](#)²⁷. From 2010/11 to 2011/12, the proportion of this group in relative low income reduced by 1 percentage point both BHC and AHC, to 21 per cent and 32 per cent respectively²⁸.

The proportion of children in families with one or more disabled adult and no disabled children in relative low income has fallen 3 percentage points to 23 per cent in 2011/12 compared to 2010/11, BHC and 2 percentage points to 35 per cent, AHC. For all of the groups with children in families where someone is disabled, the families with one or more disabled adult and no disabled children remains the group with the highest proportion in relative low income for both BHC and AHC.

Children in families where someone is disabled and in receipt of disability benefits²⁹ have much lower rates of relative low income than children in families where someone is disabled but no-one is in receipt of disability benefits.

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

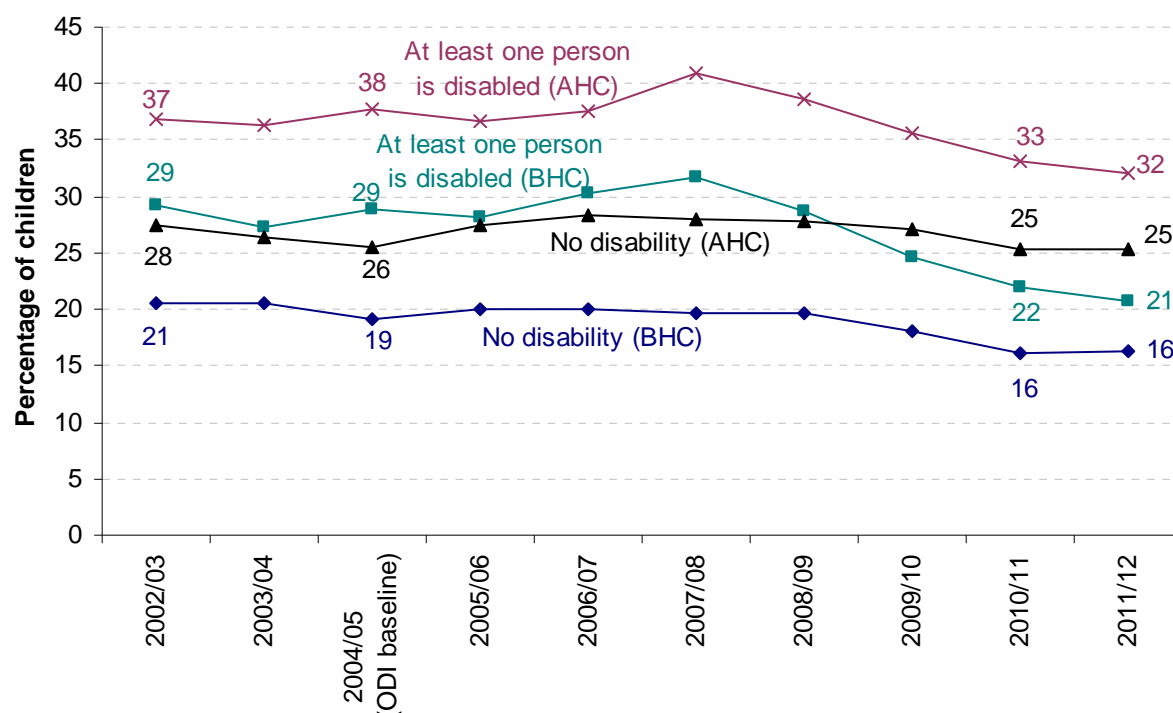
²⁷ Indicator C1 looks at children in low income by whether they live in a family containing someone who is disabled. Indicator C2 looks at children in low income and material deprivation by whether there is anyone disabled in the family.

²⁸ Neither the BHC or AHC change is statistically significant.

²⁹ 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.

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Chart 4.5: Percentage of children in relative low income by family disability status, 2002/03 to 2011/12, United Kingdom



Ethnicity: Children 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 (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 origin³⁰.

³⁰ See Table A09 of Labour Market Statistics, available at <http://www.ons.gov.uk/ons/publications/reference-tables.html?edition=tcn%3A77-263579> which shows economic activity by ethnic group.

Chapter 4 Glossary

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 sources³¹ of all household members including dependants. For *BHC*, housing costs³² are not deducted from income, while for *AHC* 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.

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.

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.

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, BHC or AHC. 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

³¹ 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.

³² Housing costs include rent, water rates, mortgage interest payments, buildings insurance payments and ground rent and service charges.

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median income) in a specific year adjusted for inflation, BHC or AHC. The year 2010/11 is used in this report in order to measure absolute low income in line with the Child Poverty Act 2010. Absolute low-income statistics fall if low-income households are seeing their incomes rise faster than inflation.

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.

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.

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 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.

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.

Research³³ 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

The ethnicity figures in this publication reflect the new harmonised standards published in August 2011 and updated in February 2013. This has resulted in some changes, the most significant being to the following categories³⁴:

- Chinese has moved from the 'Chinese or other ethnic group' section to the 'Asian/ Asian British' section;
- Arab is now specifically included in the 'Other ethnic group' section; and
- the treatment for 'Gypsy' and 'Gypsy or Irish traveller' is different for respondents in Northern Ireland compared to Great Britain.

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.

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.

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.

³³ 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.

³⁴ These changes are described in more detail in **Appendix 2**.

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 regions³⁵ 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.

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 AHC measure will partly take into account differences in housing costs.

Material deprivation

A suite of questions designed to capture the material deprivation experienced by families with children has been included in the FRS 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 2003 Measuring Child Poverty Consultation. Analysis has been included in tables 4.3db to 4.6db for 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.

New questions about four additional material deprivation items for children were introduced into the 2010/11 FRS and from 2011/12 four questions from the original suite were removed. Therefore we present the breakdown tables for 2011/12

³⁵ Regional information is at [NUTS1](#) level.

including the new questions. The time series table shows figures using the original suite of questions up to and including 2010/11, and the new suite of questions from 2010/11 onwards. 2010/11 data is presented on both bases as figures from the old and new suite of questions are not comparable. Due to the break in the series it is not possible to calculate results for ethnicity or geographical breakdowns for this publication as these require three consecutive years' data.

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, BHC.

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, BHC.

Chapter 4 tables

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).
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).
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 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 2010/11 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 2010/11 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.

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Table 4.1tr: Percentage of children falling below various thresholds of contemporary median income, United Kingdom^{1,2}

Percentage of children		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
FES (UK) ⁴	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
FRS (GB)	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
FRS (UK)	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
	2011/12	9	17	29	17	27	37
Change	1998/99-2011/12 ^{2,3}	-5	-9	-7	-7	-7	-4
	2010/11-2011/12 ^{2,3}	0	0	0	0	0	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 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 2010/11 median income held constant in real terms, United Kingdom^{1,2}

Percentage of children		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
FES (UK) ⁴	1979	33	52	68	39	59	74
	1981	38	55	69	44	61	74
	1987	31	43	56	37	50	62
	1988 and 1989	28	38	50	33	44	56
	1990 and 1991	29	39	50	35	46	57
	1991 and 1992	29	40	50	36	46	55
	1992 and 1993	30	40	50	37	46	55
	1993/94 to 1994/95	28	39	49	35	44	54
	1994/95 to 1995/96	27	37	47	35	43	52
	1995/96 to 1996/97	27	38	48	36	44	52
FRS (GB)	1994/95	27	39	50	36	46	56
	1995/96	26	39	49	37	46	55
	1996/97	26	37	47	35	44	52
	1997/98	24	36	46	34	43	51
FRS (UK)	1998/99	23	35	45	33	42	50
	1999/00	20	33	43	30	39	48
	2000/01	16	29	40	26	36	45
	2001/02	13	25	36	22	33	40
	2002/03	11	23	34	20	30	38
	2003/04	11	22	33	19	28	37
	2004/05	11	21	33	17	27	36
	2005/06	11	21	32	18	28	36
	2006/07	11	21	32	18	28	37
	2007/08	11	21	32	18	29	37
	2008/09	10	20	31	18	28	37
	2009/10	9	18	29	17	27	36
	2010/11	9	18	29	17	27	37
	2011/12	10	20	32	18	29	39
Change	1998/99-2011/12 ^{2,3}	-13	-15	-13	-14	-13	-11
	2010/11-2011/12 ^{2,3}	1	2	3	1	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.

4 Children

Table 4.3tr: Number of children falling below various thresholds of contemporary median income, United Kingdom^{1,2}

Number of children (millions)		Source: FES/FRS						
		Before Housing Costs			After Housing Costs			All children
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
FES (UK) ⁴	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
FRS (GB)	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
FRS (UK)	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
Change	1998/99-2011/12 ^{2,3}	-0.6	-1.1	-0.9	-0.9	-0.9	-0.6	0.0
	2010/11-2011/12 ^{2,3}	0.0	0.0	0.0	0.0	0.0	0.0	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 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 2010/11 median income held constant in real terms, United Kingdom^{1,2}

Number of children (millions)		Source: FES/FRS						
		Before Housing Costs			After Housing Costs			All children
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
FES (UK) ⁴	1979	4.5	7.2	9.3	5.4	8.2	10.1	13.8
	1981	5.2	7.5	9.4	6.0	8.3	10.1	13.6
	1987	3.9	5.3	6.9	4.6	6.2	7.7	12.4
	1988 and 1989	3.5	4.8	6.2	4.1	5.5	7.0	12.5
	1990 and 1991	3.6	4.9	6.3	4.4	5.7	7.1	12.5
	1991 and 1992	3.7	5.1	6.3	4.6	5.8	7.0	12.7
	1992 and 1993	3.9	5.2	6.5	4.8	6.0	7.2	13.0
	1993/94 to 1994/95	3.7	5.1	6.4	4.6	5.8	7.1	13.2
	1994/95 to 1995/96	3.5	5.0	6.3	4.6	5.7	7.0	13.3
	1995/96 to 1996/97	3.6	5.1	6.4	4.7	5.9	6.9	13.3
FRS (GB)	1994/95	3.4	4.9	6.3	4.6	5.8	7.0	12.6
	1995/96	3.3	4.9	6.2	4.7	5.9	7.0	12.7
	1996/97	3.2	4.7	6.0	4.5	5.6	6.7	12.7
	1997/98	3.1	4.6	5.8	4.3	5.4	6.5	12.7
FRS (UK)	1998/99	3.1	4.6	6.0	4.3	5.5	6.6	13.1
	1999/00	2.6	4.3	5.7	4.0	5.2	6.3	13.2
	2000/01	2.1	3.7	5.2	3.4	4.7	5.9	13.1
	2001/02	1.6	3.3	4.7	2.9	4.3	5.3	13.1
	2002/03	1.5	3.0	4.4	2.6	3.9	5.0	13.0
	2003/04	1.5	2.9	4.3	2.4	3.7	4.8	13.0
	2004/05	1.4	2.7	4.2	2.2	3.5	4.7	12.9
	2005/06	1.4	2.7	4.1	2.3	3.5	4.7	12.8
	2006/07	1.5	2.7	4.1	2.3	3.6	4.7	12.8
	2007/08	1.4	2.7	4.1	2.4	3.7	4.7	12.8
	2008/09	1.3	2.6	3.9	2.3	3.5	4.7	12.8
	2009/10	1.2	2.3	3.7	2.2	3.5	4.6	13.0
Change	1998/99-2011/12 ^{2,3}	-1.7	-2.0	-1.8	-1.9	-1.7	-1.5	0.0
	2010/11-2011/12 ^{2,3}	0.2	0.3	0.3	0.2	0.3	0.3	0.1

4 Children

Table 4.5tr: Percentage and number of children falling below thresholds of low income and material deprivation^{1,2}, United Kingdom³

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
	New suite of questions⁴					
	2010/11	13	1.7	4	0.5	13.0
	2011/12	12	1.6	3	0.4	13.1
Change	2010/11-2011/12 ^{3,5}	-1	-0.1	-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. New questions about four additional material deprivation items for children were introduced into the 2010/11 FRS and from 2011/12 four questions from the original suite were removed. Figures from the old and new suite of questions are not comparable.

5. 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					Source: FRS 2011/12
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All children (millions)
Economic status of the family						
At least one adult in work	18	23	23	19	18	11.1
Workless families	53	33	11	2	1	2.0
Economic status of the family and family type						
Lone parent:	31	35	22	9	3	3.0
In full-time work	13	28	31	19	9	0.8
In part-time work	24	38	28	9	1	0.8
Not working	47	38	12	3	1	1.4
Couple with children:	21	22	20	19	19	10.1
Self-employed	28	22	20	15	15	1.5
Both in full-time work	4	10	22	30	34	2.3
One in full-time work, one in part-time work	8	21	27	24	21	3.0
One in full-time work, one not working	28	32	17	10	13	2.1
One or more in part-time work	51	29	12	5	3	0.6
Both not in work	68	24	8	1	1	0.6
Economic status of household¹						
All adults in work	10	21	26	23	21	7.7
At least one adult in work, but not all	36	29	16	9	10	3.6
Workless households	54	33	11	2	-	1.8
Marital status						
Couple	21	22	20	19	19	10.1
Married or Civil Partnered	19	20	20	19	21	8.3
Cohabiting	26	29	21	16	9	1.9
Single	31	35	22	9	3	3.0
Number of children in family						
One child	19	22	23	20	17	3.9
Two children	20	23	22	18	18	6.0
Three or more children	34	32	16	9	8	3.3
Disability and receipt of disability benefits²						
Those living in families where no-one is disabled	22	23	21	17	17	9.8
Those living in families where someone is disabled	27	30	21	13	9	3.3
1 or more disabled adult, no disabled child	29	29	19	12	10	1.8
Those living in families with disabled children	24	31	24	14	7	1.5
With no disabled adult	22	29	25	16	8	0.9
With 1 or more disabled adult	27	36	22	10	5	0.5
In receipt of disability benefits	20	32	31	12	6	0.9
Not in receipt of disability benefits	30	29	18	13	10	2.4
Ethnic group³ of head (3-year average)						
White	21	25	21	17	16	11.1
Mixed / Multiple ethnic groups	34	29	17	13	7	0.2
Asian/ Asian British	41	22	15	10	11	1.1
Indian	28	20	21	13	18	0.4
Pakistani	55	24	11	4	5	0.4
Bangladeshi	53	30	7	8	3	0.1
Chinese	36	18	14	12	20	-
Any other Asian background	34	21	18	13	13	0.2
Black/ African/ Caribbean/ Black British	31	27	20	14	7	0.5
Other ethnic group	35	22	19	12	11	0.2
All children⁴	23	25	21	16	15	13.1

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 ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.
4. The totals for all children are shown for the United Kingdom for the latest year and are not three-year averages.
5. 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					Source: FRS 2011/12
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All children (millions)
Economic status of the family						
At least one adult in work	19	24	22	18	17	11.1
Workless families	62	29	8	1	-	2.0
Economic status and family type						
Lone parent:	39	33	18	7	3	3.0
In full-time work	15	31	28	17	9	0.8
In part-time work	28	39	24	6	2	0.8
Not working	61	29	9	1	-	1.4
Couple with children:	21	23	20	18	18	10.1
Self-employed	27	24	18	15	14	1.5
Both in full-time work	5	11	23	30	31	2.3
One in full-time work, one in part-time work	9	20	27	23	20	3.0
One in full-time work, one not working	27	34	18	9	12	2.1
One or more in part-time work	56	30	7	3	4	0.6
Both not in work	66	27	6	-	1	0.6
Economic status of household¹						
All adults in work	11	21	25	23	20	7.7
At least one adult in work, but not all	36	31	16	8	10	3.6
Workless households	63	28	7	1	-	1.8
Marital status						
Couple	21	23	20	18	18	10.1
Married or Civil Partnered	19	21	20	19	20	8.3
Cohabiting	28	28	21	14	8	1.9
Single	39	33	18	7	3	3.0
Number of children in family						
One child	24	20	22	19	16	3.9
Two children	22	23	20	18	17	6.0
Three or more children	32	34	17	8	8	3.3
Disability and receipt of disability benefits²						
Those living in families where no-one is disabled	24	24	20	17	17	9.8
Those living in families where someone is disabled	30	28	21	12	8	3.3
1 or more disabled adult, no disabled child	33	28	18	12	9	1.8
Those living in families with disabled children	27	29	25	13	7	1.5
With no disabled adult	24	26	26	16	8	0.9
With 1 or more disabled adult	31	34	22	8	4	0.5
In receipt of disability benefits	20	33	31	10	6	0.9
Not in receipt of disability benefits	33	27	18	13	9	2.4
Ethnic group³ of head (3-year average)						
White	23	24	21	17	15	11.1
Mixed / Multiple ethnic groups	47	23	14	9	7	0.2
Asian/ Asian British	43	25	12	10	10	1.1
Indian	30	23	18	13	17	0.4
Pakistani	54	29	9	4	5	0.4
Bangladeshi	51	36	3	7	3	0.1
Chinese	42	19	5	16	18	-
Any other Asian background	47	15	14	14	11	0.2
Black/ African/ Caribbean/ Black British	40	26	16	11	6	0.5
Other ethnic group	46	18	14	12	9	0.2
All children⁴	25	25	20	16	15	13.1

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 ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.
4. The totals for all children are shown for the United Kingdom for the latest year and are not three-year averages.
5. 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 2011/12
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All children (millions)
State support received by family¹						
Disability Living Allowance	20	32	32	12	5	0.9
Jobseeker's Allowance	71	21	6	2	-	0.4
Incapacity Benefit	37	38	15	6	4	0.3
Employment and Support Allowance	47	36	12	2	2	0.2
Child Tax Credit	31	36	23	9	2	7.4
Working Tax Credit	31	39	21	8	1	2.9
Income Support	41	43	14	2	-	1.1
Housing Benefit	41	40	16	3	-	2.6
Not in receipt of any state support listed above	11	10	19	27	35	5.3
Age of youngest child in family						
0 - 4	26	27	19	15	14	5.8
5 - 10	20	23	23	16	17	3.8
11 - 15	21	23	22	18	16	2.6
16 - 19	21	22	22	21	14	0.9
Tenure						
Owners	17	18	22	22	22	8.2
Owned outright	25	19	18	17	21	1.2
Buying with mortgage	15	18	22	22	22	6.9
Social rented sector tenants	43	38	16	3	-	2.6
All rented privately	24	34	23	11	8	2.4
Savings and investments						
No savings	36	33	19	9	4	6.0
Less than £1,500	17	27	26	20	11	2.1
£1,500 but less than £3,000	15	22	27	19	16	0.9
£3,000 but less than £8,000	14	19	25	24	19	1.4
£8,000 but less than £10,000	6	15	15	42	23	0.3
£10,000 but less than £16,000	9	15	19	26	31	0.7
£16,000 but less than £20,000	7	11	31	32	19	0.2
£20,000 or more	8	8	15	20	49	1.5
Household bills in arrears²						
No bills in arrears	20	23	22	18	18	11.2
One or more bills in arrears	42	38	15	4	1	1.9
Region/Country (3-year average)						
England	23	25	21	17	16	11.0
North East	26	29	21	14	10	0.5
North West	28	27	20	15	11	1.5
Yorkshire and the Humber	30	29	18	13	10	1.1
East Midlands	22	27	23	17	11	0.9
West Midlands	29	27	19	16	9	1.2
East of England	18	23	21	18	20	1.2
London	21	21	19	16	23	1.7
Inner	27	23	13	12	25	0.5
Outer	18	20	22	18	22	1.1
South East	16	20	20	21	23	1.8
South West	19	26	26	17	12	1.0
Wales	29	26	21	15	9	0.6
Scotland	21	24	23	19	14	1.0
Northern Ireland	30	26	20	14	10	0.4
All children³	23	25	21	16	15	13.1

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						Source: FRS 2011/12
	Net equivalised disposable household income					All children (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
State support received by family¹						
Disability Living Allowance	21	34	30	10	5	0.9
Jobseeker's Allowance	74	21	4	2	-	0.4
Incapacity Benefit	31	44	18	5	3	0.3
Employment and Support Allowance	59	30	7	4	-	0.2
Child Tax Credit	34	35	22	8	2	7.4
Working Tax Credit	32	42	19	6	1	2.9
Income Support	54	34	11	1	-	1.1
Housing Benefit	55	34	10	1	-	2.6
Not in receipt of any state support listed above	11	12	18	26	33	5.3
Age of youngest child in family						
0 - 4	28	27	18	13	13	5.8
5 - 10	22	23	22	15	18	3.8
11 - 15	23	24	20	20	14	2.6
16 - 19	23	20	26	19	12	0.9
Tenure						
Owners	14	20	23	22	22	8.2
Owned outright	15	21	22	20	23	1.2
Buying with mortgage	14	19	23	22	21	6.9
Social rented sector tenants	45	38	15	2	-	2.6
All rented privately	43	30	14	7	6	2.4
Savings and investments						
No savings	40	31	17	7	4	6.0
Less than £1,500	19	28	25	19	10	2.1
£1,500 but less than £3,000	14	24	27	21	14	0.9
£3,000 but less than £8,000	13	21	25	22	19	1.4
£8,000 but less than £10,000	6	13	21	39	22	0.3
£10,000 but less than £16,000	9	14	19	26	32	0.7
£16,000 but less than £20,000	4	16	29	28	22	0.2
£20,000 or more	7	9	15	23	47	1.5
Household bills in arrears²						
No bills in arrears	21	24	21	18	17	11.2
One or more bills in arrears	51	33	12	3	1	1.9
Region/Country (3-year average)						
England	26	24	20	16	15	11.0
North East	26	27	24	14	10	0.5
North West	28	25	21	15	11	1.5
Yorkshire and the Humber	28	30	19	14	10	1.1
East Midlands	23	25	24	16	12	0.9
West Midlands	29	26	20	15	10	1.2
East of England	22	23	19	17	19	1.2
London	33	19	14	14	20	1.7
Inner	40	20	9	10	21	0.5
Outer	30	19	16	15	19	1.1
South East	20	21	20	19	21	1.8
South West	22	27	24	16	12	1.0
Wales	31	23	21	16	9	0.6
Scotland	20	24	23	20	13	1.0
Northern Ireland	24	28	22	16	10	0.4
All children³	25	25	20	16	15	13.1

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 2011/12						
	Material Deprivation		Before Housing Costs			After Housing Costs			
	and Low income ^{1,2}	and Severe low income ^{1,3}	50%	60%	70%	Income Thresholds - Below Median			All children
						50%	60%	70%	
Economic status of the family									
At least one adult in work	47	50	69	66	66	63	63	67	85
Workless families	53	50	31	34	34	37	37	33	15
Economic status of the family and family type									
Lone parent:	45	40	28	29	32	34	36	35	23
In full-time work	3	3	4	3	4	4	4	4	6
In part-time work	7	9	7	6	7	7	7	8	6
Not working	34	28	17	20	22	24	25	23	10
Couple with children:	55	60	72	71	68	66	64	65	77
Self-employed	6	10	19	16	13	15	13	12	12
Both in full-time work	2	3	5	4	3	4	3	4	17
One in full-time work, one in part-time work	2	1	7	8	9	7	8	10	23
One in full-time work, one not working	14	13	17	19	21	16	18	19	16
One or more in part-time work	12	11	11	11	10	11	11	10	5
Both not in work	19	22	14	14	12	13	12	10	5
Economic status of household ⁴									
All adults in work	16	15	26	24	27	26	26	30	59
At least one adult in work, but not all	34	39	46	44	42	39	40	39	28
Workless households	50	46	28	32	32	35	35	31	14
Marital status									
Couple	55	60	72	71	68	66	64	65	77
Married or Civil Partnered	38	44	58	54	51	51	48	49	63
Cohabiting	17	16	15	16	16	15	16	16	14
Single	45	40	28	29	32	34	36	35	23
Number of children in family									
One child	25	27	24	25	23	31	27	26	30
Two children	36	36	39	39	40	38	40	39	45
Three or more children	40	37	37	36	37	31	33	35	25
Disability and receipt of disability benefits ⁵									
Those living in families where no-one is disabled	61	59	74	70	70	71	70	70	75
Those living in families where someone is disabled	39	41	26	30	30	29	30	30	25
1 or more disabled adult, no disabled child	25	27	15	18	18	17	18	18	14
Those living in families with disabled children	14	14	11	12	12	12	12	13	11
With no disabled adult	6	4	7	7	7	7	7	7	7
With 1 or more disabled adult	8	10	5	5	5	5	5	5	4
In receipt of disability benefits	8	8	4	5	6	4	5	6	7
Not in receipt of disability benefits	31	33	22	25	24	25	24	24	18
Ethnic group of head (3-year average) ^{1,6}									
White	..	..	70	75	78	73	76	78	85
Mixed / Multiple ethnic groups	..	..	3	2	2	2	2	2	1
Asian/ Asian British	..	..	19	16	13	15	13	12	8
Indian	..	..	5	4	3	4	4	3	3
Pakistani	..	..	9	7	6	6	5	5	3
Bangladeshi	..	..	3	2	2	2	2	2	1
Chinese	..	..	1	1	1	1	1	1	-
Any other Asian background	..	..	2	2	2	2	2	2	1
Black/ African/ Caribbean/ Black British	..	..	6	5	5	7	6	6	4
Other ethnic group	..	..	3	2	2	3	2	2	1
All children (millions=100%) ⁷	1.6	0.4	1.2	2.3	3.8	2.2	3.5	4.8	13.1

Notes:

1. New questions about four additional material deprivation items for children were introduced into the 2010/11 FRS and from 2011/12 four questions from the original suite were removed. Figures from the old and new suite of questions are not comparable. Due to the break in the series it is not possible to calculate results for ethnicity or geographical breakdowns for this publication as these require three consecutive years' data
2. 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.
3. 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.
4. 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.
5. 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.
6. The ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary at Appendix 2.
7. The totals for all children are shown for the United Kingdom for the latest year and are not three-year averages.
8. 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 2011/12
	Material Deprivation and Low income ^{1,2}		and Severe low income ^{1,3}	Before Housing Costs Income Thresholds - Below Median			After Housing Costs Income Thresholds - Below Median			All children
				50%	60%	70%	50%	60%	70%	
State support received by family ⁴										
Disability Living Allowance	9	7	4	5	6	4	5	6	7	
Jobseeker's Allowance	12	14	9	11	9	12	10	8	3	
Incapacity Benefit	6	3	2	3	4	2	3	3	2	
Employment and Support Allowance	4	3	2	3	3	3	4	3	1	
Child Tax Credit	86	73	61	71	78	70	76	78	56	
Working Tax Credit	27	23	23	27	30	24	28	31	22	
Income Support	29	17	9	13	17	15	19	18	9	
Housing Benefit	56	38	20	31	36	38	43	41	20	
Not in receipt of any state support listed above	6	12	29	21	16	23	18	16	40	
Age of youngest child in family										
0 - 4	55	50	48	48	51	50	51	50	44	
5 - 10	22	25	27	27	26	26	25	25	29	
11 - 15	16	14	16	19	18	18	18	19	20	
16 - 19	6	10	8	7	6	7	6	6	7	
Tenure										
Owners	26	37	57	48	44	38	34	36	63	
Owned outright	6	13	14	11	9	6	6	6	10	
Buying with mortgage	20	24	44	37	35	31	29	30	53	
Social rented sector tenants	50	45	26	33	37	30	35	36	19	
All rented privately	24	18	16	19	19	32	31	28	18	
Savings and investments										
No savings	91	91	66	70	70	71	73	70	46	
Less than £1,500	6	5	11	11	11	12	12	13	16	
£1,500 but less than £3,000	1	2	5	4	5	4	4	5	6	
£3,000 but less than £8,000	1	1	6	6	7	5	5	6	10	
£8,000 but less than £10,000	-	-	1	1	1	1	-	1	2	
£10,000 but less than £16,000	-	-	3	2	2	2	2	2	5	
£16,000 but less than £20,000	-	-	-	1	1	-	-	-	2	
£20,000 or more	-	1	7	5	4	4	3	3	12	
Household bills in arrears ⁵										
No bills in arrears	51	55	78	75	73	72	70	72	85	
One or more bills in arrears	48	45	20	24	26	27	29	27	14	
Region/Country (3-year average) ¹										
England	..	..	83	82	83	86	85	85	84	
North East	..	..	4	5	5	4	4	4	4	
North West	..	..	13	13	13	12	12	12	11	
Yorkshire and the Humber	..	..	11	11	11	9	9	10	8	
East Midlands	..	..	6	7	7	6	6	6	7	
West Midlands	..	..	12	12	11	11	10	10	9	
East of England	..	..	8	7	7	8	8	8	9	
London	..	..	14	12	11	18	17	15	13	
Inner	..	..	5	5	5	7	6	6	4	
Outer	..	..	9	8	7	11	10	9	9	
South East	..	..	10	10	9	11	11	11	14	
South West	..	..	6	6	7	7	7	8	8	
Wales	..	..	6	6	6	5	6	5	5	
Scotland	..	..	7	7	7	6	6	6	8	
Northern Ireland	..	..	4	4	4	3	3	3	3	
All children (millions=100%) ⁶	1.6	0.4	1.2	2.3	3.8	2.2	3.5	4.8	13.1	

Notes:

1. New questions about four additional material deprivation items for children were introduced into the 2010/11 FRS and from 2011/12 four questions from the original suite were removed. Figures from the old and new suite of questions are not comparable. Due to the break in the series it is not possible to calculate results for ethnicity or geographical breakdowns for this publication as these require three consecutive years' data.

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. 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 2011/12							
	Material Deprivation and Low income ^{1,2}		Before Housing Costs			After Housing Costs			All children (millions)
	and Low income ^{1,2}	and Severe low income ^{1,3}	50%	60%	70%	Income Thresholds - Below Median	50%	60%	70%
Economic status of the family									
At least one adult in work	7	2	7	13	23	12	20	29	11.1
Workless families	42	11	19	40	67	41	67	82	2.0
Economic status of the family and family type									
Lone parent:	23	6	11	22	42	25	43	57	3.0
In full-time work	6	2	6	8	19	10	17	27	0.8
In part-time work	14	5	10	17	30	18	31	46	0.8
Not working	39	9	15	34	62	38	65	81	1.4
Couple with children:	8	3	9	16	26	14	22	31	10.1
Self-employed	6	3	15	23	33	21	29	37	1.5
Both in full-time work	1	1	3	4	5	4	5	8	2.3
One in full-time work, one in part-time work	1	-	3	6	11	5	10	16	3.0
One in full-time work, one not working	10	3	9	20	37	16	30	44	2.1
One or more in part-time work	29	7	20	39	59	37	59	75	0.6
Both not in work	48	15	27	54	76	48	69	83	0.6
Economic status of household⁴									
All adults in work	3	1	4	7	13	7	12	19	7.7
At least one adult in work, but not all	15	5	15	28	44	24	39	52	3.6
Workless households	43	11	18	40	67	43	68	83	1.8
Marital status									
Couple	8	3	9	16	26	14	22	31	10.1
Married or Civil Partnered	7	2	8	15	24	13	21	29	8.3
Cohabiting	14	4	9	20	33	18	30	42	1.9
Single	23	6	11	22	42	25	43	57	3.0
Number of children in family									
One child	10	3	7	15	23	17	25	32	3.9
Two children	9	3	8	15	26	14	24	32	6.0
Three or more children	19	5	13	25	43	21	36	52	3.3
Disability and receipt of disability benefits⁵									
Those living in families where no-one is disabled	10	3	9	16	28	16	25	34	9.8
Those living in families where someone is disabled	19	5	10	21	35	19	32	45	3.3
1 or more disabled adult, no disabled child	21	6	10	23	37	20	35	47	1.8
Those living in families with disabled children	15	4	9	19	32	18	29	42	1.5
With no disabled adult	11	2	9	17	29	17	26	39	0.9
With 1 or more disabled adult	23	8	10	21	36	19	33	46	0.5
In receipt of disability benefits	15	4	6	13	24	10	22	35	0.9
Not in receipt of disability benefits	20	6	11	24	38	22	36	48	2.4
Ethnic group of head (3-year average)^{1,6}									
White	..	..	8	16	27	15	25	34	11.1
Mixed / Multiple ethnic groups	..	..	19	27	43	34	49	61	0.2
Asian/ Asian British	..	..	22	35	48	31	46	56	1.1
Indian	..	..	14	24	34	22	33	40	0.4
Pakistani	..	..	32	48	64	38	55	68	0.4
Bangladeshi	..	..	26	42	61	35	55	73	0.1
Chinese	..	..	20	29	42	27	43	51	-
Any other Asian background	..	..	16	29	39	36	49	56	0.2
Black/ African/ Caribbean/ Black British	..	..	14	25	41	32	44	56	0.5
Other ethnic group	..	..	19	30	43	38	48	56	0.2
All children⁷	12	3	9	17	29	17	27	37	13.1

Notes:

1. New questions about four additional material deprivation items for children were introduced into the 2010/11 FRS and from 2011/12 four questions from the original suite were removed. Figures from the old and new suite of questions are not comparable. Due to the break in the series it is not possible to calculate results for ethnicity or geographical breakdowns for this publication as these require three consecutive years' data
2. 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.
3. 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.
4. 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.
5. 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.
6. The ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.
7. 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 2011/12							
	Material Deprivation and Low income ^{1,2}	and Severe low income ^{1,3}	Before Housing Costs Income Thresholds - Below Median			After Housing Costs Income Thresholds - Below Median			All children (millions)
			50%	60%	70%	50%	60%	70%	
State support received by family⁴									
Disability Living Allowance	15	3	6	13	25	10	22	36	0.9
Jobseeker's Allowance	44	13	25	58	77	57	77	88	0.4
Incapacity Benefit	34	5	8	28	51	19	34	56	0.3
Employment and Support Allowance	35	7	15	36	58	34	63	77	0.2
Child Tax Credit	18	4	10	22	40	21	36	51	7.4
Working Tax Credit	15	3	9	21	40	18	35	53	2.9
Income Support	40	6	9	26	59	29	59	77	1.1
Housing Benefit	34	6	9	28	54	33	60	77	2.6
Not in receipt of any state support listed above	2	1	7	9	12	9	12	15	5.3
Age of youngest child in family									
0 - 4	15	4	10	19	34	19	31	42	5.8
5 - 10	9	3	9	16	26	15	24	32	3.8
11 - 15	10	2	7	16	26	15	24	35	2.6
16 - 19	11	5	11	18	26	17	24	31	0.9
Tenure									
Owners	5	2	8	14	21	10	15	21	8.2
Owned outright	7	4	13	20	28	11	16	24	1.2
Buying with mortgage	4	2	8	12	19	10	15	21	6.9
Social rented sector tenants	31	8	12	29	55	26	49	67	2.6
All rented privately	16	3	8	18	32	30	46	58	2.4
Savings and investments									
No savings	24	7	13	27	45	26	43	57	6.0
Less than £1,500	4	1	6	12	21	12	21	31	2.1
£1,500 but less than £3,000	2	1	7	12	21	11	15	26	0.9
£3,000 but less than £8,000	2	-	5	9	19	8	14	21	1.4
£8,000 but less than £10,000	-	-	4	5	7	4	6	10	0.3
£10,000 but less than £16,000	-	-	5	8	11	6	10	12	0.7
£16,000 but less than £20,000	-	-	2	6	9	3	5	9	0.2
£20,000 or more	-	-	6	7	9	6	7	9	1.5
Household bills in arrears⁵									
No bills in arrears	7	2	8	15	25	14	22	31	11.2
One or more bills in arrears	40	10	13	29	54	32	55	71	1.9
Region/Country (3-year average)¹									
England	..	..	9	18	29	18	28	38	11.0
North East	..	..	9	21	35	18	29	40	0.5
North West	..	..	11	21	35	19	31	41	1.5
Yorkshire and the Humber	..	..	12	23	39	18	30	43	1.1
East Midlands	..	..	8	17	30	14	25	33	0.9
West Midlands	..	..	13	23	37	21	32	42	1.2
East of England	..	..	8	14	24	15	23	33	1.2
London	..	..	10	17	27	25	36	44	1.7
Inner	..	..	11	20	33	29	43	51	0.5
Outer	..	..	10	16	24	23	33	40	1.1
South East	..	..	7	13	20	14	21	30	1.8
South West	..	..	7	14	26	15	25	35	1.0
Wales	..	..	12	23	40	20	33	43	0.6
Scotland	..	..	8	17	27	13	22	31	1.0
Northern Ireland	..	..	12	23	37	17	27	37	0.4
All children⁶	12	3	9	17	29	17	27	37	13.1

Notes:

1. New questions about four additional material deprivation items for children were introduced into the 2010/11 FRS and from 2011/12 four questions from the original suite were removed. Figures from the old and new suite of questions are not comparable. Due to the break in the series it is not possible to calculate results for ethnicity or geographical breakdowns for this publication as these require three consecutive years' data

2. 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.

3. 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.

4. 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.

5. 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.

6. 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 ¹		Net equivalised disposable household income					Source: FRS 2011/12
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All children
Outdoor space / facilities to play safely	Have this	86	89	93	95	99	91
	Don't have this	14	11	7	5	1	9
Enough bedrooms for every child 10 years or over and of a different gender	Child/ren has/have this	80	80	94	100	98	87
	Want but can't afford this	18	19	5	-	2	11
	Don't want or need; doesn't apply	2	1	1	-	-	1
Celebrations on special occasions	Child/ren has/have this	93	94	96	98	99	96
	Want but can't afford this	5	4	2	1	-	3
	Don't want or need; doesn't apply	2	2	2	2	1	2
Leisure equipment such as sports equipment or a bicycle	Child/ren has/have this	81	86	90	93	96	88
	Want but can't afford this	11	9	3	2	-	6
	Don't want or need; doesn't apply	8	5	6	5	4	6
At least one week's holiday away from home with family	Child/ren has/have this	34	43	63	78	91	58
	Want but can't afford this	61	51	32	17	6	37
	Don't want or need; doesn't apply	5	6	5	5	2	5
Hobby or leisure activity	Child/ren does/do this	66	72	76	81	84	75
	Would like to but can't afford this	10	8	4	1	-	5
	Don't want or need; doesn't apply	24	20	20	18	15	20
Have friends round for tea or a snack once a fortnight	Child/ren does/do this	62	66	70	73	80	69
	Would like to but can't afford this	10	8	5	2	1	6
	Don't want or need; doesn't apply	27	26	26	25	18	25
Go on school trip at least once a term	Child/ren does/do this	83	87	92	93	95	89
	Would like to but can't afford this	10	6	3	1	1	5
	Don't want or need; doesn't apply	6	7	6	6	4	6
Go to a playgroup at least once a week	Child/ren does/do this	57	58	75	78	79	67
	Would like to but can't afford this	9	8	3	2	-	5
	Don't want or need; doesn't apply	34	34	22	20	21	28
Attend organised activity once a week	Child/ren does/do this	55	62	71	77	83	68
	Would like to but can't afford this	15	14	6	2	1	9
	Don't want or need; doesn't apply	30	24	23	21	17	24
Eat fresh fruit and/or vegetables every day	Child/ren does/do this	86	86	92	93	97	90
	Would like to but can't afford this	6	6	2	1	-	3
	Don't want or need; doesn't apply	8	8	7	6	3	7
Have a warm winter coat	Child/ren does/do this	94	95	97	98	99	97
	Would like to but can't afford this	4	3	1	-	-	2
	Don't want or need; doesn't apply	2	2	2	1	1	2

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 ¹		Net equivalised disposable household income					Source: FRS 2011/12
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All children
Outdoor space / facilities to play safely	Have this	86	88	93	96	99	91
	Don't have this	14	12	7	4	1	9
Enough bedrooms for every child 10 years or over and of a different gender	Child/ren has/have this	81	81	93	98	99	87
	Want but can't afford this	17	18	5	2	1	11
	Don't want or need; doesn't apply	2	-	2	-	-	1
Celebrations on special occasions	Child/ren has/have this	92	95	96	98	99	96
	Want but can't afford this	6	3	2	-	-	3
	Don't want or need; doesn't apply	2	2	2	1	1	2
Leisure equipment such as sports equipment or a bicycle	Child/ren has/have this	79	87	91	95	96	88
	Want but can't afford this	13	7	3	1	-	6
	Don't want or need; doesn't apply	8	6	6	3	4	6
At least one week's holiday away from home with family	Child/ren has/have this	33	44	66	81	92	58
	Want but can't afford this	61	51	29	15	6	37
	Don't want or need; doesn't apply	6	6	5	4	3	5
Hobby or leisure activity	Child/ren does/do this	65	73	77	83	84	75
	Would like to but can't afford this	10	8	3	1	-	5
	Don't want or need; doesn't apply	25	20	20	16	15	20
Have friends round for tea or a snack once a fortnight	Child/ren does/do this	62	67	70	73	81	69
	Would like to but can't afford this	11	7	4	2	1	6
	Don't want or need; doesn't apply	28	26	26	25	18	25
Go on school trip at least once a term	Child/ren does/do this	83	87	92	94	96	89
	Would like to but can't afford this	10	6	2	1	1	5
	Don't want or need; doesn't apply	7	6	6	5	4	6
Go to a playgroup at least once a week	Child/ren does/do this	57	59	78	78	78	67
	Would like to but can't afford this	9	8	2	1	-	5
	Don't want or need; doesn't apply	34	33	20	21	22	28
Attend organised activity once a week	Child/ren does/do this	53	63	72	79	84	68
	Would like to but can't afford this	17	12	5	1	1	9
	Don't want or need; doesn't apply	30	25	23	20	15	24
Eat fresh fruit and/or vegetables every day	Child/ren does/do this	85	88	91	94	97	90
	Would like to but can't afford this	7	5	2	-	-	3
	Don't want or need; doesn't apply	8	7	7	5	3	7
Have a warm winter coat	Child/ren does/do this	94	96	98	98	99	97
	Would like to but can't afford this	4	3	1	-	-	2
	Don't want or need; doesn't apply	2	2	1	1	1	2

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 ¹		Net equivalised disposable household income					Source: FRS 2011/12
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All children
Money to decorate home	Adult/s has/have this	56	67	76	88	92	74
	Would like this but cannot afford it	37	28	18	9	6	22
	Don't want or need; doesn't apply	6	5	5	3	2	5
Holiday away from home one week a year not with relatives	Adult/s has/have this	26	36	56	71	88	51
	Would like to but cannot afford it	69	59	40	24	9	44
	Don't want or need; doesn't apply	5	6	4	4	3	4
Home contents insurance	Adult/s has/have this	48	60	78	91	95	71
	Would like this but cannot afford it	40	32	13	5	1	21
	Don't want or need; doesn't apply	12	9	8	5	4	8
Make savings of 10 pounds a month or more	Adult/s does/do this	34	37	56	70	87	53
	Would like to but cannot afford it	61	58	40	26	9	42
	Don't want or need; doesn't apply	5	5	4	4	4	5
Replace worn out furniture	Adult/s does/do this	34	39	52	68	81	52
	Would like to but cannot afford it	52	47	33	19	8	35
	Don't want or need; doesn't apply	14	13	15	14	11	13
Replace broken electrical goods	Adult/s does/do this	46	50	68	82	93	65
	Would like to but cannot afford it	41	37	21	11	3	25
	Don't want or need; doesn't apply	12	12	12	7	5	10
Money to spend on self each week	Adult/s has/have this	37	43	63	79	90	59
	Would like this but cannot afford it	59	54	35	19	6	38
	Don't want or need; doesn't apply	4	3	3	2	4	3
Keep house warm	Adult/s does/do this	81	81	91	95	97	88
	Would like to but cannot afford it	18	18	9	5	3	11
	Don't want or need; doesn't apply	1	1	-	-	-	1
Keep up to date with bills	Adult/s can do this	83	86	93	96	98	90
	Can't do this	17	14	7	4	2	10

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 ¹		Net equivalised disposable household income					Source: FRS 2011/12
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All children
Money to decorate home	Adult/s has/have this	54	67	81	90	92	74
	Would like this but cannot afford it	38	28	16	8	6	22
	Don't want or need; doesn't apply	8	6	3	2	2	5
Holiday away from home one week a year not with relatives	Adult/s has/have this	24	37	59	75	88	51
	Would like to but cannot afford it	71	58	37	21	8	44
	Don't want or need; doesn't apply	5	5	4	4	3	4
Home contents insurance	Adult/s has/have this	43	63	83	94	95	71
	Would like this but cannot afford it	44	28	10	2	1	21
	Don't want or need; doesn't apply	13	9	7	4	4	8
Make savings of 10 pounds a month or more	Adult/s does/do this	30	40	59	72	88	53
	Would like to but cannot afford it	65	55	37	23	9	42
	Don't want or need; doesn't apply	5	5	4	4	4	5
Replace worn out furniture	Adult/s does/do this	31	41	55	71	82	52
	Would like to but cannot afford it	55	45	31	17	8	35
	Don't want or need; doesn't apply	14	14	14	13	10	13
Replace broken electrical goods	Adult/s does/do this	41	53	71	85	93	65
	Would like to but cannot afford it	44	33	20	9	3	25
	Don't want or need; doesn't apply	14	13	9	6	4	10
Money to spend on self each week	Adult/s has/have this	35	44	65	81	91	59
	Would like this but cannot afford it	61	52	32	17	6	38
	Don't want or need; doesn't apply	4	4	3	2	4	3
Keep house warm	Adult/s does/do this	80	82	93	95	98	88
	Would like to but cannot afford it	19	17	6	5	2	11
	Don't want or need; doesn't apply	1	1	-	-	-	1
Keep up to date with bills	Adult/s can do this	81	88	95	97	98	90
	Can't do this	19	12	5	3	2	10

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 Kingdom¹

	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	11/12
Number of children whose family type is: (millions)																		
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	11.1
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	2.0
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	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	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	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	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	10.1
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	1.5
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	2.3
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	3.0
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	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	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	0.6
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	8.3
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	1.9
All children (millions)	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	13.1
Percentage of children whose family type is:																		
At least one adult in work	77	80	80	80	81	81	82	81	82	82	83	83	83	83	83	85
Workless families	23	20	20	20	19	19	18	19	18	18	17	17	17	17	17	15
Lone parent:	21	21	21	22	23	24	24	25	25	24	24	25	25	24	24	23	23	23
In full-time work	4	4	4	5	5	5	6	6	6	6	6	6	7	6	6	6
In part-time work	4	5	5	5	6	6	6	6	7	6	7	6	6	6	6	6
Not working	14	13	14	14	13	13	12	13	12	12	12	11	11	11	11	10
Couple with children:	79	79	79	78	77	76	76	75	75	76	76	75	75	76	76	77	77	77
Self-employed	13	13	12	12	12	12	12	11	13	13	13	13	12	12	13	12
Both in full-time work	13	13	12	13	14	14	14	15	14	15	15	15	16	16	16	17
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	23
One in full-time work, one not working	17	17	17	16	17	17	17	17	17	16	17	17	16	17	16	16
One or more in part-time work	3	3	3	4	3	3	3	4	3	3	3	3	4	4	4	5
Both not in work	9	7	7	6	6	6	6	6	6	6	5	6	5	6	6	5
Married or Civil Partnered	70	70	67	66	66	65	65	65	64	64	64	63	64	63	63
Cohabiting	8	8	9	9	10	10	10	11	11	11	12	13	13	14	14
All children (per cent)	100	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. 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.

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

Table 4.2ts: Population of children by economic status of household¹, United Kingdom²

	Source: FRS																	
	94/95 ³	95/96 ³	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	11/12
Number of children by economic status of household: (millions)																		
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	7.7
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	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	1.8
All children (millions)	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	13.1
Percentage of children by economic status of household:																		
All adults in work	..	..	52	55	56	56	57	57	57	56	57	57	56	57	57	57	57	59
At least one adult in work, but not all	..	..	26	26	25	25	25	25	26	27	27	27	28	27	28	27	28	28
Workless households	..	..	21	19	19	19	18	18	17	17	16	16	15	16	15	16	16	14
All children (per cent)	100	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 live only 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 Kingdom¹

	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	09/10- 11/12
Number of children whose region/country is: (3-year average, millions)																
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	11.0
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	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	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	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	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	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	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	1.7
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	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	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	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	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	0.4
All children (millions)²	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	13.0
Percentage of children whose region/country is: (3-year average)																
England	86	86	86	86	84	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	4
North West	13	12	12	12	12	12	12	12	12	12	12	12	11	11	11	11
Yorkshire and the Humber	9	9	9	9	9	9	9	9	9	9	9	9	9	9	8	8
East Midlands	7	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	9
East of England	9	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	13
South East	14	14	14	14	13	13	13	13	14	14	14	14	14	14	14	14
South West	8	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	5
Scotland	9	9	9	9	8	8	8	8	8	8	8	8	8	8	8	8
Northern Ireland	..	..	..	..	3	3	3	3	3	3	3	3	3	3	3	3
All children (per cent)²	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 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 Kingdom¹

	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	11/12
Number of children by number of children in the family: (millions)																		
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	3.9
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	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	3.3
All children (millions)	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	13.1
Percentage of children by number of children in the family:																		
One child	23	23	23	23	23	23	23	23	24	24	25	26	26	27	28	29	29	30
Two children	45	45	44	44	44	44	44	45	45	44	45	45	45	45	45	45	46	45
Three or more children	32	32	32	33	33	33	33	32	31	32	30	30	29	28	27	26	25	25
All children (per cent)	100	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 disability³ and receipt of disability benefits², United Kingdom¹

	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	11/12
Number of children (millions) who are:																		
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	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	3.3
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	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	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	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	0.5
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	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	2.4
All children (millions)	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	13.1
Percentage of children who are:																		
Children in families where no-one is disabled	..	77	77	74	74	76	75	76	76	76	77	75	77	77	77	75	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	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	14
Those living in families with disabled children	..	11	10	11	11	10	11	10	11	10	10	11	10	11	11	11	11	11
With no disabled adult	..	8	7	8	8	7	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	4
In receipt of disability benefits	..	4	5	5	5	6	6	5	7	7	6	7	6	7	6	7	7	7
Not in receipt of disability benefits	..	19	18	21	21	18	19	19	18	17	17	18	17	17	17	18	18	18
All children (per cent)	100	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 Kingdom¹

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	11/12
Before Housing Costs																		
At least one adult in work	43	48	48	48	47	48	49	49	51	52	54	54	57	56	60	66
Workless families	57	52	52	52	53	52	51	51	49	48	46	46	43	44	40	34
Lone parent:	35	34	39	40	40	43	43	43	43	42	43	40	40	38	38	32	29	29
In full-time work	2	2	2	2	2	2	3	2	3	2	2	3	4	3	3	3
In part-time work	4	6	6	6	6	7	7	6	7	6	6	7	5	5	4	6
Not working	33	33	32	36	36	34	34	34	33	32	32	28	28	24	21	20
Couple with children:	65	66	61	60	60	57	57	57	57	58	57	60	60	62	62	68	71	71
Self-employed	11	13	12	12	12	13	12	12	15	16	14	14	13	14	17	16
Both in full-time work	1	1	1	-	1	1	1	1	2	2	2	2	2	3	2	4
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	8
One in full-time work, one not working	15	15	16	15	15	13	14	14	14	14	17	16	17	16	17	19
One or more in part-time work	7	7	7	9	7	9	7	9	6	7	8	8	10	11	11	11
Both not in work	24	19	19	16	17	17	18	18	16	16	14	18	15	20	19	14
Married or Civil Partnered	50	50	47	47	45	46	47	46	49	49	48	47	54	51	54
Cohabiting	9	10	10	10	11	11	11	12	12	11	14	15	14	20	16
All children (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
At least one adult in work	44	49	50	49	50	49	51	49	52	55	57	57	59	56	58	63
Workless families	56	51	50	51	50	51	49	51	48	45	43	43	41	44	42	37
Lone parent:	39	39	42	42	43	45	45	46	45	44	45	42	42	40	40	37	35	36
In full-time work	2	2	2	2	3	3	4	2	3	3	3	4	5	4	4	4
In part-time work	5	7	8	7	7	8	8	7	8	7	8	7	6	5	5	7
Not working	35	34	33	36	36	36	33	35	33	32	31	28	28	27	26	25
Couple with children:	61	61	58	58	57	55	55	54	55	56	55	58	58	60	60	63	65	64
Self-employed	11	12	11	11	11	11	10	10	13	14	13	14	12	12	14	13
Both in full-time work	1	1	1	1	1	1	2	2	2	2	2	3	2	3	3	3
One in full-time work, one in part-time work	4	6	5	6	6	6	5	5	6	6	6	6	6	6	6	8
One in full-time work, one not working	15	16	17	15	16	13	16	15	15	16	18	17	18	17	17	18
One or more in part-time work	6	6	6	7	6	7	6	8	5	6	7	6	9	10	10	11
Both not in work	21	17	17	15	14	15	15	17	15	14	12	15	13	17	16	12
Married or Civil Partnered	49	48	45	45	44	44	45	44	47	46	46	45	49	47	48
Cohabiting	9	9	10	10	10	10	11	11	11	11	14	15	15	18	16
All children (per cent)	100	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. 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.

3. 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 household¹, United Kingdom²

Percentage of children	Source: FRS																	
	94/95 ³	95/96 ³	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	11/12
Before Housing Costs																		
All adults in work	..	..	16	20	20	19	19	22	20	19	22	21	20	20	20	20	23	24
At least one adult in work, but not all	..	..	29	30	31	32	31	29	31	32	31	34	37	37	39	38	39	44
Workless households	..	..	55	50	49	50	50	49	49	49	47	45	43	43	41	43	38	32
All children (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
All adults in work	..	..	18	22	23	22	23	24	23	21	24	24	24	24	24	22	24	26
At least one adult in work, but not all	..	..	28	29	30	30	30	27	30	31	30	33	36	35	37	35	36	40
Workless households	..	..	54	49	47	48	47	48	46	49	46	43	41	41	39	42	40	35
All children (per cent)	100	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 live only 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 Kingdom¹

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	11/12
Before Housing Costs																		
One child	15	15	16	15	15	17	18	19	20	20	20	22	21	21	24	24	28	25
Two children	36	35	34	37	34	36	36	36	37	38	38	38	36	38	37	42	38	39
Three or more children	49	50	50	49	50	47	46	45	44	42	41	41	43	41	38	33	34	36
All children (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
One child	19	18	19	17	18	19	19	20	21	22	22	23	23	23	26	26	28	27
Two children	36	36	35	38	37	36	36	36	38	38	39	39	37	39	39	42	40	40
Three or more children	45	45	46	45	45	45	44	43	41	40	39	38	40	38	35	31	32	33
All children (per cent)	100	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 disability³ and receipt of disability benefits², United Kingdom¹

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	11/12
Before Housing Costs																		
Children in families where no-one is disabled	..	69	71	64	66	69	66	68	69	71	69	68	69	67	70	69	69	70
Children in families where someone is disabled	..	31	29	36	34	31	34	32	31	29	31	32	31	33	30	31	31	30
1 or more disabled adult, no disabled child	..	17	17	19	20	18	20	21	19	18	19	21	19	19	16	20	20	18
Those living in families with disabled children	..	14	12	16	15	13	14	11	12	11	12	11	13	14	14	11	11	12
With no disabled adult	..	10	8	11	9	7	8	6	7	6	6	6	7	8	8	5	6	7
With 1 or more disabled adult	..	5	4	6	6	6	5	6	5	5	6	5	5	6	6	6	5	5
In receipt of disability benefits	..	2	3	4	4	5	4	4	6	4	5	6	5	6	6	6	4	5
Not in receipt of disability benefits	..	29	26	31	30	27	30	29	26	25	26	25	26	27	25	25	27	25
All children (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Children in families where no-one is disabled	..	69	72	66	67	69	67	69	70	70	69	70	72	69	71	70	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	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	18
Those living in families with disabled children	..	14	13	15	15	13	13	12	12	11	12	11	11	14	14	11	12	12
With no disabled adult	..	9	9	10	9	7	8	6	7	7	6	6	7	8	8	5	6	7
With 1 or more disabled adult	..	5	4	5	6	6	5	5	5	5	6	5	4	6	6	6	6	5
In receipt of disability benefits	..	3	3	5	5	5	4	4	6	5	6	6	5	6	6	6	5	5
Not in receipt of disability benefits	..	28	25	29	29	26	29	27	24	25	25	24	24	25	24	24	25	24
All children (per cent)	100	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 2010/11 median household income held constant in real terms, by family type and economic status of the family, United Kingdom¹

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	11/12
Before Housing Costs																		
At least one adult in work	49	54	53	52	50	49	49	49	51	52	54	54	57	55	60	66
Workless families	51	46	47	48	50	51	51	51	49	48	46	46	43	45	40	34
Lone parent:	35	36	39	39	42	43	44	44	44	42	42	39	40	38	37	31	29	29
In full-time work	2	2	3	2	2	2	3	2	3	2	2	3	4	3	3	3
In part-time work	5	7	8	7	6	7	7	6	7	6	6	7	5	5	4	6
Not working	31	30	31	34	35	34	33	34	33	31	31	28	28	24	21	20
Couple with children:	65	64	61	61	58	57	56	56	56	58	58	61	60	62	63	69	71	71
Self-employed	11	12	11	11	11	12	12	11	15	17	14	14	13	14	17	15
Both in full-time work	1	1	1	1	1	1	1	1	2	2	2	2	2	3	2	3
One in full-time work, one in part-time work	6	8	7	6	5	5	4	4	5	5	4	4	5	4	5	8
One in full-time work, one not working	17	17	17	16	17	14	15	15	14	14	17	15	17	16	17	19
One or more in part-time work	6	6	6	8	6	8	7	9	6	7	8	8	11	11	11	11
Both not in work	20	16	16	15	16	16	17	18	16	16	14	18	15	21	19	14
Married or Civil Partnered	51	50	47	46	45	46	47	46	49	49	48	48	55	51	54
Cohabiting	10	9	10	10	11	11	11	12	12	11	14	15	14	20	17
All children (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
At least one adult in work	53	57	57	55	54	51	51	49	51	53	55	56	58	55	58	64
Workless families	47	43	43	45	46	49	49	51	49	47	45	44	42	45	42	36
Lone parent:	35	35	38	39	40	43	43	46	45	44	45	42	43	39	40	36	35	36
In full-time work	2	3	3	3	3	3	4	2	3	3	3	4	5	4	4	4
In part-time work	6	8	8	8	7	8	8	7	8	7	7	7	6	5	5	8
Not working	29	28	29	32	32	34	33	35	34	32	32	28	29	28	26	25
Couple with children:	65	65	62	61	60	57	57	54	55	56	55	58	57	61	60	64	65	64
Self-employed	11	12	11	11	11	11	10	10	13	14	13	14	13	12	14	13
Both in full-time work	2	2	2	1	2	1	2	2	2	2	2	3	2	3	3	3
One in full-time work, one in part-time work	8	10	9	9	7	7	5	5	5	6	5	5	6	5	6	8
One in full-time work, one not working	18	18	17	16	17	14	16	15	14	14	17	17	18	16	17	18
One or more in part-time work	6	5	6	7	6	7	6	8	6	7	7	6	9	10	10	11
Both not in work	18	15	15	14	14	15	15	17	15	14	12	15	13	17	16	12
Married or Civil Partnered	53	51	48	47	44	44	45	44	46	46	47	46	49	47	48
Cohabiting	9	9	10	10	10	10	11	11	11	12	14	15	15	18	16
All children (per cent)	100	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 2010/11 median household income held constant in real terms, by economic status of household¹, United Kingdom²

Percentage of children	Source: FRS																	
	94/95 ³	95/96 ³	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	11/12
Before Housing Costs																		
All adults in work	..	..	21	25	25	22	21	23	21	19	22	21	20	20	20	20	23	24
At least one adult in work, but not all	..	..	30	31	30	32	31	29	31	32	31	34	37	37	39	37	39	43
Workless households	..	..	49	44	45	46	48	48	48	49	47	45	43	44	41	43	38	32
All children (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
All adults in work	..	..	24	28	29	26	26	25	23	21	24	23	23	23	23	22	24	26
At least one adult in work, but not all	..	..	31	31	30	31	31	28	30	31	30	33	35	35	37	35	36	39
Workless households	..	..	45	41	41	43	44	46	46	49	46	44	42	42	40	43	40	34
All children (per cent)	100	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 live only 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 2010/11 median household income held constant in real terms, by number of children in family, United Kingdom¹

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	11/12
Before Housing Costs																		
One child	17	17	18	16	17	17	18	19	20	20	21	22	21	21	25	25	28	24
Two children	37	37	36	38	36	36	36	35	37	37	38	38	35	38	37	42	38	39
Three or more children	46	46	46	46	47	47	46	45	44	42	41	40	44	41	38	33	34	37
All children (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
One child	19	19	19	18	18	18	19	20	21	22	22	24	24	23	27	27	28	26
Two children	38	38	37	39	37	37	37	36	38	38	39	40	37	39	39	43	40	39
Three or more children	43	43	44	43	44	45	44	44	41	40	39	37	39	38	34	30	32	34
All children (per cent)	100	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 2010/11 median household income held constant in real terms, by disability³ and receipt of disability benefits², United Kingdom¹

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	11/12
Before Housing Costs																		
Children in families where no-one is disabled	..	69	71	66	66	69	66	68	69	71	69	69	69	67	70	69	69	71
Children in families where someone is disabled	..	31	29	34	34	31	34	32	31	29	31	31	31	33	30	31	31	29
1 or more disabled adult, no disabled child	..	17	16	18	19	18	20	20	19	18	19	20	19	19	16	20	20	17
Those living in families with disabled children	..	14	13	16	15	13	13	11	12	11	12	11	12	14	14	11	11	12
With no disabled adult	..	9	9	10	9	7	8	6	7	6	6	6	7	8	8	5	6	7
With 1 or more disabled adult	..	4	4	5	6	6	5	5	5	5	6	5	5	6	6	6	5	5
In receipt of disability benefits	..	4	5	5	6	6	5	3	6	4	5	6	5	6	6	6	4	5
Not in receipt of disability benefits	..	26	25	29	28	25	28	28	26	26	26	25	26	27	25	25	27	24
All children (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Children in families where no-one is disabled	..	70	71	66	67	69	67	69	70	70	70	70	72	69	70	70	70	70
Children in families where someone is disabled	..	30	29	34	33	31	33	31	30	30	30	30	28	31	30	30	30	30
1 or more disabled adult, no disabled child	..	17	16	18	19	18	19	19	18	19	19	20	17	18	16	19	19	18
Those living in families with disabled children	..	13	13	15	14	13	14	12	12	11	12	11	11	13	14	11	12	12
With no disabled adult	..	9	9	10	9	7	9	6	7	7	6	6	7	7	8	5	6	7
With 1 or more disabled adult	..	4	4	5	5	6	5	5	5	5	6	5	4	6	6	6	6	5
In receipt of disability benefits	..	5	5	6	6	7	6	4	6	5	5	6	5	6	6	6	5	6
Not in receipt of disability benefits	..	25	24	28	27	25	27	27	24	25	25	25	23	25	24	25	25	25
All children (per cent)	100	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 Kingdom¹

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

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 household¹, United Kingdom²

Percentage of children	Source: FRS																	
	94/95 ³	95/96 ³	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	11/12
Before Housing Costs																		
All adults in work	..	..	8	10	9	8	8	9	8	8	8	8	8	8	8	7	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	28
Workless households	..	..	69	71	68	69	65	64	65	63	60	60	63	61	58	51	43	40
All children (per cent)	25	24	27	27	26	26	23	23	23	22	21	22	22	23	22	20	18	17
After Housing Costs																		
All adults in work	..	..	12	13	14	13	12	13	12	11	12	12	13	13	13	11	12	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	39
Workless households	..	..	86	86	85	85	82	84	82	81	78	78	81	80	78	76	69	68
All children (per cent)	33	33	34	33	34	33	31	31	30	29	28	30	30	31	30	29	27	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 live only 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 Kingdom¹

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	09/10- 11/12
Before Housing Costs																
Region/Country (3-year average)																
England	25	25	26	26	24	23	22	22	22	22	22	22	22	21	19	18
North East	32	33	35	34	34	30	32	30	31	28	28	28	28	27	25	21
North West	29	30	33	32	30	27	26	26	24	24	25	27	26	25	22	21
Yorkshire and the Humber	31	30	32	32	30	29	27	26	25	25	25	26	26	26	25	23
East Midlands	26	25	25	24	26	25	26	24	23	23	24	26	25	23	18	17
West Midlands	27	29	28	28	27	28	26	26	25	26	26	27	29	29	27	23
East of England	19	19	20	19	17	16	15	15	15	16	15	15	16	16	15	14
London	25	26	27	27	27	26	25	26	27	26	25	23	22	20	19	17
South East	17	17	17	16	15	15	14	13	13	13	15	15	15	14	13	13
South West	21	21	23	24	22	20	19	18	18	17	17	18	17	17	16	14
Wales	29	31	30	30	29	28	28	27	26	24	25	27	26	26	23	23
Scotland	29	29	29	29	28	27	26	25	23	22	21	21	21	20	19	17
Northern Ireland	..	..	..	..	29	28	26	26	25	25	24	24	23	25	24	23
All children (per cent) ²	25	26	27	26	25	24	23	23	22	22	22	22	22	21	20	18
After Housing Costs																
Region/Country (3-year average)																
England	33	33	34	33	33	31	30	30	29	29	30	31	31	31	29	28
North East	37	38	40	40	39	35	36	33	34	32	33	33	35	33	31	29
North West	36	36	39	38	37	35	33	32	30	31	31	34	33	33	31	31
Yorkshire and the Humber	35	35	36	36	35	33	32	32	31	30	29	30	31	32	32	30
East Midlands	31	30	30	30	30	29	29	28	28	27	29	30	30	28	25	25
West Midlands	33	34	34	33	34	34	34	32	31	32	33	35	36	36	35	32
East of England	29	27	28	27	26	24	23	23	23	24	25	26	26	26	25	23
London	41	42	42	42	41	40	39	38	40	41	41	39	39	38	37	36
South East	27	26	26	25	24	24	23	22	22	22	25	26	26	24	22	21
South West	31	31	32	31	30	29	28	28	26	26	26	27	26	26	26	25
Wales	36	37	36	36	35	34	34	32	31	28	29	32	32	33	31	33
Scotland	32	32	32	31	32	32	30	28	26	25	25	24	25	25	24	22
Northern Ireland	..	..	..	..	30	29	28	28	27	27	26	26	25	27	26	27
All children (per cent) ²	33	33	34	33	33	31	30	30	29	29	30	30	31	30	29	28

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 Kingdom¹

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	09/10- 11/12
Before Housing Costs																
Region/Country (3-year average)																
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	2.0
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	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	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	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	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	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	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	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	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	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	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	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	0.1
All children (millions) ²	3.2	3.3	3.4	3.3	3.3	3.2	3.0	2.9	2.9	2.8	2.8	2.9	2.8	2.7	2.5	2.4
After Housing Costs																
Region/Country (3-year average)																
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	3.1
North East	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1
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	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	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	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	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	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	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	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	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	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	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	0.1
All children (millions) ²	4.2	4.2	4.3	4.2	4.3	4.1	4.0	3.9	3.7	3.7	3.8	3.9	3.9	3.9	3.7	3.6

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 Kingdom¹

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	11/12
Before Housing Costs																		
One child	17	16	18	17	17	19	18	19	19	19	17	19	18	18	19	16	17	15
Two children	20	18	20	22	20	21	19	18	18	19	18	18	18	19	18	18	15	15
Three or more children	39	37	42	40	40	37	33	33	31	29	30	30	33	33	31	26	24	25
All children (per cent)	25	24	27	27	26	26	23	23	23	22	21	22	22	23	22	20	18	17
After Housing Costs																		
One child	27	26	28	25	26	26	26	27	27	26	25	27	27	26	27	26	26	25
Two children	26	27	27	29	28	27	26	25	25	25	25	26	25	27	26	27	24	24
Three or more children	46	46	48	45	47	45	42	42	39	36	37	38	42	43	40	35	35	36
All children (per cent)	33	33	34	33	34	33	31	31	30	29	28	30	30	31	30	29	27	27

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 disability³ and receipt of disability benefits², United Kingdom¹

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	11/12
Before Housing Costs																		
Children in families where no-one is disabled	..	21	25	23	23	23	21	20	21	21	19	20	20	20	20	18	16	16
Children in families where someone is disabled	..	31	34	37	34	33	31	32	29	27	29	28	30	32	29	25	22	21
1 or more disabled adult, no disabled child	..	31	36	36	34	34	34	36	32	31	32	33	33	35	29	29	26	23
Those living in families with disabled children	..	32	31	38	34	33	28	26	25	23	25	22	27	29	28	19	18	19
With no disabled adult	..	30	31	36	29	27	26	21	22	20	20	20	25	26	25	14	16	17
With 1 or more disabled adult	..	36	33	43	42	44	32	36	31	28	32	24	31	33	34	27	20	21
In receipt of disability benefits	..	12	16	23	21	20	15	17	19	13	17	19	18	21	19	17	11	13
Not in receipt of disability benefits	..	36	39	40	37	37	36	36	33	33	33	32	35	36	33	27	26	24
All children (per cent)	25	24	27	27	26	26	23	23	23	22	21	22	22	23	22	20	18	17
After Housing Costs																		
Children in families where no-one is disabled	..	30	32	30	31	30	28	28	28	26	26	27	28	28	28	27	25	25
Children in families where someone is disabled	..	44	43	44	43	42	40	40	37	36	38	37	38	41	39	36	33	32
1 or more disabled adult, no disabled child	..	44	43	43	43	43	43	44	40	40	43	42	41	44	40	41	37	35
Those living in families with disabled children	..	43	42	44	44	40	37	35	32	31	32	30	34	38	38	29	28	29
With no disabled adult	..	40	42	42	39	34	34	29	28	29	26	26	32	34	35	22	24	26
With 1 or more disabled adult	..	52	42	50	52	52	41	47	39	37	41	36	36	44	42	40	34	33
In receipt of disability benefits	..	22	23	30	30	28	22	25	25	21	25	26	24	30	27	25	20	22
Not in receipt of disability benefits	..	49	48	47	47	46	46	44	41	42	43	41	42	45	43	39	38	36
All children (per cent)	33	33	34	33	34	33	31	31	30	29	28	30	30	31	30	29	27	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 2010/11 median household income held constant in real terms, by family type and economic status of the family, United Kingdom¹

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	11/12
Before Housing Costs																		
At least one adult in work	23	24	23	21	17	15	14	13	13	13	14	14	14	12	13	15
Workless families	84	83	81	79	74	67	65	61	57	56	57	57	53	46	42	45
Lone parent:	67	66	67	65	64	58	51	45	41	39	36	33	34	34	31	24	22	25
In full-time work	24	18	21	15	13	12	12	9	11	8	9	10	13	8	10	9
In part-time work	53	55	56	42	33	31	26	22	22	19	19	23	17	14	13	20
Not working	83	82	80	79	74	64	62	60	55	53	54	53	50	38	34	38
Couple with children:	32	32	29	28	26	25	21	19	17	17	16	17	17	17	17	16	16	18
Self-employed	31	33	32	31	27	24	23	23	24	28	23	23	21	21	23	26
Both in full-time work	3	3	3	1	3	2	2	2	3	3	2	3	2	3	2	4
One in full-time work, one in part-time work	10	12	9	8	6	5	4	4	4	4	4	4	5	3	4	7
One in full-time work, one not working	36	37	35	33	28	21	20	19	17	19	21	20	21	16	18	23
One or more in part-time work	73	76	66	73	59	65	58	51	42	45	48	56	53	43	43	43
Both not in work	85	84	84	78	75	73	71	64	61	62	64	65	61	58	58	60
Married or Civil Partnered	26	25	23	20	17	16	16	15	16	16	16	15	15	14	17
Cohabiting	46	40	36	30	29	25	23	23	22	21	25	23	19	24	23
All children (per cent)	39	39	37	36	35	33	28	25	23	22	21	21	21	21	20	18	18	20
After Housing Costs																		
At least one adult in work	30	31	30	27	24	21	19	17	17	18	19	19	19	18	19	22
Workless families	92	90	90	89	85	84	80	78	74	72	73	73	70	69	68	71
Lone parent:	78	78	78	74	74	70	63	61	55	51	50	47	48	47	45	42	41	46
In full-time work	31	28	32	25	21	18	18	12	16	15	15	19	20	16	18	18
In part-time work	67	68	69	57	46	46	39	31	34	29	30	31	26	23	23	35
Not working	93	90	89	90	86	84	80	78	75	71	73	71	70	67	64	70
Couple with children:	37	38	35	34	33	30	27	24	22	21	20	21	21	23	22	22	23	24
Self-employed	38	40	40	36	35	29	26	26	27	31	28	30	28	28	30	32
Both in full-time work	5	5	5	3	5	3	4	4	4	4	4	5	4	4	4	5
One in full-time work, one in part-time work	15	17	15	14	11	9	6	6	6	7	7	7	8	7	7	10
One in full-time work, one not working	45	45	43	40	37	28	27	25	24	25	28	29	30	26	29	32
One or more in part-time work	83	80	71	76	68	72	65	58	49	53	59	60	59	60	60	64
Both not in work	91	89	92	87	83	84	80	76	72	72	73	75	71	73	75	73
Married or Civil Partnered	32	31	28	26	22	20	20	18	20	20	21	20	21	20	22
Cohabiting	51	48	42	37	34	31	29	29	28	29	33	32	31	34	32
All children (per cent)	46	46	44	43	42	39	36	33	30	28	27	28	28	29	28	27	27	29

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 4.21ts: Percentage of children living in households with less than 60 per cent of 2010/11 median household income held constant in real terms, by economic status of household¹, United Kingdom²

Percentage of children																		Source: FRS
	94/95 ³	95/96 ³	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	11/12
Before Housing Costs																		
All adults in work	..	..	15	17	16	13	11	10	8	8	8	8	7	7	7	6	7	8
At least one adult in work, but not all	..	..	42	43	41	41	35	29	28	27	24	27	27	29	29	24	25	31
Workless households	..	..	85	85	83	81	76	69	66	63	59	58	59	58	54	47	43	46
All children (per cent)	39	39	37	36	35	33	28	25	23	22	21	21	21	21	20	18	18	20
After Housing Costs																		
All adults in work	..	..	20	22	22	19	16	14	12	10	11	11	11	12	11	10	12	13
At least one adult in work, but not all	..	..	52	51	50	48	44	37	35	32	31	34	34	37	37	35	36	41
Workless households	..	..	93	92	91	91	87	86	82	80	76	73	77	75	73	71	69	72
All children (per cent)	46	46	44	43	42	39	36	33	30	28	27	28	28	29	28	27	27	29

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. 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 2010/11 median household income held constant in real terms, by region and country, United Kingdom¹

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	09/10- 11/12
Before Housing Costs																
Region/Country (3-year average)																
England	38	37	36	34	31	28	25	23	22	21	21	21	21	19	18	18
North East	47	46	45	44	43	37	35	32	31	28	27	26	26	24	23	21
North West	42	42	42	42	38	33	29	27	24	24	23	25	24	23	21	21
Yorkshire and the Humber	44	42	41	41	38	34	30	27	26	24	24	24	24	23	23	23
East Midlands	40	37	35	34	32	29	27	24	23	22	22	24	23	21	17	17
West Midlands	40	41	39	37	35	33	30	27	26	26	26	27	28	27	25	23
East of England	31	30	30	27	23	19	16	16	15	15	15	15	15	15	15	14
London	39	39	38	36	34	31	28	27	27	26	24	22	21	19	18	17
South East	28	27	24	23	20	18	15	14	13	13	15	15	14	13	12	12
South West	36	35	34	32	28	25	21	19	18	17	16	17	16	15	14	14
Wales	44	43	40	39	37	34	31	28	26	23	24	25	25	23	21	24
Scotland	40	40	38	36	34	32	29	26	23	22	21	20	20	19	18	17
Northern Ireland	..	..	..	..	36	33	29	27	25	25	23	22	22	23	22	24
All children (per cent) ²	38	37	36	35	32	29	26	24	22	21	21	21	21	20	18	18
After Housing Costs																
Region/Country (3-year average)																
England	45	44	43	41	39	36	33	30	29	28	28	29	29	28	28	28
North East	52	51	49	49	47	40	38	34	34	31	30	30	30	29	29	28
North West	48	47	47	46	44	40	36	33	30	29	29	31	31	31	30	31
Yorkshire and the Humber	48	46	45	45	43	39	35	33	30	29	28	28	29	30	30	31
East Midlands	45	43	40	38	36	33	31	28	27	26	27	28	27	26	23	25
West Midlands	46	46	44	42	41	39	36	33	30	31	30	32	32	33	32	32
East of England	39	37	37	34	32	28	25	23	22	23	23	24	24	24	23	24
London	51	51	49	48	47	44	41	39	39	39	39	37	37	35	35	35
South East	37	36	34	32	30	28	25	23	21	21	23	23	24	22	22	21
South West	45	45	43	41	37	34	30	29	26	25	24	24	23	23	24	25
Wales	50	47	44	43	42	39	36	32	30	27	27	29	29	31	30	33
Scotland	45	45	43	40	38	36	32	29	26	24	23	22	23	23	23	22
Northern Ireland	..	..	..	..	36	33	30	28	26	25	23	23	23	25	25	26
All children (per cent) ²	45	44	43	41	39	36	33	30	28	28	28	28	28	28	27	28

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 2010/11 median household income held constant in real terms, by region and country, United Kingdom¹

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	09/10- 11/12
Before Housing Costs																
Region/Country (3-year average)																
England	4.1	4.0	3.9	3.8	3.5	3.1	2.7	2.5	2.4	2.3	2.2	2.3	2.2	2.1	2.0	2.0
North East	0.3	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
North West	0.7	0.7	0.7	0.7	0.6	0.5	0.4	0.4	0.4	0.4	0.3	0.4	0.4	0.3	0.3	0.3
Yorkshire and the Humber	0.5	0.5	0.5	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
East Midlands	0.4	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
West Midlands	0.5	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
East of England	0.4	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	0.2
London	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3
South East	0.5	0.5	0.4	0.4	0.4	0.3	0.3	0.2	0.2	0.2	0.3	0.3	0.2	0.2	0.2	0.2
South West	0.4	0.4	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	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.1	0.1	0.1
Scotland	0.4	0.4	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
Northern Ireland	..	..	..	..	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
All children (millions)²	4.9	4.8	4.6	4.4	4.2	3.8	3.3	3.1	2.9	2.8	2.7	2.7	2.7	2.5	2.4	2.4
After Housing Costs																
Region/Country (3-year average)																
England	4.9	4.8	4.7	4.5	4.3	3.9	3.6	3.3	3.1	3.0	3.0	3.1	3.1	3.0	3.0	3.1
North East	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	0.1
North West	0.8	0.7	0.7	0.7	0.7	0.6	0.5	0.5	0.4	0.4	0.4	0.5	0.4	0.4	0.4	0.5
Yorkshire and the Humber	0.5	0.5	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
East Midlands	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.2
West Midlands	0.6	0.6	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	0.4
East of England	0.5	0.4	0.4	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
London	0.8	0.8	0.8	0.8	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	0.6	0.6	0.6	0.6	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
South West	0.5	0.5	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.3
Wales	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	0.2
Scotland	0.5	0.5	0.5	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
Northern Ireland	..	..	..	..	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
All children (millions)²	5.8	5.6	5.4	5.3	5.1	4.7	4.3	3.9	3.7	3.6	3.5	3.6	3.6	3.6	3.5	3.6

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.

Table 4.24ts: Percentage of children living in households with less than 60 per cent of 2010/11 median household income held constant in real terms, by number of children in family, United Kingdom¹

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	11/12
Before Housing Costs																		
One child	30	30	29	25	25	24	22	21	19	19	17	18	17	17	18	15	17	16
Two children	32	32	30	31	29	27	23	20	19	19	18	18	16	18	17	16	15	17
Three or more children	56	55	54	51	50	47	41	36	32	29	29	29	31	31	29	23	24	29
All children (per cent)	39	39	37	36	35	33	28	25	23	22	21	21	21	21	20	18	18	20
After Housing Costs																		
One child	38	39	37	33	33	31	29	28	27	25	24	25	25	25	26	25	26	26
Two children	38	39	36	38	35	33	30	26	25	25	24	24	23	25	24	25	24	25
Three or more children	62	62	60	56	57	54	49	45	39	36	35	34	37	39	36	32	35	40
All children (per cent)	46	46	44	43	42	39	36	33	30	28	27	28	28	29	28	27	27	29

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 2010/11 median household income held constant in real terms, by disability³ and receipt of disability benefits², United Kingdom¹

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	11/12
Before Housing Costs																		
Children in families where no-one is disabled	..	35	34	32	31	29	25	22	21	21	19	19	19	19	18	16	16	18
Children in families where someone is disabled	..	51	48	48	46	43	38	34	29	28	28	27	28	30	27	22	22	23
1 or more disabled adult, no disabled child	..	52	49	46	45	43	41	37	32	31	31	31	31	33	27	26	26	25
Those living in families with disabled children	..	50	47	51	47	42	33	28	26	24	25	21	24	27	26	17	18	21
With no disabled adult	..	48	48	48	42	34	30	23	23	21	20	20	23	24	24	13	16	18
With 1 or more disabled adult	..	56	46	56	55	56	39	39	32	29	32	23	27	32	31	24	20	24
In receipt of disability benefits	..	39	34	39	37	34	24	17	19	13	17	17	16	19	17	16	11	15
Not in receipt of disability benefits	..	54	53	50	48	46	42	38	34	34	32	30	32	34	30	24	26	25
All children (per cent)	39	39	37	36	35	33	28	25	23	22	21	21	21	21	20	18	18	20
After Housing Costs																		
Children in families where no-one is disabled	..	42	41	38	38	36	32	29	28	26	25	25	26	26	25	25	25	27
Children in families where someone is disabled	..	60	57	55	53	52	47	43	37	36	36	34	34	38	36	33	33	35
1 or more disabled adult, no disabled child	..	61	57	55	53	53	49	46	40	39	41	40	37	41	37	39	37	38
Those living in families with disabled children	..	58	56	56	53	50	44	38	32	31	30	27	30	33	35	26	28	31
With no disabled adult	..	55	55	53	49	43	41	32	28	28	25	24	29	30	33	20	24	29
With 1 or more disabled adult	..	67	57	63	62	64	49	50	39	37	39	32	33	39	39	37	34	34
In receipt of disability benefits	..	51	46	48	47	45	35	28	25	20	22	22	21	25	25	23	20	24
Not in receipt of disability benefits	..	62	60	57	54	54	51	47	41	42	41	39	38	42	40	37	38	39
All children (per cent)	46	46	44	43	42	39	36	33	30	28	27	28	28	29	28	27	27	29

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 5

Working-age adults

Key findings

- Between 2010/11 and 2011/12 the percentage of working-age adults in *relative low income* remained constant, but an increase in the size of the working-age population led to a further 100,000¹ working-age adults in *relative low income* both *Before Housing Costs (BHC)* and *After Housing Costs (AHC)*.
- Between 1998/99 and 2011/12 there was a slight increase in the proportion of working-age adults in *relative low income*. The figures stayed around the same level between 1998/99 and 2004/05, followed by a steady increase to 2009/10; since 2009/10 *relative low income* has fallen slightly, staying constant in 2011/12.
- The percentage of working-age adults in *absolute low income*, measured against the 2010/11 baseline², increased by 1 percentage point between 2010/11 and 2011/12, both *BHC* and *AHC*³. This constituted an increase of 600,000 working-age adults *BHC* and 500,000 *AHC* in *absolute low income*.
- The proportion of working-age adults in *absolute low income*, measured against the 2010/11 baseline², fell between 1998/99 and 2011/12 by 3 percentage points *BHC*, and by 2 percentage points *AHC*. This comprised of a period of steady reduction between 1998/99 and 2004/05 followed by remaining at 14 to 15 per cent between 2004/05 and 2010/11, *BHC*, and increasing gradually, *AHC*.
- Working-age adults in workless families continued to be 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, around 85 per cent, lived in households where at least one adult was in work in 2011/12, 60 per cent of working-age adults in *relative low income* were living in households where at least one adult worked.
- As seen in previous years 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;
 - Working-age adults living in a household with a head from an ethnic minority;
 - Younger working-age adults, especially younger working-age adults with children;
 - Working-age adults in households with at least one disabled member were also more likely to live in low-income households.

¹ This increase is not statistically significant, for both *BHC* and *AHC*.

² The change of baseline from 1998/99 to 2010/11 is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

³ This increase is statistically significant, for both *BHC* and *AHC*.

1. Introduction

This chapter examines the position of working-age adults in the income distribution in 2011/12 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 for 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*.

2. Social Justice and Social Mobility strategies

The HBAI is used to inform Social Justice and Social Mobility strategies:

The Government published its strategy for [Social Justice](#) on 13 March 2012 and its [Social Mobility Strategy](#) 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 of low income

HBAI uses variants of RPI to adjust for inflation to look at how incomes are changing over time in real terms. As described in the background section of **Chapter 1**, the use of different inflation measures has an effect on absolute low-income figures.

There was a fall in the real disposable household income across the distribution in 2011/12. The fall in median income was driven by earnings and benefit income growing more slowly than the cost of living as measured by RPI in 2011/12.

Various benefit reforms⁴ were introduced in 2011/12. These included the adoption of CPI, rather than RPI, for the uprating of many benefits and tax credits, the triple guarantee for state pensions, measures to reduce housing benefit expenditure, and the focussing of tax credits on lower income families. These reforms had different effects on different benefit recipients but overall resulted in a real terms fall in benefit income.

The percentage of the population of working-age adults in relative low income stayed level between 2010/11 and 2011/12. This is because incomes for households with working-age adults near the bottom of the income distribution fell by roughly the same rate as incomes for households at the median. However, the increase in the working-age population led to a further 100,000⁵ working-age adults in relative poverty, both BHC and AHC.

Between 2010/11 and 2011/12, rates of relative low income fell for working-age adults in workless households, this continues a trend seen since 2006/07.

As incomes across the distribution grew by less than RPI inflation and the absolute low-income threshold (based on 2010/11) was uprated by RPI inflation, the population falling into absolute low income increased.

The percentage of working-age adults in absolute low income, measured against the 2010/11 baseline⁶, increased by 1 percentage point, both BHC and AHC. This constituted an increase of 600,000 working-age adults BHC and 500,000 AHC in absolute low income⁷.

⁴ See Table A, **Chapter 2** for more details.

⁵ This increase is not statistically significant, for both BHC and AHC.

⁶ The change of baseline from 1998/99 to 2010/11 is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

⁷ This increase is statistically significant, for both BHC and AHC.

5 Working-age adults

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

Chart 5.1 compares the income distribution of working-age adults with and without children with that of the whole population for 2011/12. 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 the negative incomes AHC and zero incomes BHC shown in the chart can occur is given in **Appendix 1**.

Chart 5.1 (BHC): Income distribution; all individuals and working-age adults with and without children by income band, 2011/12

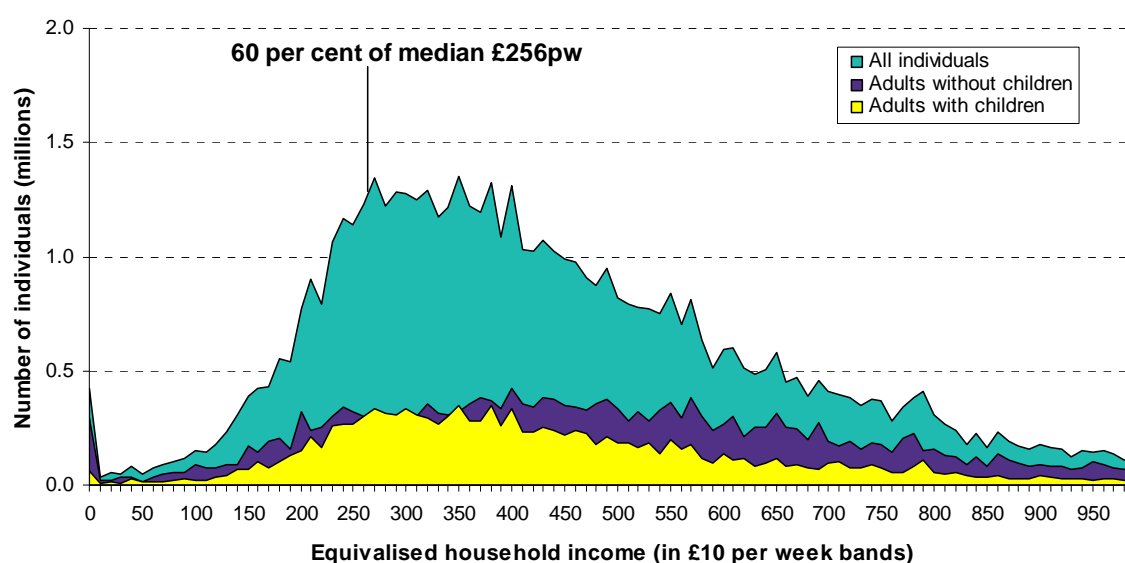
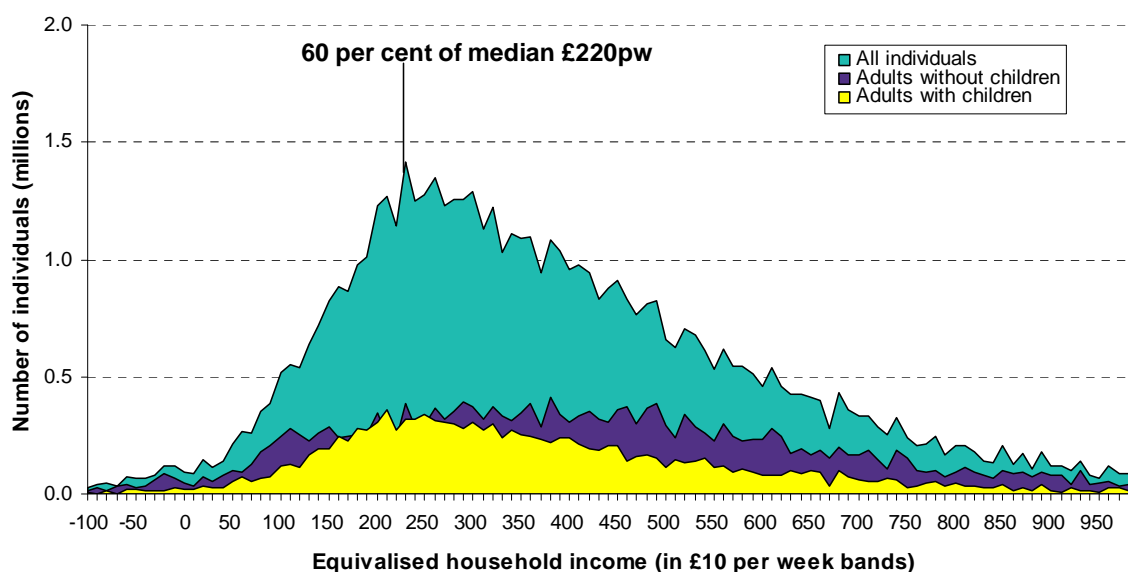


Chart 5.1 (AHC): Income distribution; all individuals and working-age adults with and without children by income band, 2011/12



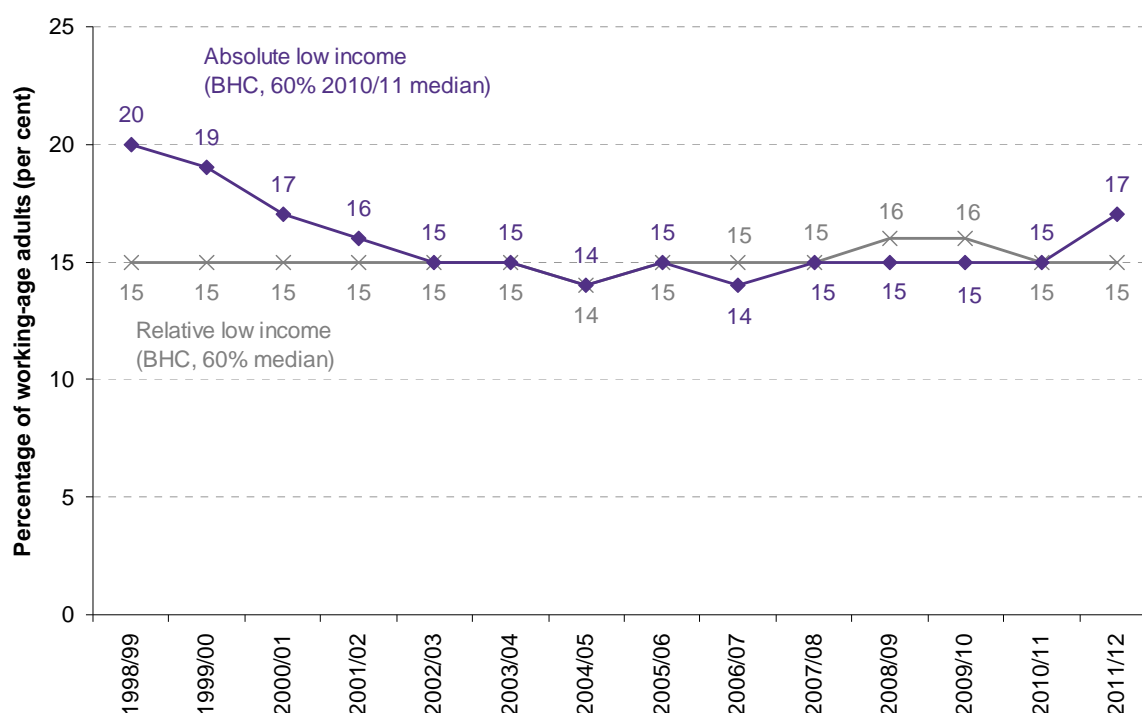
5. What the figures show⁸

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.

Trends in relative low income: There has been an increase in the proportion of working-age adults in relative low income between the years 1998/99 and 2011/12, both BHC and AHC. The figures stayed around the same level between 1998/99 and 2004/05, followed by a steady increase to 2009/10; following 2009/10 relative low income has fallen slightly, staying constant in 2011/12.

Trends in absolute low income: The proportion of working-age adults in absolute low income, measured against the 2010/11 baseline⁹, fell between 1998/99 and 2011/12 by 3 percentage points BHC, and by 2 percentage points AHC. This comprised of a period of steady reduction between 1998/99 and 2004/05 followed by remaining at 14 to 15 per cent between 2004/05 and 2010/11, BHC, and increasing gradually, AHC. Between 2010/11 and 2011/12, absolute low income increased by 1 percentage point both BHC and AHC¹⁰.

Chart 5.2: Percentage of working-age adults in relative and absolute low income, BHC, United Kingdom



The increase in 2011/12 was driven by RPI inflation rising faster than incomes did for households with working-age adults.

⁸ This analysis is based on a 60 per cent of median income threshold.

⁹ The change of baseline from 1998/99 to 2010/11 is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

¹⁰ These increases are statistically significant.

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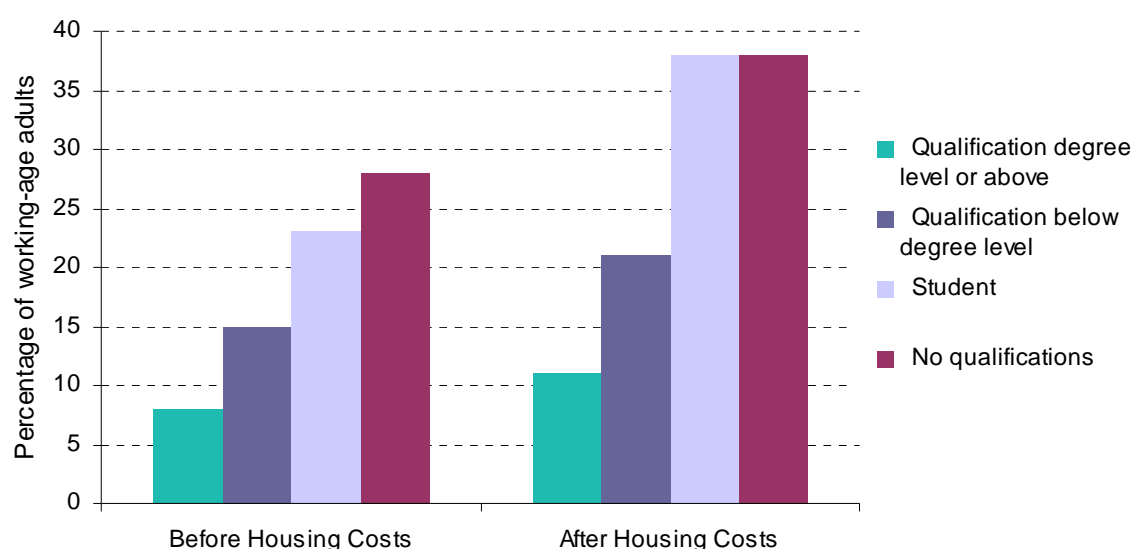
The absolute low-income threshold was uprated by RPI inflation and therefore the population falling into absolute low income increased.

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 (Table 5.7db). 6 per cent of working-age adults in households with all adults in work were in relative low income, BHC. This increased to 21 per cent if at least one adult was in work but not all, and increased further to 47 per cent 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 60 per cent of the total number of working-age adults in relative low income (Table 5.4db), BHC and AHC. 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: Working-age adults with no reported educational qualification were almost twice as likely to live in low-income households as those who reported a qualification below degree level. Those who reported a qualification of degree level or above had the lowest rates of low income (Chart 5.3 and Table 5.9db).

Chart 5.3: Percentage of working-age adults in relative low income by educational attainment reported, United Kingdom



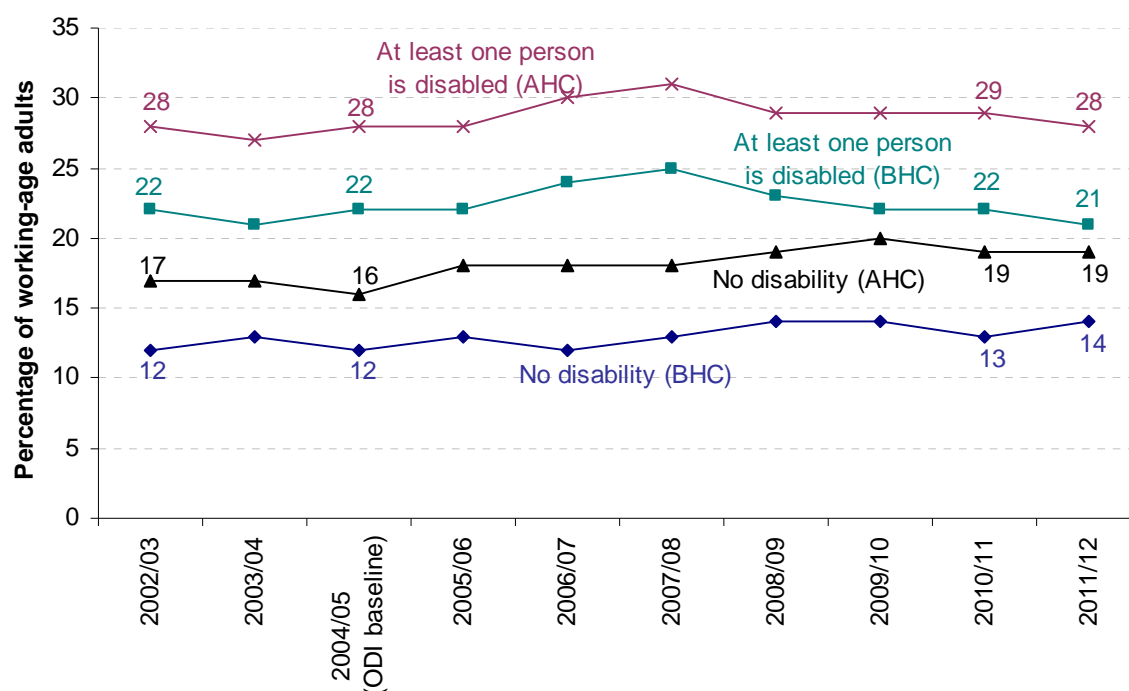
Ethnicity: Working-age adults living in households headed by someone from an ethnic minority were more likely to live in low-income households. This was particularly the case for households headed by someone of Pakistani or Bangladeshi ethnic origin (Table 5.8db). It is likely that this is because working-age 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 ethnic origin.¹¹

Disability: Working-age adults in families containing one or more disabled member were more likely to live in low-income households than those in families with no disabled member. The proportion of working-age adults in this group who were in relative low income has stayed broadly the same since 2002/03. From 2010/11 to 2011/12, the proportion of working-age adults living in families containing one or more disabled member in relative low income reduced by 1 percentage point to 21 per cent, BHC and remained constant at 28 per cent, AHC¹² (Table 5.12ts and Chart 5.4).

Working-age adults living in families containing one or more disabled member and not receiving disability benefits¹³ were much more likely to be in low-income households compared to those in receipt of disability benefits. Working-age adults living in workless families containing one or more disabled member have similar rates of low income to working-age adults living in workless families with no disabled members.

Chart 5.4: Percentage of working-age adults in relative low income by family disability status, 2002/03 to 2011/12, United Kingdom



¹¹ See Table A09 of Labour Market Statistics, available at <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-263579> which shows economic activity by ethnic group.

¹² Table 5.12ts and Chart 5.4 show a reduction from 29 per cent in 2010/11 to 28 per cent in 2011/12. This apparent inconsistency is due to rounding. Rounding figures at the final point of calculation of a statistic produces the best estimate.

¹³ 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.

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Changes in rates of low income for working-age adults living in families containing one or more disabled member will affect the [Office for Disability Issues \(ODI\) indicator](#) on the percentage of individuals living in families containing one or more disabled member.

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

Chapter 5 Glossary

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 sources¹⁴ of all household members including dependants. For *BHC*, housing costs¹⁵ are not deducted from income, while for *AHC* 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.

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.

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.

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, BHC or AHC. 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

¹⁴ 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.

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

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median income) in a specific year adjusted for inflation, BHC or AHC. The year 2010/11 is used in this report, in order to measure absolute low income in line with the Child Poverty Act 2010, and to keep the absolute measure more in line with contemporary living standards. Absolute low-income statistics fall if low-income households are seeing their incomes rise faster than inflation.

Working-age

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. So, for example, the pensionable age at 30 June 2011 was approximately 60 years and 238 days for women. The changes do not affect the State Pension age for 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*.

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.

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.

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.

'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).

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.

Research¹⁶ 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

The ethnicity figures in this publication reflect the new harmonised standards published in August 2011 and updated in February 2013. This has resulted in some changes, the most significant being to the following categories¹⁷:

- Chinese has moved from the 'Chinese or other ethnic group' section to the 'Asian/ Asian British' section;
- Arab is now specifically included in the 'Other ethnic group' section; and
- the treatment for 'Gypsy' and 'Gypsy or Irish traveller' is different for respondents in Northern Ireland compared to Great Britain.

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.

¹⁶ 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.

¹⁷ These changes are described in more detail in **Appendix 2**.

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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.

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.

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.

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.

Region and country

Disaggregation by geographical regions¹⁸ 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.

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 AHC measure will partly take into account differences in housing costs.

¹⁸ Regional information is at [NUTS1](#) level.

Chapter 5 tables

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).
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).
5.3db	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 2010/11 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 2010/11 median income held constant in real terms over time by the categories outlined for Tables 5.4ts – 5.6ts.

5 Working-age adults

Table 5.1tr: Percentage of working-age adults falling below various thresholds of contemporary median income, United Kingdom^{1,2}

Percentage of working-age adults		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
FES (UK) ⁴	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
FRS (GB)	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
FRS (UK)	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
	2011/12	9	15	22	16	21	27
Change	1998/99-2011/12 ^{2,3}	1	1	1	1	2	3
	2010/11-2011/12 ^{2,3}	0	0	0	0	0	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 2010/11 median income held constant in real terms, United Kingdom^{1,2}

Percentage of working-age adults		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
FES (UK) ⁴	1979	18	32	45	23	37	50
	1981	21	33	46	25	38	51
	1987	18	27	36	23	31	41
	1988 and 1989	16	23	32	20	28	36
	1990 and 1991	16	23	30	20	27	35
	1991 and 1992	17	24	32	22	28	35
	1992 and 1993	17	24	32	22	29	36
	1993/94 to 1994/95	16	23	30	21	28	35
	1994/95 to 1995/96	15	22	29	20	27	33
	1995/96 to 1996/97	15	21	29	20	26	32
FRS (GB)	1994/95	16	24	32	22	29	36
	1995/96	15	23	31	22	29	36
	1996/97	14	22	30	22	28	34
	1997/98	14	21	28	20	26	32
FRS (UK)	1998/99	13	20	27	19	25	32
	1999/00	12	19	26	18	24	30
	2000/01	11	17	25	17	22	28
	2001/02	9	16	22	14	20	25
	2002/03	9	15	21	14	19	24
	2003/04	9	15	21	14	19	24
	2004/05	9	14	21	13	18	23
	2005/06	9	15	21	14	19	24
	2006/07	9	14	20	14	19	24
	2007/08	9	15	21	14	20	24
	2008/09	9	15	21	15	20	26
	2009/10	9	15	21	15	21	26
	2010/11	9	15	22	16	21	28
	2011/12	10	17	24	17	22	29
Change	1998/99-2011/12 ^{2,3}	-3	-3	-4	-2	-2	-3
	2010/11-2011/12 ^{2,3}	1	1	2	1	1	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 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.

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 5.3tr: Number of working-age adults falling below various thresholds of contemporary median income, United Kingdom^{1,2}

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) ⁴	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	
2011/12	3.4	5.6	8.2	5.7	7.9	10.1	36.9	
Change	1998/99-2011/12 ^{2,3}	0.5	0.6	1.0	0.9	1.3	1.7	2.7
	2010/11-2011/12 ^{2,3}	0.0	0.1	0.1	0.1	0.1	0.1	0.4

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 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.

constant in real terms, United Kingdom^{1,2}

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) ⁴	1979	5.7	9.8	14.0	7.1	11.6	15.5	31.2
	1981	6.5	10.4	14.4	7.9	12.1	16.1	31.6
	1987	6.1	8.8	12.0	7.6	10.4	13.6	33.1
	1988 and 1989	5.5	7.9	10.7	6.7	9.2	11.9	33.6
	1990 and 1991	5.4	7.7	10.1	6.8	9.1	11.6	33.5
	1991 and 1992	5.8	8.2	10.6	7.3	9.6	11.9	33.7
	1992 and 1993	5.9	8.3	10.8	7.6	9.7	12.0	33.9
	1993/94 to 1994/95	5.3	7.9	10.3	7.1	9.3	11.7	33.9
	1994/95 to 1995/96	5.0	7.5	10.0	6.9	9.0	11.4	34.1
1995/96 to 1996/97	5.0	7.3	9.9	6.9	8.9	11.0	34.3	
FRS (GB)	1994/95	5.2	7.7	10.3	7.3	9.5	11.9	32.8
	1995/96	4.9	7.6	10.3	7.3	9.5	11.9	32.8
	1996/97	4.8	7.3	9.7	7.1	9.1	11.2	32.9
	1997/98	4.5	7.0	9.3	6.5	8.5	10.7	33.1
FRS (UK)	1998/99	4.4	6.8	9.3	6.5	8.5	10.8	34.1
	1999/00	4.1	6.6	9.0	6.2	8.2	10.3	34.3
	2000/01	3.8	6.0	8.5	5.7	7.6	9.7	34.4
	2001/02	3.2	5.4	7.6	5.0	6.8	8.7	34.7
	2002/03	3.1	5.2	7.4	4.8	6.7	8.5	34.8
	2003/04	3.2	5.2	7.3	4.8	6.6	8.4	35.0
	2004/05	3.0	4.9	7.2	4.5	6.3	8.2	35.2
	2005/06	3.2	5.2	7.5	4.9	6.7	8.7	35.5
	2006/07	3.2	5.1	7.3	4.9	6.7	8.6	35.8
	2007/08	3.4	5.3	7.5	5.0	7.0	8.8	35.9
	2008/09	3.3	5.5	7.6	5.4	7.3	9.2	36.1
	2009/10	3.2	5.2	7.6	5.5	7.4	9.5	36.2
2010/11	3.4	5.5	8.0	5.7	7.8	10.0	36.4	
2011/12	3.7	6.1	8.7	6.1	8.3	10.7	36.9	
Change	1998/99-2011/12 ^{2,3}	-0.7	-0.7	-0.6	-0.3	-0.2	-0.1	2.7
	2010/11-2011/12 ^{2,3}	0.3	0.6	0.7	0.5	0.5	0.7	0.4

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 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.

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.

5 Working-age adults

Table 5.5tr: Percentage of adults aged up to 64 falling below various thresholds of contemporary and 2010/11 median income held constant in real terms, United Kingdom¹

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%
Contemporary income thresholds							
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
FRS (UK)	2001/02	9	15	21	13	19	24
	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
	2011/12	9	15	22	15	21	27
Change	2010/11-2011/12 ^{2,3}	0	0	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%
2010/11 income thresholds held constant in real terms							
FRS (GB)	1994/95	16	24	32	22	29	37
	1995/96	15	24	32	22	29	37
	1996/97	15	22	30	22	28	34
	1997/98	14	21	28	20	26	33
	1998/99	13	20	28	19	25	32
	1999/00	12	19	27	18	24	30
	2000/01	11	18	25	17	22	28
FRS (UK)	2001/02	9	16	22	14	20	25
	2002/03	9	15	22	14	19	25
	2003/04	9	15	21	14	19	24
	2004/05	9	14	21	13	18	23
	2005/06	9	15	21	13	19	24
	2006/07	9	14	21	14	19	24
	2007/08	10	15	21	14	19	24
	2008/09	9	15	21	15	20	25
	2009/10	9	14	21	15	20	26
	2010/11	9	15	22	15	21	27
	2011/12	10	16	24	16	22	29
Change	2010/11-2011/12 ^{2,3}	1	1	2	1	1	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 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 2010/11 median income held constant in real terms, United Kingdom¹

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%	
Contemporary income thresholds								
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
	2011/12	3.5	5.8	8.5	5.9	8.1	10.5	38.5
Change	2010/11-2011/12 ^{2,3}	0.0	0.0	0.1	0.0	0.1	0.0	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%	
2010/11 income thresholds held constant in real terms								
FRS (GB)	1994/95	5.4	8.2	11.0	7.7	10.0	12.5	34.2
	1995/96	5.2	8.1	10.9	7.6	10.0	12.5	34.2
	1996/97	5.0	7.7	10.3	7.4	9.5	11.7	34.3
	1997/98	4.7	7.4	9.8	6.8	8.9	11.2	34.5
	1998/99	4.5	7.0	9.6	6.6	8.7	11.0	34.6
	1999/00	4.2	6.8	9.2	6.3	8.3	10.5	34.8
	2000/01	3.9	6.2	8.7	5.8	7.8	9.9	34.9
FRS (UK)	2001/02	3.3	5.5	7.7	5.1	7.0	8.8	35.1
	2002/03	3.3	5.4	7.8	5.0	7.0	8.9	36.3
	2003/04	3.4	5.5	7.8	5.0	6.9	8.9	36.5
	2004/05	3.2	5.2	7.7	4.6	6.6	8.6	36.8
	2005/06	3.3	5.5	7.9	5.0	7.0	9.0	37.1
	2006/07	3.4	5.4	7.7	5.1	7.0	8.9	37.4
	2007/08	3.6	5.6	8.0	5.2	7.3	9.2	37.7
	2008/09	3.5	5.8	8.1	5.6	7.6	9.7	38.1
	2009/10	3.4	5.5	8.0	5.6	7.7	9.9	38.0
	2010/11	3.6	5.8	8.4	5.8	8.1	10.4	38.2
	2011/12	3.8	6.3	9.1	6.3	8.5	11.1	38.5
Change	2010/11-2011/12 ^{2,3}	0.2	0.6	0.7	0.4	0.5	0.7	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						Source: FRS 2011/12
	Net equivalised disposable household income					All working-age adults (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
Economic status of adults in the family						
One or more full-time self-employed	21	15	17	20	27	4.0
Single/couple all in full-time work	5	8	19	30	38	13.5
Couple, one full-time, one part-time work	6	15	25	29	24	5.2
Couple, one full-time work, one not working	23	26	20	15	17	4.1
No full-time, one or more in part-time work	30	26	19	15	10	3.5
Workless, one or more aged 60 or over	35	28	18	11	8	1.0
Workless, one or more unemployed	61	21	10	5	3	1.6
Workless, other inactive	44	24	18	9	6	3.9
Economic status of household¹						
All adults in work	7	12	20	28	32	22.3
At least one adult in work, but not all	27	24	20	15	14	9.7
Workless households	55	23	12	6	3	4.8
Family type² and marital status						
Couples	15	15	19	24	27	23.9
Married or Civil Partnered	15	15	19	23	29	18.1
Cohabiting	17	15	19	25	24	5.8
Singles	24	19	20	19	17	12.9
All working-age adults with children	20	22	21	19	18	13.7
Couples	18	20	21	21	21	11.8
Married or Civil Partnered	17	18	21	21	23	9.4
Cohabiting	24	27	21	18	10	2.4
Singles	30	34	24	9	3	1.9
All working-age adults without children	18	13	18	24	27	23.2
Couples	13	10	16	27	34	12.1
Married or Civil Partnered	13	11	16	25	34	8.7
Cohabiting	12	7	17	30	34	3.5
Singles	24	17	20	20	20	11.0
Male	24	16	19	20	21	6.8
Female	23	18	21	20	18	4.2
Gender by number of adults in the family and work status³						
Males	18	15	19	22	25	19.2
Couple, in work	12	14	19	25	29	11.2
Couple, workless	50	22	14	8	6	1.0
Single, in work	11	13	21	26	29	4.3
Single, workless	46	22	15	10	7	2.6
Females	19	17	20	21	23	17.7
Couple, in work	12	14	19	25	29	10.8
Couple, workless	56	23	13	4	4	0.8
Single, in work	15	21	24	22	18	3.9
Single, workless	44	26	18	8	4	2.1
All working-age adults	19	16	19	22	24	36.9

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						Source: FRS 2011/12
	Net equivalised disposable household income					All working-age adults (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
Economic status of adults in the family						
One or more full-time self-employed	21	17	17	19	27	4.0
Single/couple all in full-time work	6	10	19	30	36	13.5
Couple, one full-time, one part-time work	7	15	26	28	24	5.2
Couple, one full-time work, one not working	24	25	20	14	17	4.1
No full-time, one or more in part-time work	33	25	18	14	10	3.5
Workless, one or more aged 60 or over	31	30	18	12	9	1.0
Workless, one or more unemployed	69	16	8	5	3	1.6
Workless, other inactive	51	22	15	7	4	3.9
Economic status of household¹						
All adults in work	8	13	20	28	31	22.3
At least one adult in work, but not all	29	24	20	14	14	9.7
Workless households	61	20	11	5	3	4.8
Family type² and marital status						
Couples	16	16	19	23	27	23.9
Married or Civil Partnered	15	15	19	23	28	18.1
Cohabiting	19	18	19	22	22	5.8
Singles	29	18	18	18	16	12.9
All working-age adults with children	22	22	21	18	17	13.7
Couples	19	21	21	20	19	11.8
Married or Civil Partnered	17	19	21	21	22	9.4
Cohabiting	27	26	22	16	9	2.4
Singles	40	30	19	8	3	1.9
All working-age adults without children	20	14	17	23	27	23.2
Couples	13	12	17	26	34	12.1
Married or Civil Partnered	12	11	16	25	35	8.7
Cohabiting	14	12	17	26	31	3.5
Singles	27	16	18	20	19	11.0
Male	27	15	18	20	20	6.8
Female	27	17	19	20	17	4.2
Gender by number of adults in the family and work status³						
Males	20	16	18	22	24	19.2
Couple, in work	13	15	19	24	29	11.2
Couple, workless	47	24	13	9	6	1.0
Single, in work	14	13	19	26	28	4.3
Single, workless	52	19	15	9	5	2.6
Females	21	18	19	21	22	17.7
Couple, in work	13	15	19	24	28	10.8
Couple, workless	54	25	11	5	4	0.8
Single, in work	17	21	22	22	18	3.9
Single, workless	56	22	14	5	4	2.1
All working-age adults	21	17	19	21	23	36.9

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						Source: FRS 2011/12
	Net equivalised disposable household income					All working-age adults (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
Age of head of family						
With children						
16 - 24	41	34	20	3	1	0.7
25 - 29	25	28	25	17	5	1.2
30 - 34	20	25	24	16	15	2.0
35 - 39	20	20	19	21	20	2.6
40 - 44	17	20	21	21	21	3.1
45 - 49	17	18	21	21	24	2.4
50 - 54	15	22	20	23	21	1.2
55 +	17	18	23	18	24	0.6
Without children						
16 - 19	28	22	21	17	12	1.4
20 - 24	21	14	22	25	18	3.6
25 - 29	12	8	18	31	30	2.8
30 - 34	11	9	15	24	41	1.9
35 - 39	15	10	12	22	41	1.4
40 - 44	22	10	16	22	30	1.5
45 - 49	17	14	16	24	28	2.2
50 - 54	16	13	19	23	29	2.8
55 +	20	15	19	21	25	5.6
Tenure						
Owners	13	13	18	25	31	23.9
Owned outright	19	14	18	22	27	7.2
Buying with mortgage	11	12	19	26	32	16.7
Social rented sector tenants	39	29	21	9	2	5.4
All rented privately	21	18	21	22	17	7.6
Ethnic group¹ of head (3-year average)						
White	17	16	19	23	25	32.3
Mixed/ Multiple ethnic groups	24	21	20	19	17	0.4
Asian/ Asian British	32	19	17	15	17	2.4
Indian	22	17	20	18	23	1.1
Pakistani	49	23	13	9	6	0.6
Bangladeshi	46	28	9	9	8	0.2
Chinese	31	15	11	15	28	0.2
Any other Asian background	26	18	20	19	17	0.4
Black/ African/ Caribbean/ Black British	28	21	18	20	15	0.9
Other ethnic group	32	18	17	16	17	0.5
Region/Country (3-year average)						
England	18	16	19	22	25	30.6
North East	22	19	21	20	17	1.5
North West	21	19	20	22	19	4.0
Yorkshire and the Humber	22	18	19	22	19	3.1
East Midlands	20	18	21	22	19	2.6
West Midlands	21	19	20	23	17	3.1
East of England	15	15	19	22	29	3.3
London	17	14	15	18	35	5.0
Inner	20	14	12	16	37	1.9
Outer	15	14	17	20	34	3.1
South East	13	13	18	24	33	4.9
South West	17	16	21	23	22	3.0
Wales	21	19	21	22	17	1.7
Scotland	17	16	20	24	22	3.1
Northern Ireland	23	19	21	21	15	1.0
All working-age adults²	19	16	19	22	24	36.9

Notes:

1. The ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.

2. The totals for all working-age adults 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 5.2db (AHC): Quintile distribution of income for working-age adults by various family and household characteristics, United Kingdom

Percentage of working-age adults						Source: FRS 2011/12
	Net equivalised disposable household income					All working-age adults (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
Age of head of family						
With children						
16 - 24	51	28	18	2	1	0.7
25 - 29	31	28	24	12	5	1.2
30 - 34	24	25	23	15	14	2.0
35 - 39	22	20	18	21	19	2.6
40 - 44	19	21	19	20	21	3.1
45 - 49	16	20	22	21	21	2.4
50 - 54	16	19	24	22	19	1.2
55 +	17	17	21	23	22	0.6
Without children						
16 - 19	34	22	18	17	8	1.4
20 - 24	25	18	20	22	15	3.6
25 - 29	15	10	20	29	26	2.8
30 - 34	16	9	14	23	37	1.9
35 - 39	18	9	12	21	40	1.4
40 - 44	24	11	14	21	30	1.5
45 - 49	19	13	15	25	28	2.2
50 - 54	17	14	16	23	31	2.8
55 +	17	14	18	22	28	5.6
Tenure						
Owners	11	13	19	26	31	23.9
Owned outright	12	13	20	24	31	7.2
Buying with mortgage	10	13	19	27	31	16.7
Social rented sector tenants	45	27	19	7	2	5.4
All rented privately	34	21	17	15	12	7.6
Ethnic group¹ of head (3-year average)						
White	18	16	19	22	24	32.3
Mixed/ Multiple ethnic groups	35	17	17	15	16	0.4
Asian/ Asian British	36	21	14	14	15	2.4
Indian	25	19	18	18	20	1.1
Pakistani	50	26	10	7	6	0.6
Bangladeshi	47	31	7	8	7	0.2
Chinese	38	14	6	16	26	0.2
Any other Asian background	39	16	15	16	15	0.4
Black/ African/ Caribbean/ Black British	35	20	17	17	12	0.9
Other ethnic group	41	16	13	15	14	0.5
Region/Country (3-year average)						
England	21	17	18	21	24	30.6
North East	21	20	21	20	17	1.5
North West	22	17	20	22	19	4.0
Yorkshire and the Humber	22	18	20	21	20	3.1
East Midlands	20	18	21	22	20	2.6
West Midlands	22	18	20	22	18	3.1
East of England	17	16	17	21	28	3.3
London	26	14	13	17	31	5.0
Inner	31	14	11	13	31	1.9
Outer	23	14	14	19	30	3.1
South East	16	14	17	22	31	4.9
South West	19	18	20	21	21	3.0
Wales	21	18	20	23	17	1.7
Scotland	17	16	20	24	23	3.1
Northern Ireland	20	19	23	22	16	1.0
All working-age adults²	21	17	19	21	23	36.9

Notes:

1. The ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.
2. The totals for all working-age adults 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.

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					Source: FRS 2011/12	
	Net equivalised disposable household income					All working-age adults (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
Disability, and receipt of disability benefits¹ and work status						
Those living in families where no-one is disabled	17	15	19	23	27	28.1
At least one adult working	12	14	19	25	30	24.5
No adults working	49	20	13	10	8	3.6
Those living in families where someone is disabled	25	22	21	18	14	8.8
1 or more disabled adult, no disabled child	25	21	21	18	15	7.6
Those living in families with disabled children	21	29	26	16	9	1.2
With no disabled adult	19	24	28	19	10	0.7
With 1 or more disabled adult	24	35	22	11	8	0.5
In receipt of disability benefits	20	28	30	15	7	2.4
Not in receipt of disability benefits	27	20	18	19	17	6.4
At least one adult working	14	19	23	23	20	5.8
No adults working	45	28	18	7	2	3.0
State support received by family²						
Disability Living Allowance	20	28	31	14	7	2.4
Carer's Allowance	18	35	31	11	4	0.6
Jobseeker's Allowance	64	21	9	5	2	1.5
Incapacity Benefit	28	32	22	13	5	1.2
Employment and Support Allowance	52	23	18	5	2	0.6
Child Tax Credit	27	33	25	11	2	6.9
Working Tax Credit	30	38	22	9	1	3.1
Income Support	40	34	20	5	1	1.5
Housing Benefit	47	31	16	6	1	3.8
Not in receipt of any state support listed above	12	10	18	27	33	25.2
Savings and investments						
No savings	29	23	21	17	11	14.9
Less than £1,500	15	17	23	26	19	5.6
£1,500 but less than £3,000	13	14	22	27	24	2.7
£3,000 but less than £8,000	10	12	20	26	31	4.4
£8,000 but less than £10,000	8	8	16	39	29	1.0
£10,000 but less than £16,000	9	8	16	28	38	2.1
£16,000 but less than £20,000	10	9	19	27	35	0.8
£20,000 or more	10	7	12	19	52	5.3
Household bills in arrears³						
No bills in arrears	16	15	19	23	26	32.1
One or more bills in arrears	44	28	17	8	3	2.8
Educational attainment reported⁴						
Qualification degree level or above	9	8	13	23	47	9.4
Qualification below degree level	18	18	22	24	18	20.4
Student	27	18	20	20	16	1.8
No qualifications	34	25	20	14	7	5.1
All working-age adults	19	16	19	22	24	36.9

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. Comparisons between the numbers with no qualifications in the FRS, LFS and the Census indicate that the FRS figures overstate the numbers of working age adults with no qualifications.
5. 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						Source: FRS 2011/12
	Net equivalised disposable household income					All working-age adults (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
Disability, and receipt of disability benefits¹ and work status						
Those living in families where no-one is disabled	19	15	18	22	26	28.1
At least one adult working	13	15	19	24	29	24.5
No adults working	55	18	12	9	7	3.6
Those living in families where someone is disabled	27	21	21	17	14	8.8
1 or more disabled adult, no disabled child	28	20	20	17	15	7.6
Those living in families with disabled children	23	27	26	16	9	1.2
With no disabled adult	21	22	28	19	10	0.7
With 1 or more disabled adult	27	33	23	10	7	0.5
In receipt of disability benefits	20	29	29	14	8	2.4
Not in receipt of disability benefits	30	18	18	18	17	6.4
At least one adult working	16	18	23	23	20	5.8
No adults working	49	26	16	6	3	3.0
State support received by family²						
Disability Living Allowance	20	30	29	14	7	2.4
Carer's Allowance	19	38	29	10	5	0.6
Jobseeker's Allowance	71	15	8	4	2	1.5
Incapacity Benefit	29	31	24	11	5	1.2
Employment and Support Allowance	57	23	14	5	1	0.6
Child Tax Credit	31	32	24	10	2	6.9
Working Tax Credit	32	38	21	7	2	3.1
Income Support	50	28	17	4	1	1.5
Housing Benefit	62	25	10	3	0	3.8
Not in receipt of any state support listed above	13	12	17	26	32	25.2
Savings and investments						
No savings	34	23	19	15	10	14.9
Less than £1,500	17	18	22	25	17	5.6
£1,500 but less than £3,000	14	17	21	26	22	2.7
£3,000 but less than £8,000	10	14	20	27	30	4.4
£8,000 but less than £10,000	7	9	20	36	27	1.0
£10,000 but less than £16,000	9	7	19	27	38	2.1
£16,000 but less than £20,000	9	9	19	25	37	0.8
£20,000 or more	8	7	12	21	52	5.3
Household bills in arrears³						
No bills in arrears	18	16	19	23	25	32.1
One or more bills in arrears	52	26	14	6	3	2.8
Educational attainment reported⁴						
Qualification degree level or above	11	9	13	22	45	9.4
Qualification below degree level	20	18	21	23	18	20.4
Student	37	18	17	16	11	1.8
No qualifications	37	23	18	15	7	5.1
All working-age adults	21	17	19	21	23	36.9

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. Comparisons between the numbers with no qualifications in the FRS, LFS and the Census indicate that the FRS figures overstate the numbers of working age adults with no qualifications.

5. 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 2011/12
	Before Housing Costs			After Housing Costs			All working-age adults
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
Economic status of adults in the family							
One or more full-time self-employed	14	13	12	11	11	11	11
Single/couple all in full-time work	8	8	10	10	10	12	37
Couple, one full-time, one part-time work	4	5	6	4	5	6	14
Couple, one full-time work, one not working	10	13	15	11	14	15	11
No full-time, one or more in part-time work	16	15	15	14	15	15	9
Workless, one or more aged 60 or over	6	5	5	4	4	5	3
Workless, one or more unemployed	17	16	13	17	15	13	4
Workless, other inactive	26	26	24	29	26	24	11
Economic status of household¹							
All adults in work	23	23	26	24	25	28	61
At least one adult in work, but not all	35	37	38	34	38	38	26
Workless households	41	40	36	43	38	34	13
Family type² and marital status							
Couples	51	53	54	47	51	53	65
Married or Civil Partnered	37	39	40	33	36	38	49
Cohabiting	13	15	14	14	15	15	16
Singles	49	47	46	53	49	47	35
All working-age adults with children	32	37	42	36	41	43	37
Couples	26	30	32	27	30	33	32
Married or Civil Partnered	19	22	24	20	22	23	25
Cohabiting	6	8	9	8	9	9	6
Singles	6	8	9	9	10	10	5
All working-age adults without children	68	63	58	64	59	57	63
Couples	25	24	22	20	20	20	33
Married or Civil Partnered	18	17	16	13	14	14	24
Cohabiting	7	7	6	6	6	6	9
Singles	43	39	37	44	39	37	30
Male	27	25	22	27	24	23	18
Female	17	15	14	17	15	14	12
Gender by number of adults in the family and work status³							
Males	53	52	51	52	51	50	52
Couple, in work	18	20	21	17	19	21	30
Couple, workless	8	8	7	7	6	6	3
Single, in work	7	7	7	8	8	8	12
Single, workless	20	19	16	20	17	16	7
Females	47	48	49	48	49	50	48
Couple, in work	17	19	20	17	19	21	29
Couple, workless	7	7	6	6	6	6	2
Single, in work	9	8	9	9	9	10	10
Single, workless	13	14	14	16	16	14	6
All working-age adults (millions =100%)	3.4	5.6	8.2	5.7	7.9	10.1	36.9

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 male lone-parents 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 2011/12
	Before Housing Costs			After Housing Costs			All working-age adults
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
Age of head of family							
With children							
16 - 24	3	4	5	5	5	5	2
25 - 29	3	4	5	5	5	5	3
30 - 34	4	5	6	5	6	7	5
35 - 39	6	7	8	6	7	8	7
40 - 44	7	7	8	7	8	9	8
45 - 49	5	6	6	5	5	6	7
50 - 54	2	3	3	2	3	3	3
55 +	1	1	1	1	1	1	2
Without children							
16 - 19	5	6	5	6	6	6	4
20 - 24	14	11	10	13	12	11	10
25 - 29	6	5	5	6	6	5	8
30 - 34	3	3	3	5	4	4	5
35 - 39	4	3	3	4	3	3	4
40 - 44	5	5	4	5	5	4	4
45 - 49	7	6	6	7	5	5	6
50 - 54	6	6	6	6	6	6	7
55 +	18	17	16	12	13	13	15
Tenure							
Owners	50	46	46	33	34	37	65
Owned outright	22	20	19	11	12	13	19
Buying with mortgage	28	26	27	22	23	24	45
Social rented sector tenants	28	30	31	31	32	31	15
All rented privately	23	23	23	36	34	32	21
Ethnic group¹ of head (3-year average)							
White	79	81	82	79	80	81	89
Mixed/ Multiple ethnic groups	1	1	1	2	2	2	1
Asian/ Asian British	13	12	11	12	12	11	7
Indian	4	4	3	4	4	3	3
Pakistani	5	4	4	4	4	4	2
Bangladeshi	2	2	1	2	1	1	1
Chinese	1	1	1	1	1	1	1
Any other Asian background	1	1	1	2	2	2	1
Black/ African/ Caribbean/ Black British	4	4	4	5	4	4	3
Other ethnic group	3	2	2	3	2	2	1
Region/Country (3-year average)							
England	83	83	83	85	85	85	84
North East	5	5	5	4	4	5	4
North West	11	12	13	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	10	10	10	9	9	9	9
East of England	8	8	7	8	8	8	9
London	14	13	12	18	17	16	14
Inner	6	6	5	8	8	7	5
Outer	8	7	7	10	10	9	9
South East	9	9	9	10	11	11	13
South West	8	7	7	8	8	8	8
Wales	5	6	6	5	5	5	5
Scotland	8	8	8	7	7	8	9
Northern Ireland	4	4	4	3	3	3	3
All working-age adults (millions=100%)²	3.4	5.6	8.2	5.7	7.9	10.1	36.9

Notes:

1. The ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.
2. The totals for all working-age adults 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.

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 2011/12
	Before Housing Costs			After Housing Costs			All working-age adults
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
Disability, and receipt of disability benefits¹ and work status							
Those living in families where no-one is disabled	70	68	68	69	69	68	76
At least one adult working	41	41	44	40	43	45	66
No adults working	30	27	24	29	26	22	10
Those living in families where someone is disabled	30	32	32	31	31	32	24
1 or more disabled adult, no disabled child	27	29	28	27	28	28	21
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	1	2	1	2	2	1
In receipt of disability benefits	6	6	7	5	6	8	7
Not in receipt of disability benefits	24	26	25	25	25	24	17
At least one adult working	11	12	13	10	12	14	16
No adults working	19	20	20	20	19	19	8
State support received by family²							
Disability Living Allowance	5	6	7	5	6	8	7
Carer's Allowance	2	1	2	1	2	2	2
Jobseeker's Allowance	15	15	12	16	13	11	4
Incapacity Benefit	3	5	5	5	5	5	3
Employment and Support Allowance	4	5	4	5	4	4	2
Child Tax Credit	18	25	30	23	29	31	19
Working Tax Credit	9	12	15	10	14	16	8
Income Support	6	8	10	10	10	10	4
Housing Benefit	20	26	26	32	31	29	10
Not in receipt of any state support listed above	52	45	42	44	43	42	68
Savings and investments							
No savings	62	63	64	67	67	65	40
Less than £1,500	11	12	12	12	13	13	15
£1,500 but less than £3,000	5	5	5	5	5	5	7
£3,000 but less than £8,000	6	6	7	5	6	7	12
£8,000 but less than £10,000	1	1	1	1	1	1	3
£10,000 but less than £16,000	4	3	3	3	3	2	6
£16,000 but less than £20,000	1	1	1	1	1	1	2
£20,000 or more	9	8	7	6	5	5	14
Household bills in arrears³							
No bills in arrears	78	77	76	74	75	76	87
One or more bills in arrears	16	17	18	20	19	18	8
Educational attainment reported⁴							
Qualification degree level or above	15	13	12	14	13	13	26
Qualification below degree level	51	54	55	52	53	55	55
Student	9	7	7	10	9	8	5
No qualifications	25	26	26	24	25	25	14
All working-age adults (millions=100%)	3.4	5.6	8.2	5.7	7.9	10.1	36.9

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. Comparisons between the numbers with no qualifications in the FRS, LFS and the Census indicate that the FRS figures overstate the numbers of working age adults with no qualifications.

5. 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 2011/12
	Before Housing Costs			After Housing Costs			All working-age adults (millions)
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
Economic status of adults in the family							
One or more full-time self-employed	12	18	24	16	22	27	4.0
Single/couple all in full-time work	2	3	6	4	6	9	13.5
Couple, one full-time, one part-time work	3	5	9	5	8	12	5.2
Couple, one full-time work, one not working	8	17	29	15	26	36	4.1
No full-time, one or more in part-time work	15	24	35	24	34	45	3.5
Workless, one or more aged 60 or over	20	30	43	21	32	47	1.0
Workless, one or more unemployed	36	54	66	60	71	77	1.6
Workless, other inactive	22	37	51	42	53	62	3.9
Economic status of household¹							
All adults in work	4	6	9	6	9	13	22.3
At least one adult in work, but not all	12	21	32	20	31	40	9.7
Workless households	29	47	62	51	62	72	4.8
Family type² and marital status							
Couples	7	13	19	11	17	22	23.9
Married or Civil Partnered	7	12	18	10	16	21	18.1
Cohabiting	8	14	20	14	20	26	5.8
Singles	13	20	29	24	30	37	12.9
All working-age adults with children	8	15	25	15	23	32	13.7
Couples	7	14	22	13	20	28	11.8
Married or Civil Partnered	7	13	21	12	18	25	9.4
Cohabiting	9	19	30	18	28	39	2.4
Singles	11	22	39	27	42	54	1.9
All working-age adults without children	10	15	21	16	20	25	23.2
Couples	7	11	15	9	13	17	12.1
Married or Civil Partnered	7	11	15	9	13	17	8.7
Cohabiting	7	11	13	11	14	17	3.5
Singles	13	20	27	23	28	34	11.0
Male	13	20	27	23	28	34	6.8
Female	13	19	27	23	28	34	4.2
Gender by number of adults in the family and work status³							
Males	9	15	22	16	21	27	19.2
Couple, in work	6	10	15	9	14	19	11.2
Couple, workless	27	42	56	38	49	59	1.0
Single, in work	5	9	13	11	14	18	4.3
Single, workless	27	40	52	45	53	61	2.6
Females	9	15	23	16	22	28	17.7
Couple, in work	5	10	15	9	14	19	10.8
Couple, workless	29	48	61	42	56	68	0.8
Single, in work	8	11	19	13	18	25	3.9
Single, workless	21	36	52	44	58	66	2.1
All workingq-age adults	9	15	22	16	21	27	36.9

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 2011/12
	Before Housing Costs			After Housing Costs			All working-age adults (millions)
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
Age of head of family							
With children							
16 - 24	16	34	52	38	53	65	0.7
25 - 29	9	19	32	22	33	43	1.2
30 - 34	7	15	26	16	26	35	2.0
35 - 39	8	15	25	14	23	31	2.6
40 - 44	8	13	22	12	20	29	3.1
45 - 49	7	13	20	12	17	25	2.4
50 - 54	7	12	17	11	17	21	1.2
55 +	8	14	21	10	19	25	0.6
Without children							
16 - 19	13	23	32	25	35	42	1.4
20 - 24	13	17	23	21	26	31	3.6
25 - 29	7	10	14	12	15	18	2.8
30 - 34	6	10	13	14	17	20	1.9
35 - 39	9	13	16	16	19	23	1.4
40 - 44	11	19	23	20	24	28	1.5
45 - 49	10	15	21	17	19	24	2.2
50 - 54	8	13	19	12	17	22	2.8
55 +	11	17	24	13	18	24	5.6
Tenure							
Owners	7	11	16	8	11	16	23.9
Owned outright	10	16	21	9	13	18	7.2
Buying with mortgage	6	9	13	7	11	15	16.7
Social rented sector tenants	17	32	47	34	47	59	5.4
All rented privately	10	17	25	27	35	43	7.6
Ethnic group ¹ of head (3-year average)							
White	8	14	20	14	19	25	32.3
Mixed/ Multiple ethnic groups	13	20	28	26	36	42	0.4
Asian/ Asian British	19	27	37	28	38	45	2.4
Indian	13	19	26	19	26	32	1.1
Pakistani	28	43	58	36	52	63	0.6
Bangladeshi	29	39	52	38	50	64	0.2
Chinese	22	26	36	30	40	45	0.2
Any other Asian background	12	21	30	31	40	46	0.4
Black/ African/ Caribbean/ Black British	14	24	33	29	37	45	0.9
Other ethnic group	20	29	37	35	42	49	0.5
Region/Country (3-year average)							
England	9	15	22	16	22	28	30.6
North East	11	20	27	16	23	31	1.5
North West	10	17	25	16	23	30	4.0
Yorkshire and the Humber	12	19	26	16	23	30	3.1
East Midlands	10	16	24	15	21	26	2.6
West Midlands	12	18	27	17	24	30	3.1
East of England	8	13	18	13	18	24	3.3
London	10	14	20	21	27	32	5.0
Inner	11	17	23	26	32	37	1.9
Outer	9	13	19	18	24	29	3.1
South East	6	11	16	12	17	22	4.9
South West	9	14	20	15	21	27	3.0
Wales	11	18	27	16	23	29	1.7
Scotland	9	15	21	13	19	24	3.1
Northern Ireland	12	20	28	15	21	28	1.0
All working-age adults ²	9	15	22	16	21	27	36.9

Note:

1. The ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.

2. 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 2011/12
	Before Housing Costs			After Housing Costs			All working-age adults (millions)
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
Disability, and receipt of disability benefits¹ and work status							
Those living in families where no-one is disabled	9	14	20	14	19	24	28.1
At least one adult working	6	9	15	9	14	19	24.5
No adults working	28	42	54	47	57	64	3.6
Those living in families where someone is disabled	11	21	30	20	28	37	8.8
1 or more disabled adult, no disabled child	12	21	30	21	29	37	7.6
Those living in families with disabled children	8	17	27	16	25	37	1.2
With no disabled adult	8	16	24	16	23	33	0.7
With 1 or more disabled adult	8	18	32	16	28	43	0.5
In receipt of disability benefits	8	15	24	12	21	33	2.4
Not in receipt of disability benefits	13	23	32	23	31	39	6.4
At least one adult working	6	12	18	10	17	24	5.8
No adults working	22	38	53	39	50	63	3.0
State support received by family²							
Disability Living Allowance	7	15	25	12	21	33	2.4
Carer's Allowance	9	13	24	11	22	33	0.6
Jobseeker's Allowance	34	57	69	62	72	79	1.5
Incapacity Benefit	9	23	36	22	31	44	1.2
Employment and Support Allowance	25	46	58	47	59	68	0.6
Child Tax Credit	9	20	36	20	33	46	6.9
Working Tax Credit	9	22	39	19	35	52	3.1
Income Support	13	30	52	36	53	65	1.5
Housing Benefit	18	38	56	48	64	77	3.8
Not in receipt of any state support listed above	7	10	14	10	13	17	25.2
Savings and investments							
No savings	14	24	35	26	35	44	14.9
Less than £1,500	6	12	18	12	18	24	5.6
£1,500 but less than £3,000	7	11	16	11	14	20	2.7
£3,000 but less than £8,000	5	8	13	7	10	15	4.4
£8,000 but less than £10,000	5	8	9	5	7	11	1.0
£10,000 but less than £16,000	6	8	10	7	10	11	2.1
£16,000 but less than £20,000	5	9	12	6	9	12	0.8
£20,000 or more	6	8	11	7	8	10	5.3
Household bills in arrears³							
No bills in arrears	8	13	19	13	18	24	32.1
One or more bills in arrears	19	35	53	40	54	65	2.8
Educational attainment reported⁴							
Qualification degree level or above	5	8	11	9	11	14	9.4
Qualification below degree level	8	15	22	15	21	27	20.4
Student	16	23	30	30	38	45	1.8
No qualifications	17	28	41	27	38	48	5.1
All working-age adults	9	15	22	16	21	27	36.9

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. Comparisons between the numbers with no qualifications in the FRS, LFS and the Census indicate that the FRS figures overstate the numbers of working age adults with no qualifications.

Table 5.1ts: Population of working-age adults by family type, United Kingdom¹

	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	11/12
Number of working-age adults whose family type is: (millions)																		
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	23.2
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	12.1
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	6.8
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	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	13.7
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	11.8
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	1.9
All working-age adults (millions)	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	36.9
Percentage of working-age adults whose family type is:																		
Working-age adults without children	62	62	62	63	63	63	64	64	64	64	64	64	64	64	64	63	63	63
Couples	35	35	35	35	35	36	36	36	36	36	35	35	35	35	34	33	33	33
Single male	17	17	17	17	17	17	17	17	17	18	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	12
Working-age adults with children	38	38	38	37	37	37	36	36	36	36	36	36	36	36	36	37	37	37
Couples	33	33	33	32	32	31	31	31	30	30	30	30	30	31	31	32	32	32
Singles	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
All working-age adults (per cent)	100	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.
- 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^{1,2}

	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	11/12
Number of working-age adults whose economic status is: (millions)																		
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	23.2
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	2.2
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	9.9
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	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	1.8
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	2.3
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	1.2
Workless, other inactive ³	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	3.9
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	13.7
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	1.8
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	3.6
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	3.4
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	2.3
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	1.2
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	0.4
Workless, other inactive ³	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	1.0
All working-age adults (millions)	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	36.9
Percentage of working-age adults whose economic status is:																		
Working-age adults without children	62	62	62	63	63	63	64	64	64	64	64	64	64	64	64	63	63	63
One or more full-time self-employed	7	6	6	6	6	6	6	6	6	7	6	7	6	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	27
Couple, one full-time, one part-time work	5	6	6	6	6	6	6	6	6	5	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	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	6
Workless, one or more unemployed	4	3	3	3	2	2	2	2	2	2	2	2	3	3	3	3
Workless, other inactive ³	10	9	10	10	10	10	10	10	10	10	10	10	11	10	11	11
Working-age adults with children	38	38	38	37	37	37	36	36	36	36	36	36	36	36	36	37	37	37
One or more full-time self-employed	5	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	10
Couple, one full-time, one part-time work	10	10	11	10	10	10	10	9	10	9	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	6
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	3
Workless, one or more unemployed	2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Workless, other inactive ³	4	4	4	4	4	4	4	4	4	4	3	4	3	3	3	3
All working-age adults (per cent)	100	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.
- 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 disability³, and receipt of disability benefits², and work status, United Kingdom¹

	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	11/12
Source: FRS																		
Number of working-age adults who are: (millions)																		
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	28.1
At least one adult working ⁴	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	24.5
No adults working ⁴	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	3.6
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	8.8
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	7.6
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	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	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	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	2.4
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	6.4
At least one adult working ⁴	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	5.8
No adults working ⁴	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	3.0
All working-age adults (millions)	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	36.9
Percentage of working-age adults who are:																		
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	76
At least one adult working ⁴	68	67	67	68	68	69	68	69	70	68	70	70	69	67	67	66
No adults working ⁴	11	9	9	9	8	9	9	9	9	9	9	9	10	10	11	10
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	24
1 or more disabled adult, no disabled child	..	19	18	20	21	20	20	20	20	19	19	20	18	18	19	19	19	21
Those living in families with disabled children	..	3	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	2
With 1 or more disabled adult	..	1	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	7
Not in receipt of disability benefits	..	17	16	18	18	17	18	17	17	16	15	17	15	15	15	16	16	17
At least one adult working ⁴	12	15	15	14	15	14	15	14	14	15	14	13	14	14	14	16
No adults working ⁴	8	9	9	8	9	8	8	8	8	8	8	8	8	8	8	8
All working-age adults (per cent)	100	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. 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 5.4ts: Composition of working-age adults living in households with less than 60 per cent of contemporary median household income, by family type, United Kingdom¹

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	11/12
Before Housing Costs																		
Working-age adults without children	49	50	50	50	50	51	55	55	56	56	57	57	57	58	59	60	61	63
Couples	21	21	21	21	22	22	23	23	22	24	23	22	23	23	23	22	22	24
Single male	18	17	18	18	18	19	19	20	20	20	21	22	22	21	23	24	25	25
Single female	10	11	11	11	11	11	13	12	13	12	13	13	12	14	14	14	13	15
Working-age adults with children	51	50	50	50	50	49	45	45	44	44	43	43	43	42	41	40	39	37
Couples	39	39	37	36	36	34	31	31	30	30	30	31	31	31	30	31	32	30
Singles	12	11	14	14	14	15	14	14	14	13	13	12	12	11	11	9	8	8
All working-age adults (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Working-age adults without children	51	51	52	51	50	52	54	53	55	56	56	56	56	56	57	57	58	59
Couples	19	19	18	20	19	19	21	20	21	22	20	20	21	21	21	19	20	20
Single male	21	19	20	19	19	20	19	20	21	21	22	22	22	21	22	24	23	24
Single female	12	12	13	13	12	13	13	13	13	13	14	14	13	14	14	14	14	15
Working-age adults with children	49	49	48	49	50	48	46	47	45	44	44	44	44	44	43	43	42	41
Couples	35	36	34	34	34	32	31	31	30	30	30	31	31	32	31	32	32	30
Singles	13	14	15	15	16	15	15	16	15	14	14	13	13	12	12	11	10	10
All working-age adults (per cent)	100	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.
- 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 Kingdom¹

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	11/12
Before Housing Costs																		
Working-age adults without children	49	50	50	50	50	51	55	55	56	56	57	57	57	58	59	60	61	63
One or more full-time self-employed	6	6	6	6	6	6	5	6	5	6	5	7	7	6	7	6
Single/couple all in full-time work	4	4	4	5	6	5	6	6	6	6	6	6	5	5	5	6
Couple, one full-time, one part-time work	-	1	1	1	1	1	1	1	2	1	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	5
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	9
Workless, one or more unemployed	13	12	10	10	9	7	8	8	7	8	7	8	8	11	11	11
Workless, other inactive ³	18	18	20	20	23	26	25	24	26	24	27	25	25	24	25	24
Working-age adults with children	51	50	50	50	50	49	45	45	44	44	43	43	43	42	41	40	39	37
One or more full-time self-employed	7	8	8	8	7	7	7	6	8	8	7	7	6	7	7	6
Single/couple all in full-time work	1	1	1	1	1	1	2	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	3
Couple, one full-time work, one not working	9	9	9	9	8	7	8	7	7	7	9	8	9	7	8	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	6
Workless, one or more unemployed	10	7	7	5	5	5	5	4	4	4	4	4	5	6	6	5
Workless, other inactive ³	15	15	15	16	15	16	15	16	14	13	13	13	11	10	8	7
All working-age adults (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Working-age adults without children	51	51	52	51	50	52	54	53	55	56	56	56	56	56	57	57	58	59
One or more full-time self-employed	5	6	5	6	6	5	5	6	5	6	5	6	6	5	6	5
Single/couple all in full-time work	5	5	6	6	7	6	7	7	8	7	7	8	7	7	6	7
Couple, one full-time, one part-time work	0	1	1	1	1	1	1	1	1	2	1	1	2	1	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	5
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	8
Workless, one or more unemployed	13	11	9	10	8	7	7	7	7	7	6	6	7	10	9	10
Workless, other inactive ³	20	19	21	22	22	25	25	25	24	23	25	23	23	22	23	22
Working-age adults with children	49	49	48	49	50	48	46	47	45	44	44	44	44	44	43	43	42	41
One or more full-time self-employed	7	7	7	7	7	7	6	6	7	7	7	7	6	6	7	6
Single/couple all in full-time work	1	2	1	1	2	2	2	2	2	2	3	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	4
Couple, one full-time work, one not working	9	9	10	9	9	8	9	8	8	8	10	9	10	9	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	7
Workless, one or more unemployed	9	6	6	5	4	4	4	4	3	3	3	4	4	5	6	4
Workless, other inactive ³	15	15	15	16	15	16	15	16	15	13	12	13	10	11	9	8
All working-age adults (per cent)	100	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.
- 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 5.6ts: Composition of working-age adults living in households with less than 60 per cent of contemporary median household income, by disability³ and receipt of disability benefits², and work status, United Kingdom¹

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	11/12
Before Housing Costs																		
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	68
At least one adult working ⁴	34	36	35	36	35	35	35	37	37	38	38	39	40	38	38	41
No adults working ⁴	37	31	28	30	29	29	30	30	28	29	28	27	28	31	29	27
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	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	29
Those living in families with disabled children	..	6	5	7	6	5	5	4	4	4	4	4	4	5	5	4	4	4
With no disabled adult	..	4	3	4	4	3	3	2	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	1
In receipt of disability benefits	..	3	4	4	5	5	5	5	6	6	7	7	8	8	8	6	6	6
Not in receipt of disability benefits	..	27	25	29	32	29	31	31	28	27	27	26	27	26	24	25	26	26
At least one adult working ⁴	9	12	13	12	12	11	12	11	11	12	11	11	11	11	12	12
No adults working ⁴	19	22	24	22	24	25	23	22	23	21	23	23	21	20	21	20
All working-age adults (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
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	69
At least one adult working ⁴	35	37	37	37	38	37	38	39	41	41	42	43	44	41	42	43
No adults working ⁴	37	30	28	29	27	28	29	29	27	27	26	25	26	29	28	26
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	31
1 or more disabled adult, no disabled child	..	25	23	27	29	29	30	30	29	28	28	28	27	27	25	26	26	28
Those living in families with disabled children	..	6	5	6	6	5	5	4	4	4	4	4	4	5	5	4	4	4
With no disabled adult	..	3	3	4	4	3	3	2	2	2	2	2	2	3	3	2	2	2
With 1 or more disabled adult	..	2	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	6
Not in receipt of disability benefits	..	27	25	29	30	28	30	29	27	25	25	25	24	24	22	23	23	25
At least one adult working ⁴	9	11	12	11	12	11	11	10	11	12	11	11	11	11	11	12
No adults working ⁴	20	22	24	23	23	23	22	22	22	20	21	21	19	19	19	19
All working-age adults (per cent)	100	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 5.7ts: Composition of working-age adults living in households with less than 60 per cent of 2010/11 median household income held constant in real terms, by family type, United Kingdom¹

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	11/12
Before Housing Costs																		
Working-age adults without children	50	49	50	50	50	52	54	54	56	56	57	57	58	58	59	61	61	62
Couples	21	21	21	20	21	22	22	22	22	24	23	22	23	23	23	22	22	24
Single male	19	17	18	18	18	18	19	20	20	20	21	22	22	21	23	24	25	24
Single female	10	11	11	12	11	11	13	12	13	12	13	13	12	14	13	14	13	14
Working-age adults with children	50	51	50	50	50	48	46	46	44	44	43	43	42	42	41	39	39	38
Couples	38	38	36	36	35	34	32	31	30	30	30	31	31	30	30	31	32	30
Singles	12	13	13	14	15	14	14	15	14	14	13	12	12	11	11	9	8	8
All working-age adults (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Working-age adults without children	51	50	51	50	50	52	53	53	55	56	56	57	56	56	58	57	58	59
Couples	21	20	20	20	20	20	21	20	21	22	20	20	21	21	20	19	20	20
Single male	19	18	19	18	18	20	19	20	21	21	22	23	23	21	23	24	23	24
Single female	11	12	12	12	12	12	13	13	13	13	14	14	13	15	14	14	14	15
Working-age adults with children	49	50	49	50	50	48	47	47	45	44	44	43	44	44	42	43	42	41
Couples	37	38	36	36	36	34	33	32	30	30	30	30	30	32	31	32	32	31
Singles	12	12	13	13	14	14	14	16	15	14	14	13	13	12	12	11	10	10
All working-age adults (per cent)	100	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.
- 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 2010/11 median household income held constant in real terms, by family type and economic status of the family, United Kingdom¹

	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	11/12
Before Housing Costs																		
Working-age adults without children	50	49	50	50	50	52	54	54	56	56	57	57	58	58	59	61	61	62
One or more full-time self-employed	5	5	5	6	6	6	5	6	5	6	5	7	7	6	7	6
Single/couple all in full-time work	5	5	5	5	6	5	6	6	6	6	5	5	5	5	5	6
Couple, one full-time, one part-time work	1	1	1	1	1	1	1	1	2	1	1	1	1	1	1	1
Couple, one full-time work, one not working	3	3	3	3	4	3	4	3	4	4	4	4	4	4	3	5
No full-time, one or more in part-time work	6	6	7	6	6	7	7	7	8	8	7	8	8	8	8	9
Workless, one or more unemployed	12	10	8	9	9	7	8	8	7	8	8	8	9	12	11	11
Workless, other inactive ³	19	19	20	21	23	26	25	24	26	24	28	25	26	24	25	23
Working-age adults with children	50	51	50	50	50	48	46	46	44	44	43	43	42	42	41	39	39	38
One or more full-time self-employed	7	7	7	7	6	7	7	6	8	8	7	7	7	7	7	6
Single/couple all in full-time work	1	2	2	1	2	1	2	2	2	2	2	2	2	2	2	3
Couple, one full-time, one part-time work	4	5	4	4	3	3	2	2	2	3	2	2	2	2	3	3
Couple, one full-time work, one not working	10	10	10	10	10	8	8	8	7	7	8	8	8	7	8	8
No full-time, one or more in part-time work	6	6	7	7	6	7	6	6	6	6	6	6	6	6	6	6
Workless, one or more unemployed	8	6	6	5	5	4	4	4	4	4	4	4	5	6	6	4
Workless, other inactive ³	14	14	15	15	15	16	15	16	14	13	13	13	10	10	8	7
All working-age adults (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Working-age adults without children	51	50	51	50	50	52	53	53	55	56	56	57	56	56	58	57	58	59
One or more full-time self-employed	5	5	5	5	6	5	5	6	5	6	5	6	6	5	6	5
Single/couple all in full-time work	6	7	7	7	7	6	7	7	8	7	7	7	7	7	6	7
Couple, one full-time, one part-time work	1	1	1	1	1	1	1	1	1	2	1	1	2	1	1	1
Couple, one full-time work, one not working	4	3	3	3	4	3	4	3	3	4	5	3	4	5	4	5
No full-time, one or more in part-time work	6	6	6	6	6	7	7	7	8	8	7	8	8	7	8	8
Workless, one or more unemployed	11	9	8	9	8	6	7	7	7	7	7	7	8	10	9	10
Workless, other inactive ³	19	19	20	21	22	25	25	25	24	23	26	23	24	22	23	22
Working-age adults with children	49	50	49	50	50	48	47	47	45	44	44	43	44	44	42	43	42	41
One or more full-time self-employed	7	7	7	7	7	7	6	6	7	8	7	7	6	6	7	6
Single/couple all in full-time work	2	2	2	2	2	2	2	2	2	2	2	3	3	2	3	3
Couple, one full-time, one part-time work	5	6	5	5	4	4	3	3	3	3	3	3	3	3	3	4
Couple, one full-time work, one not working	10	10	10	10	10	8	9	8	8	8	9	9	9	8	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	7
Workless, one or more unemployed	7	5	5	4	4	4	4	4	3	3	3	4	4	5	6	4
Workless, other inactive ³	13	13	13	14	14	16	15	16	15	13	13	13	11	11	9	9
All working-age adults (per cent)	100	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.
- 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 5.9ts: Composition of working-age adults living in households with less than 60 per cent of 2010/11 median household income held constant in real terms, by disability³, and receipt of disability benefits², and work status, United Kingdom¹

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	11/12
Before Housing Costs																		
Working-age adults in families where no-one is disabled	..	68	70	66	63	66	64	64	65	67	66	67	66	66	69	70	68	68
At least one adult working ⁴	37	39	38	38	37	36	36	37	38	38	38	39	40	37	38	42
No adults working ⁴	33	27	25	28	27	28	30	30	28	29	28	27	29	32	29	26
Working-age adults in families where someone is disabled	..	32	30	34	37	34	36	36	35	33	34	33	34	34	31	30	32	32
1 or more disabled adult, no disabled child	..	26	25	28	31	29	31	32	30	29	30	29	30	30	26	27	29	28
Those living in families with disabled children	..	6	5	6	6	5	5	4	4	4	4	4	4	5	5	4	4	4
With no disabled adult	..	4	4	4	4	3	3	2	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	2
In receipt of disability benefits	..	5	5	6	6	6	6	5	7	6	7	7	8	8	8	6	6	7
Not in receipt of disability benefits	..	27	25	29	31	28	30	31	28	27	27	26	27	27	23	24	26	25
At least one adult working ⁴	10	12	13	12	13	11	12	11	11	12	11	11	11	11	12	12
No adults working ⁴	20	22	24	22	24	25	23	22	23	21	23	23	21	20	21	20
All working-age adults (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Working-age adults in families where no-one is disabled	..	69	70	67	65	66	65	66	67	68	68	68	69	69	71	71	70	68
At least one adult working ⁴	40	41	41	40	40	38	38	39	41	41	42	43	43	41	42	43
No adults working ⁴	30	25	24	26	25	27	29	29	27	28	27	26	27	30	28	25
Working-age adults in families where someone is disabled	..	31	30	33	35	34	35	34	33	32	32	32	31	31	29	29	30	32
1 or more disabled adult, no disabled child	..	25	24	27	29	28	30	30	29	28	28	28	27	27	25	26	26	28
Those living in families with disabled children	..	5	5	6	6	5	5	4	4	4	4	4	4	5	5	4	4	4
With no disabled adult	..	3	3	4	4	3	3	2	2	2	2	2	2	2	3	2	2	2
With 1 or more disabled adult	..	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
In receipt of disability benefits	..	5	6	6	6	7	7	6	7	7	7	7	7	7	7	6	7	7
Not in receipt of disability benefits	..	25	24	27	29	27	28	29	27	25	25	25	24	24	22	23	23	25
At least one adult working ⁴	10	13	13	12	13	11	11	10	11	12	10	11	10	10	11	13
No adults working ⁴	19	20	22	21	22	23	22	22	22	20	21	21	19	19	19	19
All working-age adults (per cent)	100	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. 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 Kingdom¹

	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	11/12
Before Housing Costs																		
Working-age adults without children	12	11	12	12	12	12	13	12	13	13	13	13	13	14	15	15	15	15
Couples	9	8	9	9	9	9	10	9	9	10	9	9	10	10	10	10	10	11
Single male	16	15	16	16	15	16	17	17	17	17	17	18	18	18	20	21	21	20
Single female	14	15	15	16	14	15	17	16	17	16	16	17	16	19	19	19	17	19
Working-age adults with children	20	18	20	20	20	20	18	18	18	18	17	18	18	18	18	17	16	15
Couples	17	16	17	17	16	16	15	15	15	15	14	16	15	16	16	16	15	14
Singles	37	33	42	42	40	41	37	38	37	36	34	33	33	33	33	26	22	22
All working-age adults (per cent)	15	14	15	15	15	15	15	15	15	15	14	15	15	15	16	16	15	15
After Housing Costs																		
Working-age adults without children	17	16	17	16	16	16	16	16	16	17	16	18	18	18	19	20	20	20
Couples	11	11	11	11	10	11	11	11	11	12	11	12	12	12	13	13	13	13
Single male	25	23	25	22	22	23	22	22	24	23	23	25	25	25	26	29	28	28
Single female	22	23	25	23	22	23	23	22	23	22	22	24	23	26	27	27	26	28
Working-age adults with children	26	26	27	26	26	26	25	24	24	24	23	25	25	26	26	25	24	23
Couples	22	22	21	21	21	20	20	19	19	19	18	21	21	22	22	22	22	20
Singles	58	57	62	58	59	57	54	55	53	49	49	48	49	48	48	45	41	42
All working-age adults (per cent)	20	20	21	20	19	20	19	19	19	19	19	20	20	21	22	22	21	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 Kingdom¹

	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	11/12
Before Housing Costs																		
Working-age adults without children	12	11	12	12	12	12	13	12	13	13	13	13	13	14	15	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	16
Single/couple all in full-time work	2	2	2	2	3	2	3	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	4
Couple, one full-time work, one not working	8	8	7	7	9	9	10	10	10	11	12	11	12	14	11	16
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	23
Workless, one or more unemployed	49	53	53	56	58	53	55	58	53	54	52	58	51	54	50	51
Workless, other inactive ³	29	29	30	31	34	38	36	35	36	37	39	38	38	36	35	35
Working-age adults with children	20	18	20	20	20	20	18	18	18	18	17	18	18	18	18	17	16	15
One or more full-time self-employed	20	24	23	23	20	21	21	20	21	26	21	21	21	22	22	20
Single/couple all in full-time work	2	3	2	1	2	2	3	3	3	3	3	4	4	3	3	4
Couple, one full-time, one part-time work	4	4	4	4	4	4	3	4	4	5	4	4	4	4	4	6
Couple, one full-time work, one not working	20	20	20	21	19	16	17	17	16	19	21	20	22	18	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	27
Workless, one or more unemployed	78	77	79	76	80	82	82	74	76	80	79	77	76	71	65	63
Workless, other inactive ³	56	61	57	60	58	59	61	58	54	56	57	56	54	46	41	38
All working-age adults (per cent)	15	14	15	15	15	15	15	15	15	15	14	15	15	15	16	16	15	15
After Housing Costs																		
Working-age adults without children	17	16	17	16	16	16	16	16	16	17	16	18	18	18	19	20	20	20
One or more full-time self-employed	16	18	15	18	18	15	15	17	14	18	16	19	21	20	21	19
Single/couple all in full-time work	4	4	4	4	5	4	4	5	5	5	5	5	5	6	5	6
Couple, one full-time, one part-time work	2	3	4	2	3	4	4	3	5	6	4	6	8	5	6	6
Couple, one full-time work, one not working	12	12	10	10	13	12	14	12	13	15	18	14	17	19	16	21
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	29
Workless, one or more unemployed	66	66	65	67	66	61	63	66	62	63	60	64	60	64	59	66
Workless, other inactive ³	43	40	42	44	43	47	47	47	43	46	50	48	47	47	45	44
Working-age adults with children	26	26	27	26	26	26	25	24	24	24	23	25	25	26	26	25	24	23
One or more full-time self-employed	26	27	28	28	27	26	24	24	25	30	28	28	28	28	28	25
Single/couple all in full-time work	3	4	4	3	4	4	6	5	5	6	6	7	7	6	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	9
Couple, one full-time work, one not working	26	27	29	28	27	23	25	25	25	29	31	31	34	30	29	30
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	44
Workless, one or more unemployed	90	90	91	89	90	91	92	88	85	91	91	93	91	91	88	86
Workless, other inactive ³	77	78	77	78	75	78	78	76	74	74	74	74	72	70	65	64
All working-age adults (per cent)	20	20	21	20	19	20	19	19	19	19	19	20	20	21	22	22	21	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 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 disability³, and receipt of disability benefits², and work status, United Kingdom¹

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	11/12
Before Housing Costs																		
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	14
At least one adult working ⁴	8	8	8	8	8	7	8	8	8	8	8	9	9	9	9	9
No adults working ⁴	50	50	46	50	51	49	50	50	46	50	47	47	46	47	42	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	21
1 or more disabled adult, no disabled child	..	17	20	20	22	22	23	24	22	22	23	22	24	25	23	22	23	21
Those living in families with disabled children	..	25	25	30	28	27	23	21	22	19	20	18	23	24	24	18	17	17
With no disabled adult	..	22	23	27	25	21	21	17	19	16	15	17	21	20	20	13	16	16
With 1 or more disabled adult	..	31	31	36	33	37	26	30	27	25	27	21	26	30	29	25	18	18
In receipt of disability benefits	..	9	10	12	13	13	13	14	15	14	16	16	18	19	19	15	14	15
Not in receipt of disability benefits	..	21	24	24	25	25	26	27	25	24	25	24	26	28	25	24	25	23
At least one adult working ⁴	11	12	12	12	12	12	11	11	12	12	12	13	12	12	12	12
No adults working ⁴	35	38	40	39	40	44	42	40	41	40	45	46	43	39	38	38
All working-age adults (per cent)	15	14	15	15	15	15	15	15	15	15	14	15	15	15	16	16	15	15
After Housing Costs																		
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	19
At least one adult working ⁴	11	11	11	11	11	10	11	11	11	12	12	13	14	14	13	14
No adults working ⁴	68	63	62	63	61	62	64	64	58	62	60	59	59	61	56	57
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	28
1 or more disabled adult, no disabled child	..	26	27	26	28	29	29	29	28	27	28	28	30	31	29	30	29	29
Those living in families with disabled children	..	35	35	35	35	33	30	29	28	26	26	26	29	33	32	26	26	25
With no disabled adult	..	30	33	32	32	26	29	23	24	23	20	22	28	28	29	20	23	23
With 1 or more disabled adult	..	44	41	44	42	45	33	40	33	33	34	33	31	41	38	36	30	28
In receipt of disability benefits	..	13	15	16	17	19	18	20	20	21	21	23	24	25	25	22	21	21
Not in receipt of disability benefits	..	31	33	31	33	33	32	32	31	30	31	30	32	34	31	32	32	31
At least one adult working ⁴	15	15	15	16	16	15	15	13	15	16	16	17	16	16	16	17
No adults working ⁴	48	50	52	52	51	54	53	52	50	51	55	55	53	52	51	50
All working-age adults (per cent)	20	20	21	20	19	20	19	19	19	19	19	20	20	21	22	22	21	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. 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 2010/11 median household income held constant in real terms, by family type, United Kingdom¹

	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	11/12
Before Housing Costs																		
Working-age adults without children	19	18	18	17	16	16	15	13	13	13	13	13	13	13	14	14	15	16
Couples	14	14	13	12	12	12	11	10	9	10	9	9	9	10	10	10	10	12
Single male	26	24	24	22	21	21	19	18	17	17	17	18	18	18	19	20	21	22
Single female	23	24	23	24	20	20	20	17	18	16	16	17	16	18	18	18	17	21
Working-age adults with children	31	31	29	28	27	25	22	20	18	18	17	18	17	17	17	15	16	17
Couples	27	27	25	24	22	21	18	16	15	15	14	15	14	15	15	14	15	16
Singles	61	61	62	58	58	52	46	42	38	37	33	31	31	31	30	23	22	24
All working-age adults (per cent)	24	23	22	21	20	19	17	16	15	15	14	15	14	15	15	15	15	17
After Housing Costs																		
Working-age adults without children	24	23	22	21	20	20	19	16	16	16	15	17	16	17	18	19	20	21
Couples	17	17	16	15	14	13	13	11	11	11	10	11	11	11	12	12	13	14
Single male	33	32	31	27	27	27	24	22	23	23	22	24	24	23	25	27	28	29
Single female	31	32	32	29	27	27	27	23	23	22	22	22	21	25	26	26	26	29
Working-age adults with children	38	39	36	35	34	31	29	26	24	23	22	23	23	24	24	24	24	25
Couples	33	33	31	29	28	26	23	20	19	19	18	19	19	20	20	21	22	22
Singles	74	74	73	69	69	65	58	57	53	49	47	45	45	45	44	41	41	45
All working-age adults (per cent)	29	29	28	26	25	24	22	20	19	19	18	19	19	20	20	21	21	22

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 2010/11 median household income held constant in real terms, by family type and economic status of the family, United Kingdom¹

	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	11/12
Before Housing Costs																		
Working-age adults without children	19	18	18	17	16	16	15	13	13	13	13	13	13	13	14	14	15	16
One or more full-time self-employed	17	18	17	19	17	14	12	15	12	14	12	16	17	16	18	18
Single/couple all in full-time work	4	4	4	4	4	3	3	3	3	3	3	3	3	3	3	4
Couple, one full-time, one part-time work	3	4	4	2	2	3	3	3	4	4	2	3	5	3	4	4
Couple, one full-time work, one not working	14	13	11	11	12	9	10	10	10	10	11	10	11	12	11	18
No full-time, one or more in part-time work	29	25	26	24	23	20	19	19	19	19	18	22	22	19	22	24
Workless, one or more unemployed	64	65	62	64	63	54	55	59	53	53	50	57	49	52	50	53
Workless, other inactive ³	44	43	41	41	40	40	37	36	35	36	38	37	36	34	35	37
Working-age adults with children	31	31	29	28	27	25	22	20	18	18	17	18	17	17	17	15	16	17
One or more full-time self-employed	28	29	29	28	23	22	21	21	21	25	21	19	21	20	22	22
Single/couple all in full-time work	4	4	4	3	3	3	3	3	3	3	3	3	3	3	3	4
Couple, one full-time, one part-time work	9	11	8	7	6	4	3	4	4	4	3	3	4	3	4	6
Couple, one full-time work, one not working	32	32	29	30	26	19	18	18	16	18	19	18	20	15	18	21
No full-time, one or more in part-time work	59	59	56	53	42	44	36	34	30	30	31	34	33	29	28	30
Workless, one or more unemployed	91	89	86	86	86	83	82	75	76	78	75	76	74	68	65	65
Workless, other inactive ³	77	77	75	73	68	63	61	59	54	54	53	54	49	42	41	44
All working-age adults (per cent)	24	23	22	21	20	19	17	16	15	15	14	15	14	15	15	15	15	17
After Housing Costs																		
Working-age adults without children	24	23	22	21	20	20	19	16	16	16	15	17	16	17	18	19	20	21
One or more full-time self-employed	20	22	19	21	20	15	15	17	14	17	15	19	20	19	21	19
Single/couple all in full-time work	6	6	6	6	6	4	4	5	5	5	4	5	5	5	5	6
Couple, one full-time, one part-time work	4	6	6	4	4	4	4	3	5	6	4	5	7	5	6	6
Couple, one full-time work, one not working	18	17	16	14	18	12	14	12	12	14	17	13	15	18	16	22
No full-time, one or more in part-time work	35	29	30	30	27	25	25	24	24	25	22	27	29	25	29	30
Workless, one or more unemployed	75	73	72	73	70	62	62	66	61	61	57	63	59	62	59	67
Workless, other inactive ³	55	51	51	51	49	48	47	47	42	44	47	45	45	44	45	46
Working-age adults with children	38	39	36	35	34	31	29	26	24	23	22	23	23	24	24	24	24	25
One or more full-time self-employed	35	36	36	33	31	27	24	24	25	29	25	27	27	27	28	28
Single/couple all in full-time work	7	7	8	6	6	5	6	5	5	5	6	7	6	5	6	7
Couple, one full-time, one part-time work	13	16	13	11	10	7	6	5	5	7	6	6	7	7	7	10
Couple, one full-time work, one not working	42	40	38	36	34	26	25	24	23	25	27	28	30	26	29	32
No full-time, one or more in part-time work	72	68	66	63	53	57	47	42	40	39	43	40	42	42	43	47
Workless, one or more unemployed	97	94	95	95	93	92	92	87	83	89	91	90	89	90	88	88
Workless, other inactive ³	88	86	85	85	80	80	78	75	72	72	70	70	68	65	65	68
All working-age adults (per cent)	29	29	28	26	25	24	22	20	19	19	18	19	19	20	20	21	21	22

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.

Table 5.15ts: Percentage of working-age adults living in households with less than 60 per cent of 2010/11 median household income held constant in real terms, by disability³, and receipt of disability benefits², and work status, United Kingdom¹

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	11/12
Before Housing Costs																		
Working-age adults in families where no-one is disabled	..	20	19	18	16	16	15	13	13	13	12	13	12	12	13	13	13	15
At least one adult working ⁴	12	12	11	11	9	8	8	8	8	8	8	8	9	8	9	11
No adults working ⁴	64	62	57	59	57	51	51	51	46	48	45	45	44	45	42	45
Working-age adults in families where someone is disabled	..	33	32	31	31	29	27	25	22	22	22	21	23	24	22	20	22	22
1 or more disabled adult, no disabled child	..	32	31	29	30	28	27	25	22	22	22	21	23	24	22	20	23	23
Those living in families with disabled children	..	41	40	41	37	34	27	23	22	20	20	18	21	23	23	16	17	18
With no disabled adult	..	37	38	37	34	27	25	18	19	17	15	16	19	19	19	12	16	17
With 1 or more disabled adult	..	49	44	49	44	47	31	32	27	25	27	20	24	29	28	23	18	20
In receipt of disability benefits	..	24	22	22	22	22	18	15	15	15	16	16	17	17	18	13	14	17
Not in receipt of disability benefits	..	35	35	33	34	32	30	28	25	25	25	23	25	27	23	22	25	24
At least one adult working ⁴	18	18	18	17	15	13	12	11	12	12	11	12	12	11	12	13
No adults working ⁴	53	53	53	50	47	47	42	41	40	39	44	44	40	35	38	41
All working-age adults (per cent)	24	23	22	21	20	19	17	16	15	15	14	15	14	15	15	15	15	17
After Housing Costs																		
Working-age adults in families where no-one is disabled	..	26	25	22	21	21	19	17	17	16	15	17	16	17	18	19	19	20
At least one adult working ⁴	16	16	15	14	13	11	11	11	10	11	11	12	13	13	13	15
No adults working ⁴	75	70	68	69	66	63	63	63	56	60	57	57	57	58	56	59
Working-age adults in families where someone is disabled	..	40	39	36	36	35	33	30	28	27	27	26	28	29	28	27	29	30
1 or more disabled adult, no disabled child	..	39	37	35	35	35	32	30	28	27	27	26	28	29	27	28	29	30
Those living in families with disabled children	..	48	48	46	44	42	36	32	28	26	25	24	26	29	30	24	26	27
With no disabled adult	..	44	45	42	41	34	35	26	24	22	19	20	24	25	27	18	23	25
With 1 or more disabled adult	..	59	56	55	51	55	40	42	33	33	33	31	28	37	34	33	30	30
In receipt of disability benefits	..	33	30	29	28	28	25	22	20	20	20	20	22	22	22	20	21	23
Not in receipt of disability benefits	..	42	42	39	39	38	35	33	31	30	30	29	30	32	30	30	32	33
At least one adult working ⁴	23	22	21	21	19	16	15	13	14	15	14	16	15	15	16	18
No adults working ⁴	63	61	62	60	57	56	53	51	48	48	52	52	50	49	51	53
All working-age adults (per cent)	29	29	28	26	25	24	22	20	19	19	18	19	19	20	20	21	21	22

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.

Chapter 6

Pensioners

Key findings

- Between 2010/11 and 2011/12 there was a decrease¹ in the percentage and number of pensioners in *relative low income, Before Housing Costs (BHC)* and *After Housing Costs² (AHC)*.
- The proportion of pensioners in *relative low income* in 2011/12 is close to a historic low³, and pensioners are less likely to be in *relative low income* than the population as a whole, *AHC*. 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 1 percentage point increase⁴ in the proportion of pensioners in *absolute low income AHC* between 2010/11 and 2011/12, measured against the 2010/11 baseline⁵, as *low-income* households containing pensioners saw their *income* fall in real terms, leading to an increase of 100,000 pensioners. The percentage of pensioners in *absolute low income BHC* remained at 2010/11 levels⁶.
- Pensioners living in families with certain characteristics were more likely to live in *low-income households*. These characteristics included living alone, living in families with disabled members not in receipt of disability benefits, living in a household with a head from an ethnic minority.
- There has been a small decrease in the proportion of pensioners aged 65 or over in *material deprivation*, down from 9 per cent in 2010/11 to 8 per cent in 2011/12⁷.

¹ These reductions are not statistically significant, for both BHC and AHC.

² Table 6.1tr shows that the percentage in relative low income AHC was 14 per cent in 2010/11 and 2011/12, but unrounded figures show a reduction of one percentage point. Rounding figures at the final point of calculation of a statistic produces the best estimate.

³ Figures from IFS which present data since 1961 show rates of pensioner relative low income were only lower than or equal to their 2011/12 levels in 1984 at 13 per cent AHC, 16 per cent BHC (see <http://www.ifs.org.uk/fiscalFacts/povertyStats>).

⁴ This increase is statistically significant for AHC, not for BHC.

⁵ The change of baseline from 1998/99 to 2010/11 is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

⁶ Table 6.2tr shows that the percentage in absolute low income BHC was 17 per cent in 2010/11 and 18 per cent in 2011/12, but unrounded figures show a change of less than 0.5 percentage point.

⁷ This decrease is not statistically significant.

1. Introduction

This chapter examines the position of pensioners in the income distribution in 2011/12 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. So, for example, pensionable age at 30 June 2011 was approximately 60 years and 238 days for women. Therefore the age groups included in this chapter have changed over time. The changes do not affect the State Pension age for 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, and 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.

2. Pensioner indicators

The HBAI is used to inform the DWP indicator to measure progress on the Government's aim of [providing decent State Pensions, encouraging employers to provide high quality pensions and making automatic enrolment and higher pension saving a reality](#). The indicator measures the percentage of pensioners with incomes below 60 per cent of contemporary median income, AHC. It is also used in [DWP's annual equality information report](#) on its compliance with the Equality Duty under the Equality Act 2010.

The [material deprivation indicator](#) introduced in 2009/10, 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 of low income

HBAI uses variants of RPI to adjust for inflation to look at how incomes are changing over time in real terms. As described in the background section of **Chapter 1**, the use of different inflation measures has an effect on absolute low-income figures.

Median equivalised household income fell between 2010/11 and 2011/12, which in turn reduced the relative poverty thresholds, as shown in **Chapter 2**.

There was a decrease in the percentage of pensioners in relative low income between 2010/11 and 2011/12⁸ BHC and AHC. Households containing pensioners in the lowest quintiles generally received a larger proportion of their income from benefits and a smaller proportion from other sources⁹. The introduction of the triple guarantee in 2011/12 meant that the key pensioner benefit – the basic State Pension – was uprated 4.6 per cent in April 2011 (the higher of earnings, prices or 2.5 per cent). In addition the Pension Credit (Guarantee Credit) was increased by 3.6 per cent to ensure the lowest income pensioners received the full increase of the basic State Pension. These increases were larger than for many other state benefits (see Table A, **Chapter 2**), which meant that pensioners in the lowest quintiles saw their income fall less in real terms than other households.

In contrast levels of absolute low income for pensioners rose between 2010/11 and 2011/12 AHC. This is because, despite the higher increases in benefits, AHC equivalised household incomes for low-income pensioners in 2011/12 rose by less than RPI inflation.

⁸ Chart 6.2 shows that the percentage in relative low income AHC was 14 per cent in 2010/11 and 2011/12, but unrounded figures show a reduction of 1 percentage point. This change is not statistically significant.

⁹ Table 2.3 in the Family Resources Survey 2011/12 report shows sources of total weekly household income by age of head.

4. The position of pensioners in the overall income distribution

Chart 6.1 compares the income distribution of pensioners in 2011/12 with that of the entire population. An explanation of how the negative incomes AHC and zero incomes BHC shown in the chart can occur is given in **Appendix 1**.

Chart 6.1 (BHC): Income distribution; all individuals and pensioners by income band, 2011/12

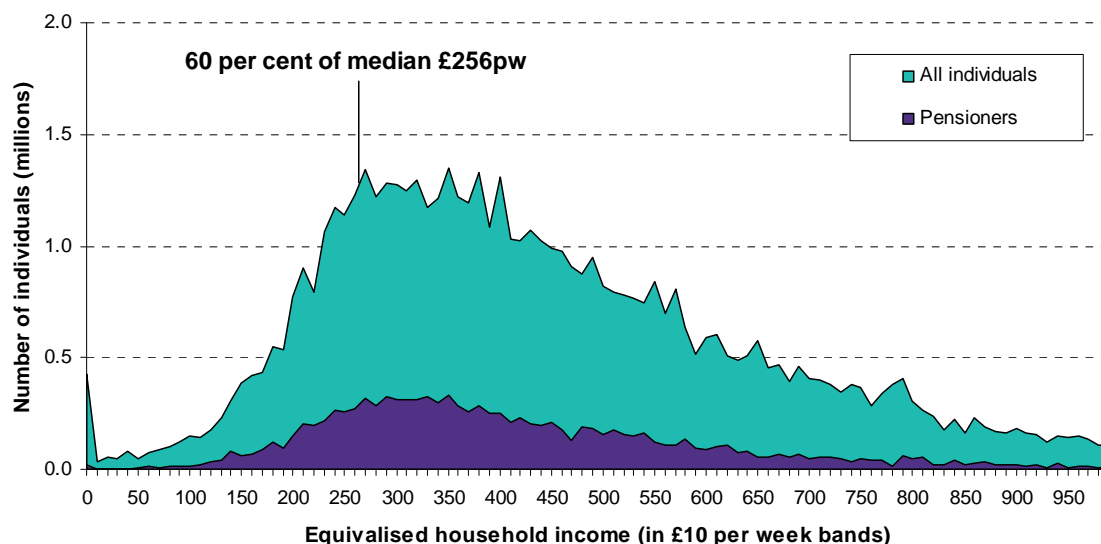
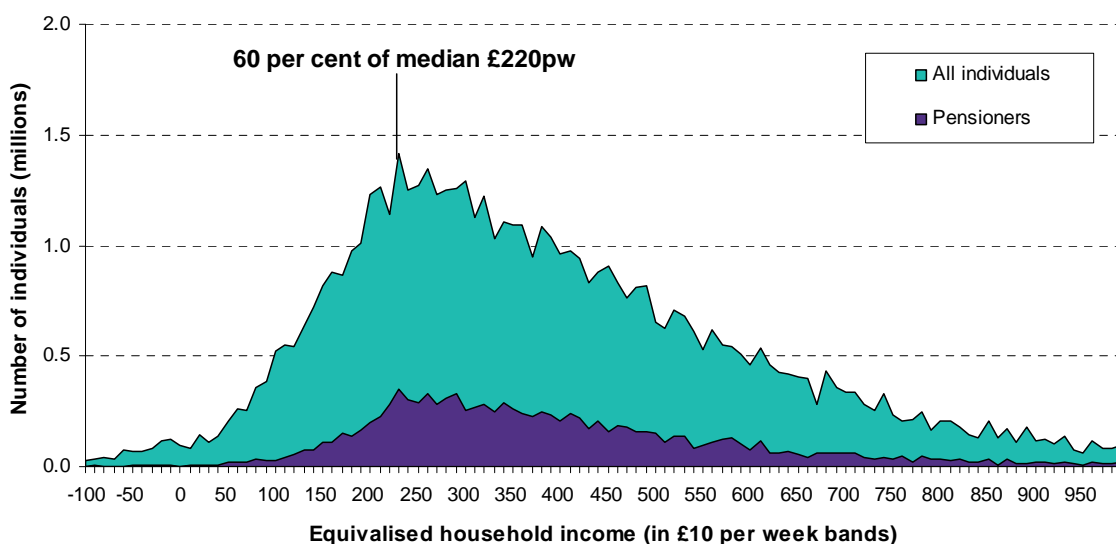


Chart 6.1 (AHC): Income distribution; all individuals and pensioners by income band, 2011/12



5. What the figures show¹⁰

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.

Trends in relative low income: There has been a downward trend in the proportion of pensioners in relative low income between the years 1998/99¹¹ and 2011/12 (Table 6.1tr). The reduction over the period was 11 percentage points BHC and 15 percentage points AHC.

Relative low income BHC and AHC fell by one percentage point in 2011/12^{12,13}, close to their lowest ever rates.

Trends in absolute low income: Over the period 1998/99 to 2011/12, there was a marked fall in the proportion of pensioners in absolute low income both BHC and AHC, a reduction of 21 percentage points BHC and 24 percentage points AHC, measured against the 2010/11 baseline¹⁴ (Table 6.2tr). This reduction primarily occurred between 1998/99 and 2004/05, with levels broadly unchanged since then.

Between 2010/11 and 2011/12, the proportion of pensioners in absolute low income increased by 1 percentage point to 15 per cent AHC¹⁵. This is because, despite the higher increases in benefits, incomes for low-income pensioners in 2011/12 rose by less than RPI inflation, and so the population in absolute low income increased by 100,000. The percentage of pensioners in absolute low income BHC remained at 2010/11 levels¹⁶.

Material deprivation: The proportion of pensioners aged 65 and over who were living in material deprivation fell by 1 percentage point¹⁷ from 2010/11 to 8 per cent in 2011/12 (Table 6.7tr).

Taking a holiday away from home was the most lacked item with 40 per cent of pensioners saying they were deprived of this item, with the most common reason for a 'no' response being 'Health/disability prevents me'. 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 (Table 6.11db).

¹⁰ This analysis is based on a 60 per cent of median income threshold.

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

¹² Table 6.1tr shows that the percentage in relative low income AHC was 14 per cent in 2010/11 and 2011/12, but unrounded figures show a reduction of 1 percentage point.

¹³ The reduction is not statistically significant, for both BHC and AHC.

¹⁴ The change of baseline from 1998/99 to 2010/11 is explained in the Statistical Notice published on 16th May 2013 and reproduced in **Appendix 3**.

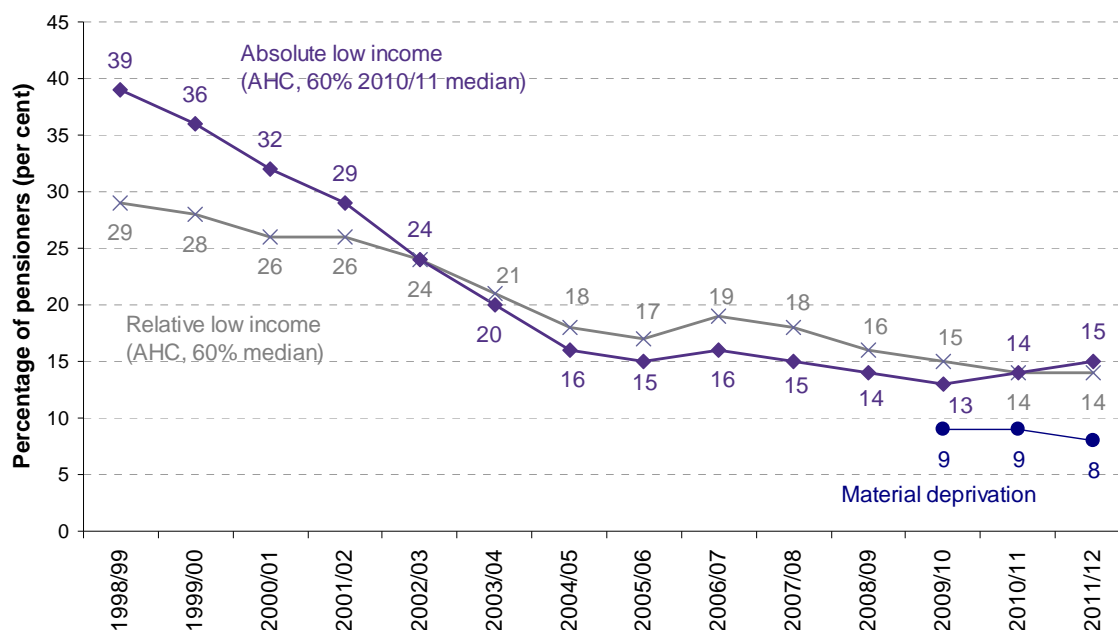
¹⁵ This increase is statistically significant for AHC, but not BHC.

¹⁶ Table 6.2tr shows that the percentage in absolute low income BHC was 17 per cent in 2010/11 and 18 per cent in 2011/12, but unrounded figures show a change of less than 0.5 per cent.

¹⁷ This decrease is not statistically significant.

6 Pensioners

Chart 6.2: Percentage of pensioners in relative and absolute low income, AHC, United Kingdom

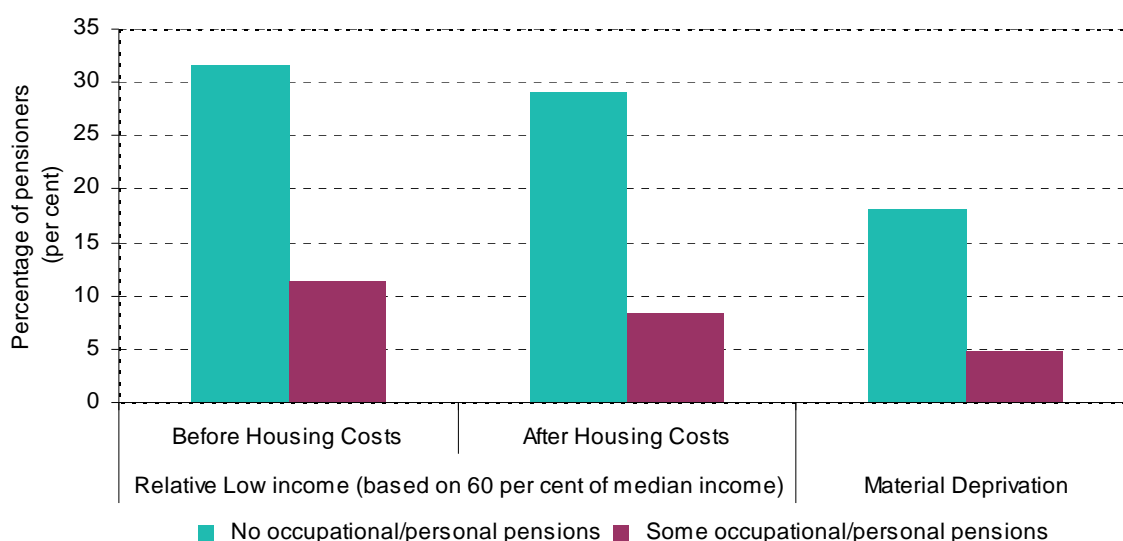


Quintile distributions: In 2011/12, pensioners were less likely to be in the top quintile (i.e. the top 20 per cent) both BHC and AHC than the population as a whole (Table 6.1db). This is consistent with past years and is mainly due to households containing pensioners receiving a higher proportion of their income from benefits¹⁸ and therefore less likely to live in higher-income households.

Pensions receipt: AHC, 46 per cent of pensioners with incomes below 60 per cent of contemporary median household income are in receipt of an occupational or personal pension (52 per cent, BHC) compared to three-quarters of all pensioners (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 (Chart 6.3 sourced from Tables 6.6db and 6.10db).

¹⁸ Table 2.3 in the Family Resources Survey 2011/12 report shows sources of total weekly household income by age of head.

Chart 6.3: Percentage of pensioners in low-income groups by pensions receipt, 2011/12



Age: In general, the older the age of the pensioner, the greater the likelihood of low income (Table 6.5db), although this is more prevalent BHC, with 23 per cent of pensioners aged 85 and over having income below 60 per cent of the median BHC, compared to 14 per cent for those aged 65 to 69 and 15 per cent for those aged 70 to 74. The gap is smaller AHC, with 16 per cent of pensioners aged 85 and over having income below 60 per cent of the median AHC, compared to 12 per cent for those aged 65 to 69 and 13 per cent for those aged 70 to 74. Those pensioners who are materially deprived are more evenly spread across the age groups (Table 6.9db).

Disability: Pensioners living in families containing one or more disabled member had similar rates of low income AHC to pensioners living in families not containing any disabled member, and show similar profiles over time, falling between 2002/03 and 2005/06, rising between 2005/06 and 2006/07, before falling since then. From 2010/11 to 2011/12, the proportion of pensioners living in families containing one or more disabled member in relative low income reduced by 1 percentage point to 13 per cent, AHC, and reduced by 2 percentage points to 15 per cent, BHC (Chart 6.4 and Table 6.12ts). However, pensioners living in families containing one or more disabled member and not receiving disability benefits¹⁹ were much more likely to be in low-income households compared to those in receipt of disability benefits (Table 6.5db and Table 6.12ts).

Changes in rates of low income for pensioners living in families containing one or more disabled member will be reflected in the measurement of the [Office for Disability Issues indicator](#) on the percentage of individuals living in families containing one or more disabled member.

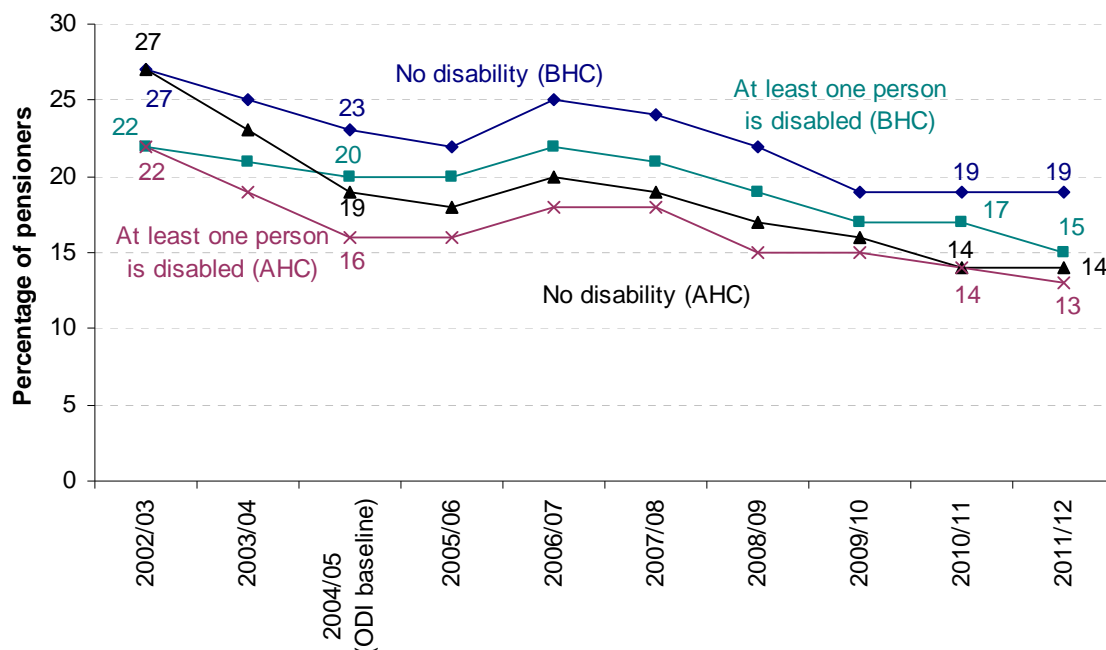
¹⁹ Disability benefits are Disability Living Allowance; Armed Forces Compensation Scheme; Attendance Allowance (for those over 65 years old); Industrial Injuries Disablement Benefit. Disability benefits may be received by or on behalf of the eligible person in the household.

6 Pensioners

Pensioners living in families where someone is disabled were almost three times as likely to be in material deprivation compared to those living in families where no-one is disabled (Table 6.9db).

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

Chart 6.4: Percentage of pensioners in relative low income by family disability status, 2002/03 to 2011/12, United Kingdom



Ethnicity: Pensioners living in households headed by someone from an ethnic minority were more likely to live in low-income households (Table 6.5db). In addition, pensioners living in a household headed by someone from an ethnic minority were more likely to be experiencing material deprivation (Table 6.9db).

Region: Pensioners in Northern Ireland had the highest rates of relative low income, BHC, with the North East having the lowest. AHC, Inner London had the highest rates of relative low income, reflecting the higher housing costs in that region (Table 6.6db), with Scotland having the lowest rates. Pensioners in Inner London were also more than twice as likely to be experiencing material deprivation (Table 6.10db).

Chapter 6 Glossary

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 sources²⁰ of all household members including dependants. For *BHC*, housing costs²¹ are not deducted from income, while for *AHC* 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.

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.

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*.

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, BHC or AHC. 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

²⁰ 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.

²¹ Housing costs include rent, water rates, mortgage interest payments, buildings insurance payments and ground rent and service charges.

median income) in a specific year adjusted for inflation, BHC or AHC. The year 2010/11 is used in this report, in order to measure absolute low income in line with the Child Poverty Act 2010, and to keep the absolute measure more in line with contemporary living standards. Absolute low-income statistics fall if low-income households are seeing their incomes rise faster than inflation.

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

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. So, for example, pensionable age at 30 June 2011 was approximately 60 years and 238 days for women. The changes do not affect the State Pension age for 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.

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.

Age

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.

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.

Research²² 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

The ethnicity figures in this publication reflect the new harmonised standards published in August 2011 and updated in February 2013. This has resulted in some changes, the most significant being to the following categories²³:

- Chinese has moved from the 'Chinese or other ethnic group' section to the 'Asian/ Asian British' section;
- Arab is now specifically included in the 'Other ethnic group' section; and
- the treatment for 'Gypsy' and 'Gypsy or Irish traveller' is different for respondents in Northern Ireland compared to Great Britain.

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 most ethnic minority groups. Categories with very small sample sizes have been suppressed.

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

²² 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.

²³ These changes are described in more detail in **Appendix 2** and **Appendix 3**.

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 regions²⁴ 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.

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 AHC 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,

²⁴ Regional information is at [NUTS1](#) level.

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.

An analysis of how pensioners responded to these questions by their location on the income distribution is given in this chapter (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 available on the HBAI web-page.

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, 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.

Chapter 6 tables

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).
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).
6.2db	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 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 2010/11 median income held constant in real terms over time by the categories outlined for Tables 6.8ts – 6.12ts.

Please see overleaf for tables

6 Pensioners

Table 6.1tr: Percentage of pensioners falling below various thresholds of contemporary median income, United Kingdom^{1,2}

Percentage of pensioners		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
FES (UK) ⁴	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
	2011/12	8	16	27	8	14	23
Change	1998/99-2011/12 ^{2,3}	-6	-11	-14	-6	-15	-15
	2010/11-2011/12 ^{2,3}	-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.

Table 6.2tr: Percentage of pensioners falling below various thresholds of 2010/11 median income held constant in real terms, United Kingdom^{1,2}

Percentage of pensioners		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
FES (UK) ⁴	1979	60	72	81	61	72	80
	1981	56	69	78	56	69	77
	1987	45	60	70	48	59	69
	1988 and 1989	46	60	68	47	58	65
	1990 and 1991	41	54	64	41	52	61
	1991 and 1992	36	50	61	38	49	58
	1992 and 1993	32	48	60	36	48	58
	1993/94 to 1994/95	26	45	58	34	46	56
	1994/95 to 1995/96	23	43	56	31	43	54
	1995/96 to 1996/97	22	41	54	30	41	52
FRS (GB)	1994/95	27	46	59	35	47	57
	1995/96	26	45	58	35	46	56
	1996/97	23	41	54	31	42	53
	1997/98	22	39	53	29	41	51
FRS (UK)	1998/99	23	39	52	28	39	49
	1999/00	19	35	49	23	36	46
	2000/01	17	31	45	18	32	42
	2001/02	15	28	41	13	29	39
	2002/03	13	25	39	11	24	37
	2003/04	12	23	37	9	20	33
	2004/05	11	21	34	7	16	28
	2005/06	10	20	32	8	15	27
	2006/07	12	22	34	9	16	28
	2007/08	12	22	32	9	15	26
	2008/09	10	19	29	8	14	24
	2009/10	8	16	26	7	13	23
	2010/11	9	17	28	8	14	24
	2011/12	9	18	29	8	15	26
Change	1998/99-2011/12 ^{2,3}	-13	-21	-22	-19	-24	-23
	2010/11-2011/12 ^{2,3}	0	0	1	0	1	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 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.

6 Pensioners

Table 6.3tr: Number of pensioners falling below various thresholds of contemporary median income, United Kingdom^{1,2}

Number of pensioners (millions)		Source: FES/FRS						
		Before Housing Costs			After Housing Costs			All pensioners
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
FES (UK) ⁴	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
	2009/10	1.0	2.1	3.2	1.0	1.8	2.9	11.5
	2010/11	1.0	2.0	3.3	1.0	1.7	2.8	11.7
	2011/12	0.9	1.9	3.2	0.9	1.6	2.7	11.7
Change	1998/99-2011/12 ^{2,3}	-0.5	-0.9	-1.0	-0.5	-1.4	-1.2	1.4
	2010/11-2011/12 ^{2,3}	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	0.0

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 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 2010/11 median income held constant in real terms, United Kingdom^{1,2}

Number of pensioners (millions)		Source: FES/FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%

6 Pensioners

Table 6.5tr: Percentage of pensioners aged 65 or over falling below various thresholds of contemporary and 2010/11 median income held constant in real terms, United Kingdom¹

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%
Contemporary income thresholds							
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
	2011/12	8	17	28	8	13	24
Change	2010/11-2011/12 ^{2,3}	-1	-1	-1	-1	-1	-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%
2010/11 income thresholds held constant in real terms							
FRS (GB)	1994/95	28	48	61	37	50	60
	1995/96	28	48	61	36	49	59
	1996/97	24	43	56	32	44	55
	1997/98	23	41	55	31	43	53
	1998/99	23	41	54	29	41	51
	1999/00	20	36	51	24	38	48
	2000/01	17	32	47	18	33	43
FRS (UK)	2001/02	15	29	43	14	30	41
	2002/03	14	26	41	11	25	38
	2003/04	13	24	38	10	20	34
	2004/05	11	22	35	7	16	29
	2005/06	10	20	33	7	15	27
	2006/07	13	23	35	9	17	28
	2007/08	12	22	34	9	15	26
	2008/09	10	19	31	8	14	24
	2009/10	8	17	27	7	14	24
	2010/11	9	18	29	8	14	25
	2011/12	9	19	30	8	16	26
Change	2010/11-2011/12 ^{2,3}	0	1	1	0	1	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 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 2010/11 median income held constant in real terms, United Kingdom¹

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%	
Contemporary income thresholds								
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
FRS (UK)	2001/02	1.2	2.3	3.5	1.0	2.3	3.3	8.7
	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
	2011/12	0.8	1.7	2.8	0.8	1.4	2.4	10.0
Change	2010/11-2011/12 ^{2,3}	-0.1	-0.1	-0.1	0.0	0.0	0.0	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%	
2010/11 income thresholds held constant in real terms								
FRS (GB)	1994/95	2.4	4.1	5.2	3.1	4.2	5.1	8.5
	1995/96	2.4	4.1	5.2	3.1	4.2	5.0	8.5
	1996/97	2.0	3.7	4.8	2.7	3.8	4.7	8.5
	1997/98	2.0	3.5	4.7	2.7	3.7	4.5	8.6
	1998/99	2.0	3.5	4.6	2.5	3.5	4.4	8.6
	1999/00	1.7	3.1	4.4	2.1	3.2	4.1	8.6
	2000/01	1.5	2.8	4.1	1.6	2.9	3.7	8.7
FRS (UK)	2001/02	1.3	2.5	3.7	1.2	2.6	3.5	8.7
	2002/03	1.2	2.3	3.6	1.0	2.2	3.4	9.0
	2003/04	1.1	2.2	3.5	0.9	1.8	3.1	9.0
	2004/05	1.0	2.0	3.2	0.7	1.4	2.7	9.1
	2005/06	0.9	1.9	3.0	0.7	1.4	2.5	9.2
	2006/07	1.2	2.1	3.2	0.9	1.5	2.6	9.2
	2007/08	1.1	2.1	3.1	0.8	1.4	2.4	9.3
	2008/09	0.9	1.8	2.9	0.8	1.3	2.3	9.4
	2009/10	0.8	1.6	2.6	0.7	1.3	2.3	9.6
	2010/11	0.9	1.8	2.9	0.8	1.4	2.4	9.8
	2011/12	0.9	1.9	3.0	0.8	1.6	2.6	10.0
Change	2010/11-2011/12 ^{2,3}	0.0	0.1	0.2	0.0	0.2	0.2	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 deprivation¹, United Kingdom

		Source: FRS		
		Percentage	Number (millions)	Pensioners aged 65 or over
FRS (UK)	2009/10	9	0.9	9.6
	2010/11	9	0.8	9.8
	2011/12	8	0.8	10.0
Change	2010/11-2011/12 ^{2,3}	-1	0.0	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						Source: FRS 2011/12
	Net equivalised disposable household income					All pensioners (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
Economic status of adults in the family						
One or more working	9	11	20	28	31	2.1
No one working	24	29	22	16	9	9.5
Age						
Under 65	16	21	19	23	21	1.6
65 - 69	18	23	21	20	18	3.0
70 - 74	21	29	22	17	11	2.3
75 - 79	22	29	21	16	12	1.9
80 - 84	26	28	23	16	7	1.6
85 +	28	27	23	15	8	1.2
Family type						
Couple living with others	10	14	27	26	23	0.6
Couple living alone	18	25	21	19	16	6.5
Single living with others	17	24	23	24	12	0.7
Single living alone	28	31	20	14	7	3.8
Gender						
Male	19	26	22	18	15	4.5
Female	22	26	21	18	12	7.1
Marital status						
Couple	18	24	22	20	17	7.1
Married or Civil Partnered	18	24	22	20	17	6.9
Cohabiting	14	22	24	18	21	0.3
Single	26	30	21	16	7	4.5
Disability and receipt of disability benefits¹						
Those living in families where no-one is disabled	23	22	18	19	18	5.2
Those living in families where someone is disabled	20	29	24	18	9	6.5
One or more disabled adults	20	29	24	18	9	6.5
In receipt of disability benefits	8	31	32	21	7	2.7
Not in receipt of disability benefits	28	28	18	15	11	3.8
Tenure						
Owners	22	23	21	19	16	9.3
Owned outright	22	24	21	18	15	8.5
Buying with mortgage	16	16	18	26	24	0.8
Social rented sector tenants	15	43	25	15	2	1.8
All rented privately	24	26	22	19	8	0.6
Ethnic group of head (3-year average)²						
White	21	26	22	18	13	11.2
Mixed/ Multiple ethnic groups	..	..	..	..	..	-
Asian/ Asian British	37	23	15	11	15	0.2
Indian	34	20	18	10	17	0.1
Pakistani	49	26	7	8	11	-
Bangladeshi	..	..	..	..	..	-
Chinese	..	..	..	..	..	-
Any other Asian background	..	..	..	..	..	-
Black/ African/ Caribbean/ Black British	27	29	21	13	10	0.1
Other ethnic group	31	17	26	14	13	0.1
All pensioners³	21	26	21	18	13	11.7

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 ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.
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					Source: FRS 2011/12
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All pensioners (millions)
Economic status of adults in the family						
One or more working	7	9	19	28	37	2.1
No one working	14	29	26	20	12	9.5
Age						
Under 65	13	19	19	25	25	1.6
65 - 69	11	21	24	22	21	3.0
70 - 74	12	27	27	20	14	2.3
75 - 79	12	28	26	20	15	1.9
80 - 84	14	29	26	21	10	1.6
85 +	15	30	24	22	10	1.2
Family type						
Couple living with others	8	16	25	29	23	0.6
Couple living alone	11	23	25	22	20	6.5
Single living with others	14	21	26	26	13	0.7
Single living alone	16	31	24	19	11	3.8
Gender						
Male	12	24	25	22	18	4.5
Female	13	26	24	21	16	7.1
Marital status						
Couple	10	22	25	23	20	7.1
Married or Civil Partnered	10	22	25	23	20	6.9
Cohabiting	14	20	24	20	23	0.3
Single	16	29	24	20	11	4.5
Disability and receipt of disability benefits¹						
Those living in families where no-one is disabled	13	22	20	22	22	5.2
Those living in families where someone is disabled	12	27	28	21	12	6.5
One or more disabled adults	12	27	28	21	12	6.5
In receipt of disability benefits	5	22	37	27	9	2.7
Not in receipt of disability benefits	16	30	22	18	14	3.8
Tenure						
Owners	10	22	25	24	20	9.3
Owned outright	9	22	26	23	19	8.5
Buying with mortgage	11	18	21	26	24	0.8
Social rented sector tenants	23	41	22	12	2	1.8
All rented privately	29	25	24	14	8	0.6
Ethnic group of head (3-year average)²						
White	12	26	24	21	17	11.2
Mixed/ Multiple ethnic groups	..	..	..	..	..	-
Asian/ Asian British	29	31	13	12	15	0.2
Indian	24	30	15	14	17	0.1
Pakistani	35	39	9	7	11	-
Bangladeshi	..	..	..	..	..	-
Chinese	..	..	..	..	..	-
Any other Asian background	..	..	..	..	..	-
Black/ African/ Caribbean/ Black British	18	32	23	17	9	0.1
Other ethnic group	22	30	18	16	14	0.1
All pensioners³	12	25	25	21	17	11.7

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 ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.

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	Source: FRS 2011/12					
	Net equivalised disposable household income					All pensioners (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
Pensions receipt						
No occupational/personal pensions	37	28	17	12	7	2.9
Some occupational/personal pensions	16	26	23	20	15	8.7
Couples	18	24	22	20	17	7.1
No occupational/personal pensions	37	25	17	10	11	1.2
Only one with occupational/personal pension	17	28	23	18	14	3.3
Both with occupational/personal pensions	10	17	23	26	24	2.6
Single	26	30	21	16	7	4.5
No occupational/personal pensions	38	30	16	13	3	1.7
Occupational/personal pension	20	30	23	18	10	2.8
State support received by family¹						
Disability Living Allowance	8	33	32	21	6	1.5
Attendance Allowance	7	26	34	23	9	1.2
Pension Credit	29	36	21	13	1	1.8
Housing Benefit	11	47	26	15	1	1.4
Not in receipt of any benefit listed above	22	21	19	20	18	7.7
Savings and investments						
No savings	28	32	21	14	5	2.5
Less than £1,500	26	30	21	16	6	1.2
£1,500 but less than £3,000	27	29	19	18	7	0.7
£3,000 but less than £8,000	25	29	23	16	7	1.5
£8,000 but less than £10,000	24	28	23	15	10	0.4
£10,000 but less than £16,000	21	28	24	19	9	1.0
£16,000 but less than £20,000	20	27	23	19	12	0.4
£20,000 or more	12	19	20	23	26	3.9
Region/Country (3-year average)						
England	22	26	22	17	13	9.7
North East	20	31	25	17	8	0.5
North West	20	29	24	17	10	1.3
Yorkshire and the Humber	24	31	21	15	8	1.0
East Midlands	23	28	24	15	10	0.9
West Midlands	24	29	20	17	11	1.1
East of England	21	23	22	18	15	1.2
London	22	21	21	19	17	1.0
Inner	20	23	22	18	17	0.3
Outer	22	20	21	19	17	0.7
South East	20	21	20	18	21	1.7
South West	21	24	23	19	13	1.2
Wales	22	27	22	18	11	0.6
Scotland	21	28	24	18	10	1.0
Northern Ireland	29	25	22	15	9	0.3
All pensioners²						
	21	26	21	18	13	11.7

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						Source: FRS 2011/12
	Net equivalised disposable household income					All pensioners (millions)
	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	
Pensions receipt						
No occupational/personal pensions	27	34	19	12	7	2.9
Some occupational/personal pensions	8	22	26	24	20	8.7
Couples						
No occupational/personal pensions	10	22	25	23	20	7.1
No occupational/personal pensions	30	28	18	12	12	1.2
Only one with occupational/personal pension	8	26	28	21	16	3.3
Both with occupational/personal pensions	4	14	24	29	29	2.6
Single						
No occupational/personal pensions	16	29	24	20	11	4.5
No occupational/personal pensions	25	38	20	13	4	1.7
Occupational/personal pension	10	24	26	24	15	2.8
State support received by family¹						
Disability Living Allowance	5	23	40	25	8	1.5
Attendance Allowance	5	20	34	31	11	1.2
Pension Credit	16	45	23	15	1	1.8
Housing Benefit	20	47	21	12	1	1.4
Not in receipt of any benefit listed above	12	20	23	23	22	7.7
Savings and investments						
No savings	20	33	25	16	5	2.5
Less than £1,500	17	30	27	18	8	1.2
£1,500 but less than £3,000	14	30	27	21	8	0.7
£3,000 but less than £8,000	12	32	25	22	9	1.5
£8,000 but less than £10,000	13	31	26	16	14	0.4
£10,000 but less than £16,000	12	25	26	25	13	1.0
£16,000 but less than £20,000	8	25	25	27	15	0.4
£20,000 or more	7	14	22	25	32	3.9
Region/Country (3-year averages)						
England	13	26	24	21	17	9.7
North East	11	28	28	22	12	0.5
North West	11	27	26	22	13	1.3
Yorkshire and the Humber	14	32	23	20	11	1.0
East Midlands	13	26	28	20	13	0.9
West Midlands	13	29	25	19	14	1.1
East of England	12	25	22	22	19	1.2
London	17	23	20	20	20	1.0
Inner	21	26	17	17	18	0.3
Outer	15	22	21	21	21	0.7
South East	13	22	21	19	25	1.7
South West	12	24	24	22	17	1.2
Wales	12	25	25	23	14	0.6
Scotland	10	26	28	21	15	1.0
Northern Ireland	14	27	26	20	12	0.3
All pensioners²	12	25	25	21	17	11.7

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 2011/12
	Before Housing Costs			After Housing Costs			All pensioners
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
Economic status of adults in the family							
One or more working	11	8	8	10	10	8	18
No one working	89	92	92	90	90	92	82
Age							
Under 65	14	11	11	15	14	12	14
65 - 69	22	22	22	23	23	22	26
70 - 74	20	18	20	18	20	20	20
75 - 79	16	17	17	15	16	17	16
80 - 84	16	18	17	17	16	17	14
85 +	13	14	13	12	12	12	10
Family type							
Couple living with others	2	2	3	3	3	3	6
Couple living alone	45	47	50	45	49	49	56
Single living with others	5	4	5	8	6	6	6
Single living alone	48	47	43	44	42	43	33
Gender							
Male	32	34	35	32	36	36	39
Female	68	66	65	68	64	64	61
Marital status							
Couple	47	49	53	48	52	52	61
Married or Civil Partnered	45	48	51	45	49	50	59
Cohabiting	2	1	2	3	2	2	2
Single	53	51	47	52	48	48	39
Disability and receipt of disability benefits¹							
Those living in families where no-one is disabled	56	51	46	50	48	46	45
Those living in families where someone is disabled	44	49	54	50	52	54	55
One or more disabled adults	44	49	54	50	52	54	55
In receipt of disability benefits	5	8	12	8	10	11	23
Not in receipt of disability benefits	40	41	42	42	42	43	33
Tenure							
Owners	87	84	81	61	61	63	80
Owned outright	81	79	76	54	55	57	73
Buying with mortgage	5	5	5	7	6	6	7
Social rented sector tenants	7	11	13	26	28	29	15
All rented privately	6	5	5	13	10	8	5
Ethnic group² of head (3-year average)							
White	94	94	95	93	93	94	96
Mixed/ Multiple ethnic groups	-	-	-	-	-	-	-
Asian/ Asian British	4	3	3	5	4	4	2
Indian	2	2	2	2	2	2	1
Pakistani	1	1	1	1	1	1	-
Bangladeshi	-	-	-	1	1	-	-
Chinese	-	-	-	-	-	-	-
Any other Asian background	-	-	-	1	-	-	-
Black/ African/ Caribbean/ Black British	1	1	1	1	1	1	1
Other ethnic group	1	1	1	1	1	1	1
All pensioners (millions=100%)³							
	0.9	1.9	3.2	0.9	1.6	2.7	11.7

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 ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.
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 6.4db: Composition of low-income groups of pensioners by various family and household characteristics, United Kingdom

Percentage of pensioners							Source: FRS 2011/12
	Before Housing Costs			After Housing Costs			All pensioners
	Income Thresholds - Below Median			50%	60%	70%	
	50%	60%	70%	50%	60%	70%	
Pensions receipt							
No occupational/personal pensions	57	48	41	60	54	49	25
Some occupational/personal pensions	43	52	59	40	46	51	75
Couples							
No occupational/personal pensions	47	49	53	48	52	52	61
Only one with occupational/personal pension	24	19	17	26	25	19	10
Both with occupational/personal pensions	17	22	25	16	20	24	29
	6	8	11	6	7	9	22
Single							
No occupational/personal pensions	53	51	47	52	48	48	39
Occupational/personal pension	34	29	23	34	29	30	15
	20	22	24	18	19	19	24
State support received by family¹							
Disability Living Allowance	3	4	7	4	6	6	13
Attendance Allowance	2	3	5	4	4	5	11
Pension Credit	14	21	21	14	21	27	16
Housing Benefit	3	5	9	15	20	24	12
Not in receipt of any benefit listed above	80	70	67	71	63	56	66
Savings and investments							
No savings	28	28	27	34	34	33	21
Less than £1,500	13	13	12	13	14	13	10
£1,500 but less than £3,000	8	9	8	7	7	8	6
£3,000 but less than £8,000	14	16	15	13	13	14	13
£8,000 but less than £10,000	5	4	5	5	4	4	4
£10,000 but less than £16,000	8	7	9	8	7	8	8
£16,000 but less than £20,000	3	3	4	2	3	3	4
£20,000 or more	22	20	20	18	19	17	34
Region/Country (3-year average)							
England	83	83	83	85	85	84	84
North East	4	4	4	4	4	4	4
North West	9	10	11	9	10	11	11
Yorkshire and the Humber	10	9	10	9	9	9	8
East Midlands	8	8	8	8	8	7	8
West Midlands	10	10	10	10	10	10	9
East of England	9	10	9	10	9	10	10
London	10	9	8	13	11	10	9
Inner	3	2	2	5	4	3	2
Outer	7	7	6	8	7	7	6
South East	14	14	13	15	14	14	14
South West	10	10	9	9	10	9	10
Wales	6	6	6	5	5	5	5
Scotland	7	8	8	6	7	8	8
Northern Ireland	3	3	3	3	3	3	2
All pensioners (millions=100%)²	0.9	1.9	3.2	0.9	1.6	2.7	11.7

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 2011/12
	Before Housing Costs			After Housing Costs			All pensioners (millions)
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
Economic status of adults in the family							
One or more working	5	8	12	4	7	10	2.1
No one working	9	18	31	8	15	26	9.5
Age							
Under 65	8	13	22	8	14	21	1.6
65 - 69	7	14	23	7	12	20	3.0
70 - 74	8	15	27	7	13	23	2.3
75 - 79	8	17	29	7	13	24	1.9
80 - 84	9	21	33	9	15	28	1.6
85 +	10	23	36	9	16	28	1.2
Family type							
Couple living with others	2	6	13	4	8	14	0.6
Couple living alone	6	14	24	6	12	20	6.5
Single living with others	7	13	23	11	15	23	0.7
Single living alone	12	23	35	10	17	30	3.8
Gender							
Male	7	14	25	6	13	22	4.5
Female	9	18	29	8	14	24	7.1
Marital status							
Couple	6	13	23	6	11	20	7.1
Married or Civil Partnered	6	13	23	6	11	20	6.9
Cohabiting	6	10	20	9	14	20	0.3
Single	11	22	34	10	17	29	4.5
Disability and receipt of disability benefits¹							
Those living in families where no-one is disabled	10	19	28	9	14	24	5.2
Those living in families where someone is disabled	6	15	27	7	13	23	6.5
One or more disabled adults	6	15	27	7	13	23	6.5
In receipt of disability benefits	2	6	14	3	6	11	2.7
Not in receipt of disability benefits	10	21	35	10	18	31	3.8
Tenure							
Owners	9	17	28	6	10	18	9.3
Owned outright	9	18	28	6	10	18	8.5
Buying with mortgage	6	12	20	7	12	20	0.8
Social rented sector tenants	4	11	24	13	25	44	1.8
All rented privately	10	18	30	20	29	40	0.6
Ethnic group² of head (3-year average)							
White	8	17	27	8	14	24	11.2
Mixed/ Multiple ethnic groups	..	..	..	..	..	..	-
Asian/ Asian British	17	30	44	19	31	44	0.2
Indian	14	28	41	14	27	39	0.1
Pakistani	22	37	57	21	37	59	-
Bangladeshi	..	..	..	..	..	..	-
Chinese	..	..	..	..	..	..	-
Any other Asian background	..	..	..	..	..	..	-
Black/ African/ Caribbean/ Black British	11	22	33	11	20	36	0.1
Other ethnic group	18	25	35	19	23	37	0.1
All pensioners³							
	8	16	27	8	14	23	11.7

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 ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.
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 2011/12
	Before Housing Costs			After Housing Costs			All pensioners (millions)
	Income Thresholds - Below Median						
	50%	60%	70%	50%	60%	70%	
Pensions receipt							
No occupational/personal pensions	18	32	44	18	29	45	2.9
Some occupational/personal pensions	5	11	22	4	8	16	8.7
Couples	6	13	23	6	11	20	7.1
No occupational/personal pensions	18	30	45	19	32	43	1.2
Only one with occupational/personal pension	5	12	24	4	9	19	3.3
Both with occupational/personal pensions	2	6	13	2	4	9	2.6
Single	11	22	34	10	17	29	4.5
No occupational/personal pensions	18	33	44	18	27	47	1.7
Occupational/personal pension	7	15	27	6	11	18	2.8
State support received by family¹							
Disability Living Allowance	2	5	14	3	6	11	1.5
Attendance Allowance	1	5	13	3	6	10	1.2
Pension Credit	7	22	37	7	18	40	1.8
Housing Benefit	2	7	20	9	22	45	1.4
Not in receipt of any benefit listed above	10	17	28	8	13	20	7.7
Savings and investments							
No savings	10	22	35	12	21	36	2.5
Less than £1,500	10	20	33	10	19	29	1.2
£1,500 but less than £3,000	10	23	36	8	15	30	0.7
£3,000 but less than £8,000	8	20	32	8	13	26	1.5
£8,000 but less than £10,000	10	17	33	9	14	23	0.4
£10,000 but less than £16,000	8	15	29	8	12	22	1.0
£16,000 but less than £20,000	6	13	29	5	9	19	0.4
£20,000 or more	5	10	16	4	8	12	3.9
Region/Country (3-year average)							
England	9	17	28	8	15	24	9.7
North East	7	14	26	7	13	22	0.5
North West	7	15	27	7	13	23	1.3
Yorkshire and the Humber	10	19	32	8	16	27	1.0
East Midlands	10	18	30	8	14	23	0.9
West Midlands	9	19	31	9	15	26	1.1
East of England	8	17	26	8	13	24	1.2
London	10	18	26	12	18	28	1.0
Inner	11	17	23	15	23	34	0.3
Outer	10	19	27	10	17	26	0.7
South East	9	17	25	8	14	23	1.7
South West	8	17	26	8	14	22	1.2
Wales	9	18	28	8	14	24	0.6
Scotland	7	16	28	6	12	22	1.0
Northern Ireland	12	23	34	9	16	26	0.3
All pensioners²	8	16	27	8	14	23	11.7

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 2011/12
	Material deprivation	Pensioners aged 65 or over
Economic status of adults in the family		
One or more working	9	14
No one working	91	86
Age		
65 - 69	33	30
70 - 74	22	23
75 - 79	18	19
80 - 84	15	16
85 +	13	12
Family type		
Couple living with others	5	5
Couple living alone	33	55
Single living with others	14	6
Single living alone	48	34
Gender		
Male	39	45
Female	61	55
Marital status		
Couple	38	60
Married or Civil Partnered	36	58
Cohabiting	2	2
Single	62	40
Disability and receipt of disability benefits¹		
Those living in families where no-one is disabled	23	42
Those living in families where someone is disabled	77	58
One or more disabled adults	77	58
In receipt of disability benefits	42	24
Not in receipt of disability benefits	35	34
Tenure		
Owners	51	80
Owned outright	44	74
Buying with mortgage	7	6
Social rented sector tenants	39	16
All rented privately	10	5
Ethnic group² of head (3-year average)		
White	89	96
Mixed/ Multiple ethnic groups	-	-
Asian/ Asian British	5	2
Indian	2	1
Pakistani	1	-
Bangladeshi	1	-
Chinese	-	-
Any other Asian background	1	-
Black/ African/ Caribbean/ Black British	4	1
Other ethnic group	1	-
All pensioners (millions=100%)³	0.8	10.0

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 ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.

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	Source: FRS 2011/12	
	Material deprivation	Pensioners aged 65 or over
Pensions receipt		
No occupational/personal pensions	54	24
Some occupational/personal pensions	46	76
Couples		
No occupational/personal pensions	15	9
Only one with occupational/personal pension	17	28
Both with occupational/personal pensions	6	22
Single		
No occupational/personal pensions	39	15
Occupational/personal pension	23	26
State support received by family¹		
Disability Living Allowance	25	12
Attendance Allowance	18	12
Pension Credit	40	16
Housing Benefit	40	13
Not in receipt of any benefit listed above	27	64
Savings and investments		
No savings	60	21
Less than £1,500	13	10
£1,500 but less than £3,000	5	6
£3,000 but less than £8,000	9	13
£8,000 but less than £10,000	1	4
£10,000 but less than £16,000	4	8
£16,000 but less than £20,000	1	4
£20,000 or more	7	34
Region/Country (3-year average)		
England	83	84
North East	5	4
North West	11	11
Yorkshire and the Humber	8	9
East Midlands	8	8
West Midlands	10	9
East of England	6	10
London	15	9
Inner	7	2
Outer	8	6
South East	10	14
South West	10	10
Wales	6	5
Scotland	8	8
Northern Ireland	3	2
All pensioners (millions=100%)²	0.8	10.0

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 6.9db: Percentage of pensioners aged 65 or over in material deprivation by various family and household characteristics, United Kingdom

Percentage of pensioners	Source: FRS 2011/12	
	Material deprivation	Pensioners aged 65 or over (millions)
Economic status of adults in the family		
One or more working	5	1.4
No one working	8	8.7
Age		
65 - 69	9	3.0
70 - 74	8	2.3
75 - 79	7	1.9
80 - 84	7	1.6
85 +	9	1.2
Family type		
Couple living with others	8	0.5
Couple living alone	5	5.5
Single living with others	20	0.6
Single living alone	11	3.5
Gender		
Male	7	4.5
Female	9	5.5
Marital status		
Couple	5	6.0
Married or Civil Partnered	5	5.8
Cohabiting	6	0.2
Single	12	4.0
Disability and receipt of disability benefits¹		
Those living in families where no-one is disabled	4	4.2
Those living in families where someone is disabled	11	5.8
One or more disabled adults	11	5.8
In receipt of disability benefits	14	2.4
Not in receipt of disability benefits	8	3.4
Tenure		
Owners	5	8.0
Owned outright	5	7.4
Buying with mortgage	10	0.6
Social rented sector tenants	20	1.6
All rented privately	16	0.5
Ethnic group² of head (3-year average)³		
White	8	9.5
Mixed/ Multiple ethnic groups	..	..
Asian/ Asian British	22	0.2
Indian	18	0.1
Pakistani	20	-
Bangladeshi	..	..
Chinese	..	..
Any other Asian background	..	..
Black/ African/ Caribbean/ Black British	33	0.1
Other ethnic group	26	-
All pensioners⁴	8	10.0

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 ethnicity figures reflect the new harmonised standards published in August 2011 which has resulted in changes. For more information please see chapter glossary and Appendix 2.
3. The figures for Mixed and Black Non-Caribbean have been suppressed due to small sample sizes.
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	Source: FRS 2011/12	
	Material deprivation	Pensioners aged 65 or over (millions)
Pensions receipt		
No occupational/personal pensions	18	2.4
Some occupational/personal pensions	5	7.7
Couples		
No occupational/personal pensions	5	6.0
No occupational/personal pensions	13	0.9
Only one with occupational/personal pension	5	2.9
Both with occupational/personal pensions	2	2.2
Single		
No occupational/personal pensions	12	4.0
No occupational/personal pensions	21	1.5
Occupational/personal pension	7	2.6
State support received by family¹		
Disability Living Allowance	16	1.2
Attendance Allowance	12	1.2
Pension Credit	20	1.6
Housing Benefit	25	1.3
Not in receipt of any benefit listed above	3	6.4
Savings and investments		
No savings	23	2.1
Less than £1,500	10	1.0
£1,500 but less than £3,000	7	0.6
£3,000 but less than £8,000	5	1.3
£8,000 but less than £10,000	2	0.4
£10,000 but less than £16,000	4	0.8
£16,000 but less than £20,000	2	0.4
£20,000 or more	2	3.4
Region/Country (3-year average)		
England	9	8.2
North East	9	0.4
North West	8	1.1
Yorkshire and the Humber	8	0.8
East Midlands	10	0.7
West Midlands	10	0.9
East of England	5	1.0
London	14	0.9
Inner	22	0.2
Outer	11	0.6
South East	6	1.4
South West	9	1.0
Wales	9	0.5
Scotland	8	0.8
Northern Ireland	11	0.2
All pensioners²	8	10.0

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 6.11db (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 ¹		Net equivalised disposable household income						Source: FRS 2011/12
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All pensioners	Most common reason for 'no' response ²
At least one filling meal a day	Yes	99	98	99	99	100	99	..
	No	1	2	1	1	-	1	
Go out socially at least once a month	Yes	72	71	72	84	90	76	36%
	No	28	29	28	16	10	24	Health / disability prevents me
See friends or family at least once a month	Yes	94	94	95	97	97	95	42%
	No	6	6	5	3	3	5	Other reason
Take a holiday away from home	Yes	51	53	57	66	83	60	35%
	No	49	47	43	34	17	40	Health / disability prevents me
Able to replace cooker if it broke down	Yes	88	88	91	94	98	91	88%
	No	12	12	9	6	2	9	No money for this
Home kept in a good state of repair	Yes	96	96	98	98	99	97	55%
	No	4	4	2	2	1	3	No money for this
Heating, electrics, plumbing and drains working	Yes	98	98	98	99	99	98	44%
	No	2	2	2	1	1	2	No money for this
Have a damp-free home	Yes	94	94	96	96	97	95	55%
	No	6	6	4	4	3	5	Other reason
Home kept adequately warm	Yes	95	96	97	98	98	97	75%
	No	5	4	3	2	2	3	No money for this
Able to pay regular bills	Yes	95	97	97	98	99	97	92%
	No	5	3	3	2	1	3	No money for this
Have a telephone to use, whenever needed	Yes	97	97	98	98	100	98	38%
	No	3	3	2	2	-	2	No money for this
Have access to a car or taxi, whenever needed	Yes	85	89	93	96	98	91	37%
	No	15	11	7	4	2	9	No money for this
Have hair done or cut regularly	Yes	86	89	91	92	93	90	27%
	No	14	11	9	8	7	10	No money for this
Have a warm waterproof coat	Yes	98	98	98	99	99	98	30%
	No	2	2	2	1	1	2	Not something I want

		Net equivalised disposable household income						Most common reason for 'yes' response ³
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All pensioners	
Able to pay an unexpected expense of £200	Yes	87	83	89	93	98	89	50%
	No	13	17	11	7	2	11	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 ¹		Net equivalised disposable household income						Source: FRS 2011/12
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All pensioners	Most common reason for 'no' response ²
At least one filling meal a day	Yes	99	99	99	99	100	99	..
	No	1	1	1	1	-	1	
Go out socially at least once a month	Yes	72	69	73	81	90	76	36%
	No	28	31	27	19	10	24	Health / disability prevents me
See friends or family at least once a month	Yes	92	94	95	96	98	95	42%
	No	8	6	5	4	2	5	Other reason
Take a holiday away from home	Yes	49	50	57	63	82	60	35%
	No	51	50	43	37	18	40	Health / disability prevents me
Able to replace cooker if it broke down	Yes	85	86	90	94	99	91	88%
	No	15	14	10	6	1	9	No money for this
Home kept in a good state of repair	Yes	94	97	97	98	99	97	55%
	No	6	3	3	2	1	3	No money for this
Heating, electrics, plumbing and drains working	Yes	98	98	99	99	99	98	44%
	No	2	2	1	1	1	2	No money for this
Have a damp-free home	Yes	92	94	96	96	97	95	55%
	No	8	6	4	4	3	5	Other reason
Home kept adequately warm	Yes	94	96	96	98	99	97	75%
	No	6	4	4	2	1	3	No money for this
Able to pay regular bills	Yes	94	96	97	98	100	97	92%
	No	6	4	3	2	-	3	No money for this
Have a telephone to use, whenever needed	Yes	96	96	98	98	100	98	38%
	No	4	4	2	2	-	2	No money for this
Have access to a car or taxi, whenever needed	Yes	82	87	92	96	99	91	37%
	No	18	13	8	4	1	9	No money for this
Have hair done or cut regularly	Yes	85	87	90	93	93	90	27%
	No	15	13	10	7	7	10	No money for this
Have a warm waterproof coat	Yes	97	98	98	98	99	98	30%
	No	3	2	2	2	1	2	Not something I want

		Net equivalised disposable household income						Most common reason for 'yes' response ³
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All pensioners	
Able to pay an unexpected expense of £200	Yes	82	83	87	94	98	89	50%
	No	18	17	13	6	2	11	Use savings

Notes:

- Percentages relate to the proportion of pensioners who answered the material deprivation questions.
- 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.
- 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.
- Percentages may not sum to 100 per cent due to rounding.

Table 6.1ts: Population of pensioners by age and gender, United Kingdom¹

	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	11/12
Number of pensioners whose age is: (millions)																		
Under 65	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	1.6
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	3.0
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	2.3
75 - 79	1.6	1.6	1.7	1.8	1.9	1.9	1.9	1.9	1.9	1.9	1.8	1.8	1.8	1.9	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	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	1.2
Number of pensioners whose gender is: (millions)																		
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	4.5
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	7.1
All pensioners (millions)	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	11.7
Percentage of pensioners whose age is:																		
Under 65	14	14	14	14	14	15	14	14	14	15	15	15	15	16	17	16	16	14
65 - 69	25	26	26	26	25	25	25	24	24	24	25	25	24	24	23	24	25	26
70 - 74	25	24	23	23	23	22	22	22	22	22	21	20	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	16
80 - 84	12	12	12	12	11	11	12	12	13	14	15	14	14	14	14	13	14	14
85 +	7	7	7	8	8	8	8	8	8	8	8	9	9	9	9	10	10	10
Percentage of pensioners whose gender is:																		
Male	35	36	36	36	36	36	36	37	37	37	37	37	37	37	37	37	38	39
Female	65	64	64	64	64	64	64	63	63	63	63	63	63	63	63	63	62	61
All pensioners (per cent)	100	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 6.2ts: Population of pensioners by tenure, United Kingdom¹

	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	11/12
Number of pensioners whose tenure type is: (millions)																		
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	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	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	0.8
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	1.8
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	0.6
All pensioners (millions)	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	11.7
Percentage of pensioners whose tenure type is:																		
Owners	65	67	68	69	70	71	72	73	74	75	76	78	78	79	78	79	80	80
Owned outright	58	59	59	60	61	62	63	65	65	68	68	69	70	72	71	71	73	73
Buying with mortgage	8	8	9	9	9	9	9	9	8	8	8	8	8	7	7	8	6	7
Social rented sector tenants	28	28	27	26	25	24	23	22	22	21	19	18	18	17	17	17	16	15
All rented privately	6	5	5	5	5	5	5	4	4	4	4	4	4	4	4	5	5	5
All pensioners (per cent)	100	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 Kingdom¹

	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	09/10- 11/12
Number of pensioners whose region/country is: (3-year average, millions)																
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	9.7
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	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	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	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	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	1.1
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	1.2
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	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	1.7
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	1.2
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	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	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	0.3
All pensioners (millions)²	9.9	9.9	10.0	10.0	10.3	10.3	10.4	10.5	10.6	10.7	10.8	10.9	11.1	11.3	11.5	11.6
Percentage of pensioners whose region/country is: (3-year average)																
England	86	86	86	86	84	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	4
North West	12	12	12	12	12	12	12	12	12	12	11	11	11	11	11	11
Yorkshire and the Humber	9	9	9	9	9	9	9	9	9	9	9	8	8	8	8	8
East Midlands	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	8
West Midlands	9	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	10
London	10	10	10	10	10	10	10	10	9	9	9	9	9	9	9	9
South East	14	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	10
Wales	6	6	6	6	5	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	8
Northern Ireland	..	..	..	..	2	2	2	2	2	2	2	2	2	2	2	2
All pensioners (per cent)²	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

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

Table 6.4ts: Population of pensioners by disability³ and receipt of disability benefits², United Kingdom¹

	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	11/12
Number of pensioners (millions) who are:																		
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	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	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	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	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	3.8
All pensioners (millions)	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	11.7
Percentage of pensioners who are:																		
Pensioners in families where no-one is disabled	..	47	50	47	46	48	45	47	44	45	45	43	44	44	43	44	45	45
Pensioners in families where someone is disabled	..	53	50	53	54	52	55	53	56	55	55	57	56	56	57	56	55	55
One or more disabled adults	..	53	50	53	54	52	55	53	56	55	55	57	56	56	57	56	55	55
In receipt of disability benefits	..	7	16	18	19	19	21	20	21	22	22	22	22	22	23	22	23	23
Not in receipt of disability benefits	..	46	33	35	35	33	34	32	35	34	33	35	34	34	34	34	32	33
All pensioners (per cent)	100	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 Kingdom¹

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	11/12
Before Housing Costs																		
Age																		
Under 65	10	9	11	10	10	10	11	11	11	12	11	12	12	13	14	13	13	11
65 - 69	19	21	19	19	19	19	20	18	19	19	19	22	19	20	20	20	20	22
70 - 74	26	24	24	24	25	23	23	23	23	22	19	21	19	19	20	20	18	18
75 - 79	19	21	21	23	23	22	22	22	21	21	20	18	22	18	18	18	18	17
80 - 84	17	16	16	15	14	16	13	16	16	18	19	17	16	17	17	16	17	18
85 +	9	9	9	9	10	10	11	11	10	9	11	10	12	11	11	12	13	14
Gender																		
Male	31	32	31	32	33	33	33	34	35	33	34	34	33	33	34	33	33	34
Female	69	68	69	68	67	67	67	66	65	67	66	66	67	67	66	67	67	66
All pensioners (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Age																		
Under 65	10	9	10	10	10	11	12	12	12	13	15	14	14	16	17	15	16	14
65 - 69	19	21	19	20	19	20	20	19	21	20	22	24	20	21	22	22	22	23
70 - 74	28	25	24	23	24	23	22	23	22	23	19	19	19	19	18	20	18	20
75 - 79	21	22	22	23	23	21	22	21	20	20	19	17	19	17	16	17	16	16
80 - 84	15	15	17	15	14	16	13	15	16	16	16	15	16	16	16	15	16	16
85 +	7	8	9	10	10	10	10	10	10	8	10	11	12	10	11	12	12	12
Gender																		
Male	30	32	30	32	32	32	32	33	35	33	35	35	34	32	33	34	34	36
Female	70	68	70	68	68	68	68	67	65	67	65	65	66	68	67	66	66	64
All pensioners (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Notes:

- Figures are for United Kingdom from 2002/03 onwards. Earlier years are for Great Britain only.
- 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 Kingdom¹

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	11/12
Before Housing Costs																		
Tenure																		
Owners	71	74	71	71	72	74	73	75	79	80	83	84	83	84	83	84	86	84
Owned outright	65	69	66	65	66	67	67	70	73	75	76	78	78	79	78	78	81	79
Buying with mortgage	6	5	5	6	5	6	6	5	6	5	6	6	5	5	4	5	5	5
Social rented sector tenants	21	21	23	23	23	20	21	19	16	14	13	11	11	12	12	12	10	11
All rented privately	8	5	6	6	5	7	6	5	5	5	5	5	6	4	5	5	5	5
All pensioners (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Tenure																		
Owners	42	45	43	45	47	49	49	53	56	58	62	64	65	68	65	62	66	61
Owned outright	36	40	38	39	41	43	43	48	50	53	55	56	60	61	59	56	60	55
Buying with mortgage	6	5	4	6	5	6	5	5	6	5	7	8	6	7	6	6	6	6
Social rented sector tenants	49	48	50	47	46	43	44	40	37	34	30	27	26	26	26	29	25	28
All rented privately	10	8	8	8	7	8	7	7	7	7	7	9	8	6	8	9	9	10
All pensioners (per cent)	100	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 disability³ and receipt of disability benefits², United Kingdom¹

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	11/12
Before Housing Costs																		
Pensioners in families where no-one is disabled	..	50	55	49	49	51	49	49	48	50	49	46	47	47	48	48	47	51
Pensioners in families where someone is disabled	..	50	45	51	51	49	51	51	52	50	51	54	53	53	52	52	53	49
One or more disabled adults	..	50	45	51	51	49	51	51	52	50	51	54	53	52	52	52	53	49
In receipt of disability benefits	..	2	5	6	7	7	8	10	9	10	9	10	10	10	10	9	9	8
Not in receipt of disability benefits	..	49	40	44	44	41	43	41	43	40	42	44	43	43	42	44	43	41
All pensioners (per cent)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
After Housing Costs																		
Pensioners in families where no-one is disabled	..	48	53	48	47	51	48	47	48	49	49	46	47	46	46	47	45	48
Pensioners in families where someone is disabled	..	52	47	52	53	49	52	53	52	51	51	54	53	54	54	53	55	52
One or more disabled adults	..	52	47	52	53	49	52	53	52	51	51	54	53	54	54	53	54	52
In receipt of disability benefits	..	2	4	5	5	6	8	7	8	10	9	9	10	9	11	9	10	10
Not in receipt of disability benefits	..	50	43	48	48	44	44	45	44	41	41	45	43	45	43	44	44	42
All pensioners (per cent)	100	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 Kingdom¹

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	11/12
Before Housing Costs																		
Age																		
Under 65	17	16	19	18	19	18	18	19	18	18	17	18	18	19	17	14	14	13
65 - 69	18	19	18	19	20	19	20	18	19	18	17	18	18	20	17	15	14	14
70 - 74	25	24	25	27	29	26	25	26	25	23	19	21	21	22	20	18	15	15
75 - 79	28	30	30	32	33	29	29	31	28	27	25	22	29	25	22	20	20	17
80 - 84	32	32	33	32	33	36	28	32	29	30	27	24	27	28	25	22	22	21
85 +	33	28	31	30	33	30	34	33	32	26	29	25	32	27	23	23	24	23
Gender																		
Male	21	22	21	22	25	23	23	23	23	20	19	19	21	20	18	16	15	14
Female	26	25	27	27	28	26	26	26	25	25	23	22	25	24	21	19	19	18
All pensioners (per cent)	24	24	25	25	27	25	25	25	24	23	21	21	23	23	20	18	17	16
After Housing Costs																		
Age																		
Under 65	20	19	21	20	21	21	21	21	20	19	18	16	17	18	16	14	14	14
65 - 69	21	22	21	22	21	22	21	20	20	18	16	16	16	16	15	14	12	12
70 - 74	31	29	29	30	30	28	25	27	24	21	16	16	17	17	14	15	13	13
75 - 79	37	36	36	37	35	30	31	29	27	23	19	17	21	19	16	16	14	13
80 - 84	34	34	39	37	37	39	30	31	30	24	19	18	21	20	19	17	16	15
85 +	30	30	38	38	35	35	33	31	29	22	22	22	25	20	18	19	18	16
Gender																		
Male	24	25	24	26	26	24	23	23	23	18	16	16	17	16	14	14	13	13
Female	31	30	32	31	30	29	28	27	25	22	18	18	20	20	17	16	15	14
All pensioners (per cent)	28	28	29	29	29	28	26	26	24	21	18	17	19	18	16	15	14	14

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 Kingdom¹

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	11/12
Before Housing Costs																		
Tenure																		
Owners	26	26	26	26	28	26	25	26	26	24	23	23	25	24	21	19	19	17
Owned outright	27	28	27	28	29	27	26	27	27	25	24	23	26	25	22	20	19	18
Buying with mortgage	18	14	15	16	17	19	16	15	18	15	17	15	15	15	12	13	13	12
Social rented sector tenants	18	18	21	22	24	21	23	22	18	16	14	12	15	16	14	13	10	11
All rented privately	31	25	32	31	31	31	29	29	29	30	23	25	32	24	22	19	18	18
All pensioners (per cent)	24	24	25	25	27	25	25	25	24	23	21	21	23	23	20	18	17	16
After Housing Costs																		
Tenure																		
Owners	18	18	18	19	19	19	18	19	18	16	14	14	16	16	13	12	12	10
Owned outright	18	19	19	19	19	19	18	19	18	16	14	14	16	15	13	12	12	10
Buying with mortgage	20	16	15	19	17	19	16	16	17	14	15	17	14	17	13	13	13	12
Social rented sector tenants	48	48	54	52	52	50	49	45	41	34	28	25	28	28	24	26	22	25
All rented privately	43	41	45	45	44	42	39	43	38	38	29	34	38	28	30	30	29	29
All pensioners (per cent)	28	28	29	29	29	28	26	26	24	21	18	17	19	18	16	15	14	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 Kingdom¹

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	09/10- 11/12
Before Housing Costs																
Region/Country (3-year average)																
England	24	24	25	26	25	25	25	24	23	21	22	22	22	20	18	17
North East	26	26	26	28	30	28	26	23	22	20	20	21	21	20	18	14
North West	24	25	27	27	26	25	25	25	24	24	24	24	22	18	16	15
Yorkshire and the Humber	28	28	30	30	29	28	27	25	24	22	24	25	25	23	21	19
East Midlands	26	28	30	31	31	31	30	29	27	26	27	27	27	24	22	18
West Midlands	25	26	27	26	26	26	27	27	26	25	22	23	22	22	20	19
East of England	24	23	25	26	26	25	25	24	22	20	19	19	21	20	19	17
London	19	20	20	21	20	21	20	21	20	20	20	21	22	20	19	18
South East	21	20	21	22	22	22	22	21	20	19	19	19	18	17	17	17
South West	23	26	26	27	25	25	25	25	22	20	20	22	22	20	17	17
Wales	27	26	26	26	26	26	25	26	24	25	24	25	24	23	20	18
Scotland	28	27	27	25	26	24	23	22	22	21	20	20	19	18	16	16
Northern Ireland	..	..	..	..	30	30	28	26	25	27	28	27	28	27	25	23
All pensioners (per cent) ²	24	25	26	26	26	25	25	24	23	22	22	22	22	20	19	17
After Housing Costs																
Region/Country (3-year average)																
England	28	29	29	29	28	27	26	24	21	18	18	18	18	17	15	15
North East	33	33	32	31	31	28	27	23	20	17	17	19	18	17	14	13
North West	28	28	29	28	27	25	25	24	21	19	19	18	17	15	14	13
Yorkshire and the Humber	30	31	32	32	31	29	26	24	20	17	17	18	19	18	17	16
East Midlands	27	29	30	30	29	28	27	25	22	21	21	21	19	18	15	14
West Midlands	29	28	29	28	28	27	28	26	23	20	18	18	16	16	15	15
East of England	29	28	29	28	28	26	25	24	21	18	16	16	18	16	15	13
London	30	31	31	32	30	30	27	26	23	21	22	22	23	21	20	18
South East	26	26	26	26	24	24	23	22	19	16	16	16	16	15	14	14
South West	27	29	28	28	26	25	24	22	19	16	16	18	17	16	15	14
Wales	26	27	26	26	24	24	23	22	20	20	19	19	18	17	15	14
Scotland	31	31	29	28	27	26	25	23	21	18	16	16	14	13	12	12
Northern Ireland	..	..	..	..	27	26	23	21	20	19	20	20	21	20	18	16
All pensioners (per cent) ²	28	29	29	28	27	26	25	23	21	18	18	18	18	16	15	14

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 Kingdom¹

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	09/10- 11/12
Before Housing Costs																
Region/Country (3-year average)																
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	1.7
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	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	0.2	0.2	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	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	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	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	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	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	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	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	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	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	0.1
All pensioners (millions) ²	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	2.0
After Housing Costs																
Region/Country (3-year average)																
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	1.4
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	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	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	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	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	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	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	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	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	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	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	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	-
All pensioners (millions) ²	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	1.7

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 6.12ts: Percentage of pensioners living in households with less than 60 per cent of contemporary median household income, by disability³ and receipt of disability benefits², United Kingdom¹

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	11/12
Before Housing Costs																		
Pensioners in families where no-one is disabled	..	25	27	27	29	27	27	26	27	25	23	22	25	24	22	19	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	15
One or more disabled adults	..	23	23	24	25	24	23	24	22	21	20	20	22	21	19	17	17	15
In receipt of disability benefits	..	5	7	9	10	10	10	12	10	11	9	9	11	10	9	7	7	6
Not in receipt of disability benefits	..	25	30	32	34	32	31	32	30	27	27	26	29	29	25	23	23	21
All pensioners (per cent)	24	24	25	25	27	25	25	25	24	23	21	21	23	23	20	18	17	16
After Housing Costs																		
Pensioners in families where no-one is disabled	..	29	31	29	30	29	28	26	27	23	19	18	20	19	17	16	14	14
Pensioners in families where someone is disabled	..	27	28	29	28	26	24	26	22	19	16	16	18	18	15	15	14	13
One or more disabled adults	..	27	28	29	28	26	24	26	22	19	16	16	18	18	15	15	14	13
In receipt of disability benefits	..	6	8	8	8	8	9	9	9	10	7	7	9	8	7	7	6	6
Not in receipt of disability benefits	..	31	37	40	39	37	33	36	30	25	22	22	24	24	20	20	19	18
All pensioners (per cent)	28	28	29	29	29	28	26	26	24	21	18	17	19	18	16	15	14	14

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.

Table 6.13ts: Percentage of pensioners living in households with less than 60 per cent of 2010/11 median income held constant in real terms, by age and gender, United Kingdom¹

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	11/12
Before Housing Costs																		
Age																		
Under 65	32	32	30	28	28	26	23	20	19	19	16	17	17	18	16	13	14	13
65 - 69	38	39	34	33	32	29	25	20	20	18	16	17	17	18	16	14	14	15
70 - 74	50	48	43	42	41	36	32	28	26	23	19	20	20	21	18	16	15	17
75 - 79	54	54	48	47	46	39	36	33	29	27	25	21	28	24	20	17	20	19
80 - 84	57	55	51	47	46	46	36	35	30	30	27	23	26	27	23	20	22	23
85 +	55	49	48	44	46	38	41	35	32	26	29	24	31	26	22	21	24	25
Gender																		
Male	42	43	37	37	37	32	29	26	23	21	19	18	19	19	17	14	15	16
Female	48	47	43	41	40	36	32	28	26	25	22	21	23	23	20	17	19	19
All pensioners (per cent)	46	45	41	39	39	35	31	27	25	23	21	20	22	22	19	16	17	18
After Housing Costs																		
Age																		
Under 65	34	33	31	29	29	27	24	22	20	18	16	14	15	16	15	12	14	15
65 - 69	39	40	35	33	31	30	26	22	20	17	14	14	13	14	13	12	12	13
70 - 74	50	49	44	43	41	37	31	29	24	20	14	13	15	14	12	13	13	15
75 - 79	57	55	50	49	47	40	37	34	27	22	17	14	19	16	13	14	14	15
80 - 84	58	57	53	50	47	48	39	34	30	23	18	15	18	17	17	15	16	18
85 +	58	51	50	49	46	43	40	36	29	22	21	20	23	18	15	17	18	19
Gender																		
Male	43	44	38	38	36	34	29	26	23	18	15	14	15	13	12	12	13	14
Female	50	48	45	43	41	37	33	30	25	21	17	15	17	17	15	14	15	16
All pensioners (per cent)	47	46	42	41	39	36	32	29	24	20	16	15	16	15	14	13	14	15

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 2010/11 median income held constant in real terms, by tenure, United Kingdom^{1,2}

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	11/12
Before Housing Costs																		
Tenure																		
Owners	40	41	36	36	36	33	30	28	27	25	23	22	23	23	20	17	19	19
Owned outright	42	43	38	37	38	34	31	29	28	26	23	23	24	24	21	18	19	19
Buying with mortgage	30	28	24	25	23	24	19	16	18	15	16	14	14	14	11	11	13	14
Social rented sector tenants	57	55	51	48	47	39	35	25	18	17	13	11	13	15	13	11	10	12
All rented privately	54	50	50	44	43	40	37	32	29	30	22	24	31	23	21	16	18	21
All pensioners (per cent)	46	45	41	39	39	35	31	27	25	23	21	20	22	22	19	16	17	18
After Housing Costs																		
Tenure																		
Owners	35	35	31	30	29	27	22	20	18	15	13	12	14	13	12	10	12	12
Owned outright	35	36	32	31	30	27	23	21	18	16	13	12	14	13	12	10	12	12
Buying with mortgage	33	31	25	27	25	25	20	16	17	14	14	14	12	16	11	11	13	14
Social rented sector tenants	72	72	69	65	64	60	57	52	41	32	25	21	23	22	21	23	22	29
All rented privately	65	58	61	61	54	52	48	46	38	37	27	31	34	26	28	29	29	31
All pensioners (per cent)	47	46	42	41	39	36	32	29	24	20	16	15	16	15	14	13	14	15

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 2010/11 median income held constant in real terms, by region or country, United Kingdom¹

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	09/10- 11/12
Before Housing Costs																
Region/Country (3-year average)																
England	44	42	40	38	35	31	28	25	23	21	21	21	21	19	17	17
North East	52	48	45	45	43	37	31	25	22	20	19	19	19	17	16	14
North West	45	43	41	39	36	31	28	26	24	23	23	23	21	17	16	15
Yorkshire and the Humber	51	49	46	44	41	36	31	26	24	21	23	23	23	21	19	18
East Midlands	46	47	46	45	42	38	35	30	27	25	26	26	26	22	20	18
West Midlands	47	44	42	40	37	34	31	29	26	24	22	22	20	20	18	19
East of England	44	42	40	37	34	29	27	25	23	19	18	18	20	19	18	17
London	37	35	33	31	28	25	22	21	20	19	20	20	21	19	18	18
South East	37	35	33	32	29	26	24	22	20	19	18	18	17	16	16	17
South West	41	41	39	37	34	30	28	25	22	20	20	21	20	18	16	17
Wales	45	42	39	38	35	32	28	27	24	25	23	24	23	21	19	18
Scotland	48	44	41	37	35	30	27	24	22	20	19	19	17	16	15	16
Northern Ireland	..	..	..	..	41	37	31	28	26	26	27	26	27	25	24	23
All pensioners (per cent) ²	44	42	40	38	35	31	28	25	23	21	21	21	21	19	17	17
After Housing Costs																
Region/Country (3-year average)																
England	45	43	41	39	36	32	28	24	20	17	16	16	15	14	14	15
North East	52	47	44	43	42	37	31	24	19	15	14	15	14	14	12	12
North West	46	43	41	38	35	31	28	24	20	17	16	15	14	13	13	13
Yorkshire and the Humber	50	47	44	42	40	35	29	24	19	16	15	16	17	15	15	16
East Midlands	45	45	43	41	38	35	31	26	21	19	18	19	17	16	14	15
West Midlands	47	44	41	38	36	33	31	27	22	18	16	15	14	13	14	15
East of England	44	42	40	38	36	31	28	24	20	15	14	13	16	14	14	14
London	45	44	42	40	37	34	30	27	23	20	20	20	21	19	19	18
South East	40	38	36	34	31	28	25	22	18	15	14	14	13	13	13	15
South West	43	43	40	37	34	30	27	23	19	15	15	15	15	13	13	14
Wales	45	42	39	36	33	30	25	22	18	17	16	16	15	15	14	14
Scotland	48	45	42	39	36	31	27	24	19	16	13	13	12	11	11	12
Northern Ireland	..	..	..	..	36	33	27	22	19	18	18	17	18	18	17	16
All pensioners (per cent) ²	45	43	41	39	36	32	28	24	20	17	16	15	15	14	14	14

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 2010/11 median income held constant in real terms, by region or country, United Kingdom¹

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	09/10- 11/12
Before Housing Costs																
Region / Country (3-year average)																
England	3.7	3.5	3.4	3.2	3.0	2.7	2.4	2.2	2.0	1.9	1.9	1.9	1.9	1.8	1.7	1.7
North East	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	0.1
North West	0.5	0.5	0.5	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2
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	0.2
East 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	0.2
West Midlands	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	0.2
East of England	0.4	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
London	0.4	0.4	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
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	0.3
South West	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Wales	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	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	0.2	0.2	0.2	0.2	0.1	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	0.1
All pensioners (millions)²	4.4	4.2	4.0	3.8	3.6	3.2	2.9	2.6	2.4	2.3	2.3	2.3	2.3	2.1	2.0	2.0
After Housing Costs																
Region / Country (3-year average)																
England	3.8	3.7	3.5	3.3	3.1	2.8	2.5	2.1	1.8	1.5	1.4	1.4	1.4	1.4	1.4	1.4
North East	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	0.1
North West	0.5	0.5	0.5	0.5	0.4	0.4	0.3	0.3	0.2	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	0.3	0.2	0.2	0.1	0.1	0.2	0.2	0.1	0.1	0.2
East Midlands	0.3	0.3	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
West Midlands	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.2
East of England	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.2	0.2
London	0.5	0.5	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
South East	0.6	0.5	0.5	0.5	0.4	0.4	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
South West	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.2	0.2
Wales	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	0.1
Scotland	0.4	0.4	0.4	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
Northern Ireland	..	..	..	..	0.1	0.1	0.1	0.1	-	-	-	-	0.1	-	-	-
All pensioners (millions)²	4.5	4.3	4.1	3.9	3.7	3.3	2.9	2.5	2.1	1.8	1.7	1.7	1.7	1.6	1.6	1.7

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 2010/11 median household income held constant in real terms, by disability³ and receipt of disability benefits², United Kingdom¹

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	11/12
Before Housing Costs																		
Pensioners in families where no-one is disabled	..	46	42	40	40	36	32	28	27	26	23	21	24	23	21	18	19	20
Pensioners in families where someone is disabled	..	45	40	39	38	34	30	27	23	21	19	19	20	20	17	15	17	16
One or more disabled adults	..	45	40	39	38	34	30	27	23	21	19	19	20	20	17	15	17	16
In receipt of disability benefits	..	19	21	20	19	18	16	14	11	11	9	9	10	10	8	6	7	6
Not in receipt of disability benefits	..	49	49	49	49	43	39	35	30	28	26	25	27	27	24	20	23	23
All pensioners (per cent)	46	45	41	39	39	35	31	27	25	23	21	20	22	22	19	16	17	18
After Housing Costs																		
Pensioners in families where no-one is disabled	..	46	43	40	39	37	33	29	26	21	18	16	17	17	15	14	14	16
Pensioners in families where someone is disabled	..	47	42	41	39	35	31	28	22	18	15	14	15	14	13	13	14	15
One or more disabled adults	..	47	42	41	39	35	31	28	22	18	15	14	15	14	13	13	14	15
In receipt of disability benefits	..	23	23	22	19	18	15	11	9	9	7	6	7	6	6	6	6	7
Not in receipt of disability benefits	..	51	51	51	49	45	40	39	30	24	20	19	21	20	18	17	19	20
All pensioners (per cent)	47	46	42	41	39	36	32	29	24	20	16	15	16	15	14	13	14	15

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.

Chapter 7

Low income dynamics

These results are unchanged from the previous HBAI report. The British Household Panel Survey (BHPS), 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 2013.

- **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 Housing Costs (BHC) and After Housing Costs (AHC) 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 BHC 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 AHC 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 BHC and AHC 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 BHC and AHC 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 BHC basis and an AHC basis.
- **Further details:** For further details see the [DWP Low income Dynamics publication](#).

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 BHPS.

The BHPS is run by The University of Essex's Institute for Social and Economic Research. Further information is on their [website](#). 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 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 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](#)

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](#). 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 BHC and 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, BHC. Table 7.1tr (AHC) presents the same figures on an AHC 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 group¹

Source: BHPS 1991-2008				
Percentage of group below threshold in at least 3 out of 4 years				
	Main definition		Alternative definition ²	
	Below 60% of median	Below 70% of median	In bottom 20%	In bottom 30%
All individuals				
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
Children				
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
Working-age adults				
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
Pensioners				
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 group¹

Source: BHPS 1991-2008				
Percentage of group below threshold in at least 3 out of 4 years				
	Main definition		Alternative definition ²	
	Below 60% of median	Below 70% of median	In bottom 20%	In bottom 30%
All individuals				
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
Children				
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
Working-age adults				
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
Pensioners				
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**.

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 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 50th **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 2010/11 **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 2010/11 median income' in 2010/11 is the same as the relative threshold, but the corresponding value in the latest survey year has been uprated by inflation from the 2010/11 level over the intervening period.

Measures of income¹

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;

¹ 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**.

- 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.

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 cohabitees) 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.

Appendix 1

- 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.

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 original 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. The questions are kept under review and in 2010/11 information on four additional material deprivation goods and services was collected and from 2011/12 four questions from the original suite were removed. An analysis of responses to these questions by their location in the income distribution is given in **Chapter 4 (Children)**.

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 than 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 2011/12 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

Regional² 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>.

² Regional information is at [NUTS1](#) level.

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; and
- 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 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; and
- 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; and
- 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'.

Quality and Methodology

Chapter 1 summarises issues to be born in mind when using the HBAI data and statistics. This Appendix provides more detail on key quality and methodology issues.

Sampling error

As the HBAI is derived from the sample provided by the Family Resources Survey (FRS) all the figures are 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 2011/12 median income on a Before Housing Costs basis is of the order of around +/- 410,000 individuals or 0.7 percentage points.
- 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 2010/11 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.

Appendix 2

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 440-570,000 individuals.
- For children, around 1.5 percentage points or 180-220,000 children.
- For working-age adults, around 0.9 percentage points, or 270-380,000 working-age adults.
- For pensioners, around 1.3 percentage points or around 130-140,000 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.

Methodology

Population

The analyses in this publication are primarily based on the 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**.

For some tables, estimates for NI have been imputed for the years 1998/99 to 2001/02. This allows for changes since 1998/99 to be measured at the 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.

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.

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 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 GB and 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 GB 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.

Household incomes as an indicator of individuals' living standards

HBAI uses net disposable weekly household income, after adjusting for the household size and composition, as an assessment for material living standards - the level of consumption of goods and services that people could attain given the net 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. HBAI assumes that all individuals in the household benefit

equally from the combined income of the household. Thus, all members of any one household will appear at the same point in the income distribution.

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.

Equivalisation using the modified OECD scales

Equivalisation is a process that makes adjustments to incomes, so that the standard of living of households with different compositions can be compared.

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 (BHC). 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 BHC and one for income 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.

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 [HM 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 2011/12, non-pensioners in Great Britain are subject to the SPI adjustment if their gross income exceeded £237,136 per year (£131,732 per year in Northern Ireland) and pensioners in Great Britain are subject to the SPI adjustment if their gross income exceeded £68,601 per year (£59,731 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 were provided by HM Revenue and Customs' statisticians. The 2011/12 estimates were projections based on 2010/11 data.

Ethnic categories

The ethnicity questions used in the Family Resources Survey adopt the UK harmonised standards for use in major Government social surveys; that is they adopt the standard way of collecting information on the ways in which people describe their ethnic identity. The latest harmonised standards were published in August 2011 and cover the ethnic group question in England, Wales, Scotland and Northern Ireland. They also cover harmonised data presentation for ethnic group outputs. The standards were updated in February 2013 detailing how Gypsy, Traveller and Irish Traveller should be recorded in the outputs, due to differences across the UK.

The FRS adopted these latest harmonised standards for England, Wales and Northern Ireland for the 2011/12 survey questionnaire, and the standards for Scotland were adopted for the 2012/13 survey questionnaire. This publication therefore adopts the latest harmonised output standards for ethnic group for the UK. The most significant changes to previous publications are that the 'Chinese' category has moved from the 'Chinese or other ethnic group' section to the 'Asian/Asian British' section; an 'Arab' category has been included under 'Other ethnic group' section in the questionnaire, but not shown separately due to only being available for one year; and 'Irish Traveller' is included under 'Other ethnic group' for respondents in Northern Ireland and 'Gypsy or Irish Traveller' is included under the 'White' section for respondents in Great Britain, therefore UK figures have been allocated accordingly.

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. 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 original 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. The questions are kept under review and for the 2010/11 Family Resources Survey, information on four additional material deprivation goods and services was collected and from 2011/12 four questions from the original suite were removed.

Table 4.5tr shows figures using the original suite of questions up to and including 2010/11, and the new suite of questions from 2010/11 onwards. 2010/11 data is presented on both bases as figures from the old and new suite of questions are not comparable. Due to the break in the series it is not possible to calculate results for ethnicity or geographical breakdowns for this publication as these require three consecutive years' data.

See **Appendix 3 of the 2010/11 HBAI publication** 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 2003 Measuring Child Poverty Consultation.

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.

From the 2008/09 edition of the publication, we 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 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. 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.

A pensioner is counted as being deprived of an item where they lack it 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,

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 2011/12, 13 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 8 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 giving a full explanation of the pensioner material deprivation measure is available.

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 (EU SILC). 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.

From the 2012 statistics UK EU EILC figures will be derived from the FRS.

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 FRS, 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 BHC basis and 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 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 ¹	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 ²	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 ³	0.20	0.20	0.20	0.20
Children aged 14yrs and over ³	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 2011/12¹

Material deprivation questions	Weights	Final Scores
For children		
Outdoor space or facilities nearby to play safely	0.910	5.81
Enough bedrooms for every child of 10 or over of a different sex to have their own bedroom	0.903	5.76
Celebrations on special occasions such as birthdays, Christmas or other religious festivals	0.949	6.06
Leisure equipment such as sports equipment or a bicycle	0.859	5.48
A family holiday away from home for at least one week a year	0.583	3.72
A hobby or leisure activity	0.711	4.54
Friends around for tea or a snack once a fortnight	0.666	4.25
Go on school trips	0.878	5.61
Toddler group/nursery/playgroup at least once a week	0.651	4.15
Attends organised activity outside school each week	0.644	4.11
Fresh fruit and vegetables eaten by children every day	0.887	5.66
Warm winter coat for each child	0.960	6.13
For adults		
Enough money to keep home in a decent state of decoration	0.743	4.74
A holiday away from home for at least one week a year, whilst not staying with relatives at their home	0.518	3.31
Household contents insurance	0.714	4.56
Regular savings of £10 a month or more for rainy days or retirement	0.539	3.44
Replace any worn out furniture	0.521	3.32
Replace or repair major electrical goods such as a refrigerator or a washing machine, when broken	0.643	4.11
A small amount of money to spend each week on yourself, not on your family	0.602	3.84
In winter, able to keep accommodation warm enough	0.880	5.62
Keep up with bills and regular debt payments	0.907	5.79
Sum of all weights	15.669	100

Notes:

1. Material deprivation weights are calculated based on responses in the survey year in question.
2. This includes the new items and services first asked about in the 2010/11 FRS.

Table A2.3: Material deprivation scores used for pensioners in 2011/12¹

Material deprivation questions	Weights	Final Scores
For pensioners aged 65 and over		
At least one filling meal a day	0.989	7.27
Go out socially at least once a month	0.763	5.61
See friends or family at least once a month	0.951	6.99
Take a holiday away from home	0.569	4.18
Able to replace cooker if it broke down	0.894	6.57
Home kept in a good state of repair	0.969	7.12
Heating, electrics, plumbing and drains working	0.983	7.22
Have a damp-free home	0.950	6.98
Home kept adequately warm	0.963	7.07
Able to pay regular bills	0.969	7.12
Have a telephone to use, whenever needed	0.971	7.13
Have access to a car or taxi, whenever needed	0.898	6.60
Have hair done or cut regularly	0.890	6.54
Have a warm waterproof coat	0.981	7.21
Able to pay an unexpected expense of £200	0.872	6.40
Sum of all weights	13.610	100

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

Control variables used to generate grossing factors for private households		
Variable	Groupings	Source of data
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 Kingdom¹

Source: FRS 2011/12								
	Percentage of individuals				Number of individuals			
	lower bound	HBAI estimate	upper bound	+/-	lower bound	HBAI estimate	upper bound	+/-
50 per cent of median income								
Before Housing Costs								
All individuals	8.4	9.0	9.5	0.5	5,190,000	5,530,000	5,860,000	330,000
Children	8.2	9.1	10.1	0.9	1,070,000	1,190,000	1,320,000	130,000
Working-age adults	8.6	9.2	9.9	0.6	3,170,000	3,400,000	3,640,000	240,000
Pensioners	7.2	8.0	8.7	0.8	840,000	930,000	1,020,000	90,000
After Housing Costs								
All individuals	13.7	14.3	14.9	0.6	8,460,000	8,820,000	9,190,000	370,000
Children	15.7	16.7	17.7	1.0	2,060,000	2,190,000	2,330,000	140,000
Working-age adults	14.9	15.6	16.3	0.7	5,480,000	5,740,000	6,000,000	260,000
Pensioners	7.0	7.6	8.3	0.6	820,000	890,000	970,000	80,000
60 per cent of median income								
Before Housing Costs								
All individuals	15.3	15.9	16.6	0.7	9,400,000	9,810,000	10,220,000	410,000
Children	16.3	17.4	18.6	1.2	2,130,000	2,280,000	2,440,000	160,000
Working-age adults	14.5	15.2	16.0	0.8	5,340,000	5,620,000	5,900,000	280,000
Pensioners	15.4	16.4	17.4	1.0	1,790,000	1,910,000	2,020,000	110,000
After Housing Costs								
All individuals	20.5	21.1	21.8	0.7	12,610,000	13,020,000	13,440,000	420,000
Children	25.9	27.0	28.2	1.2	3,390,000	3,540,000	3,700,000	160,000
Working-age adults	20.7	21.4	22.2	0.8	7,620,000	7,910,000	8,190,000	280,000
Pensioners	12.7	13.5	14.3	0.8	1,480,000	1,570,000	1,670,000	100,000
70 per cent of median income								
Before Housing Costs								
All individuals	23.9	24.7	25.4	0.7	14,750,000	15,200,000	15,650,000	450,000
Children	28.1	29.4	30.7	1.3	3,680,000	3,850,000	4,020,000	170,000
Working-age adults	21.4	22.2	23.0	0.8	7,870,000	8,170,000	8,470,000	300,000
Pensioners	26.2	27.3	28.4	1.1	3,050,000	3,180,000	3,310,000	130,000
After Housing Costs								
All individuals	28.0	28.7	29.4	0.7	17,260,000	17,680,000	18,090,000	410,000
Children	35.8	36.9	38.1	1.2	4,690,000	4,840,000	4,990,000	150,000
Working-age adults	26.7	27.5	28.3	0.8	9,850,000	10,130,000	10,420,000	290,000
Pensioners	22.3	23.2	24.1	0.9	2,600,000	2,700,000	2,810,000	110,000

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 2010/11 median income held constant in real terms, United Kingdom

Source: FRS 2011/12								
	Percentage of individuals				Number of individuals			
	lower bound	HBAI estimate	upper bound	+/-	lower bound	HBAI estimate	upper bound	+/-
60 per cent of 2011/11 median income held in real terms								
Before Housing Costs								
All individuals	16.8	17.5	18.2	0.7	10,330,000	10,770,000	11,200,000	430,000
Children	18.3	19.5	20.8	1.2	2,400,000	2,560,000	2,730,000	170,000
Working-age adults	15.8	16.6	17.4	0.8	5,820,000	6,110,000	6,410,000	300,000
Pensioners	16.9	17.9	19.0	1.1	1,970,000	2,090,000	2,210,000	120,000
After Housing Costs								
All individuals	21.9	22.6	23.2	0.7	13,470,000	13,900,000	14,320,000	420,000
Children	27.9	29.2	30.4	1.2	3,660,000	3,820,000	3,980,000	160,000
Working-age adults	21.7	22.5	23.2	0.8	7,980,000	8,280,000	8,570,000	290,000
Pensioners	14.6	15.4	16.3	0.9	1,700,000	1,800,000	1,900,000	100,000

Appendix 3

Changes to the statistics

Summary

- **Change of reference year for absolute low income:** As advised in the 2010/11 HBAI publication, and in order to measure absolute low income in line with the Child Poverty Act 2010, absolute low incomes will be measured against the median in 2010/11 adjusted for inflation, instead of against the 1998/99 median income as in previous publications.
- **Child material deprivation:** As advised in the 2010/11 HBAI publication, four new questions about additional material deprivation items for children were introduced into the 2010/11 Family Resources Survey (FRS) and from 2011/12 four questions from the original suite were removed. We have presented the breakdown tables for 2011/12 including the new questions. The time series table presents figures from the original suite of questions up to and including 2010/11, and the new suite of questions from 2010/11 onwards. Therefore 2010/11 data is presented on both bases as figures from the old and new suite of questions are not comparable. Due to the break in the series it will not be possible to calculate results for ethnicity or regional breakdowns for the 2011/12 publication as these require three consecutive years' data, this will be available for the 2012/13 HBAI publication.
- **State Pension Age:** 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 basic State Pension qualifying age for women has been gradually increasing. The changes do not affect the State Pension age for men, currently 65. Therefore, as with the 2010/11 publication, the age groups covered by the analysis of working-age adults and pensioners will change for the 2011/12 publication.
- **Pensioner material deprivation:** For the 2011/12 publication we have three years of data on pensioner material deprivation, and are able to present ethnicity and regional breakdowns for the first time.
- **Ethnicity breakdowns:** The ethnicity figures in the 2011/12 publication reflect the new harmonised standards published in August 2011 and updated in February 2013. This has resulted in some changes, the most significant being to the following categories:
 - Chinese has moved from the 'Chinese or other ethnic group' section to the 'Asian/ Asian British' section;
 - Arab is now specifically included in the 'Other ethnic group' section; and
 - the treatment for 'Gypsy' and 'Gypsy or Irish traveller' is different for respondents in Northern Ireland compared to Great Britain.

Change of reference year for absolute low income

For the 2005/06 to 2010/11 HBAI publications absolute low income was measured against median household income in 1998/99 adjusted for inflation. As advised in the 2010/11 publication, and in order to measure absolute low income in line with the [Child Poverty Act 2010](#), and to keep the absolute measure more in line with contemporary living standards, we have amended tables in the 2011/12 publication to measure absolute low income against the median in 2010/11 adjusted for inflation for all groups of the population. The following tables in the publication are affected:

Chapter 3 - 3.2tr, 3.4tr, 3.7ts, 3.8ts, 3.9ts, 3.13ts, 3.14ts, 3.15ts;

Chapter 4 - 4.2tr, 4.4tr, 4.10ts, 4.11ts, 4.12ts, 4.13ts, 4.20ts, 4.21ts, 4.22ts, 4.23ts, 4.24ts, 4.25ts;

Chapter 5 - 5.2tr, 5.4tr, 5.5tr, 5.6tr, 5.7ts, 5.8ts, 5.9ts, 5.13ts, 5.14ts, 5.15ts;

Chapter 6 - 6.2tr, 6.4tr, 6.5tr, 6.6tr, 6.13ts, 6.14ts, 6.15ts, 6.16ts, 6.17ts.

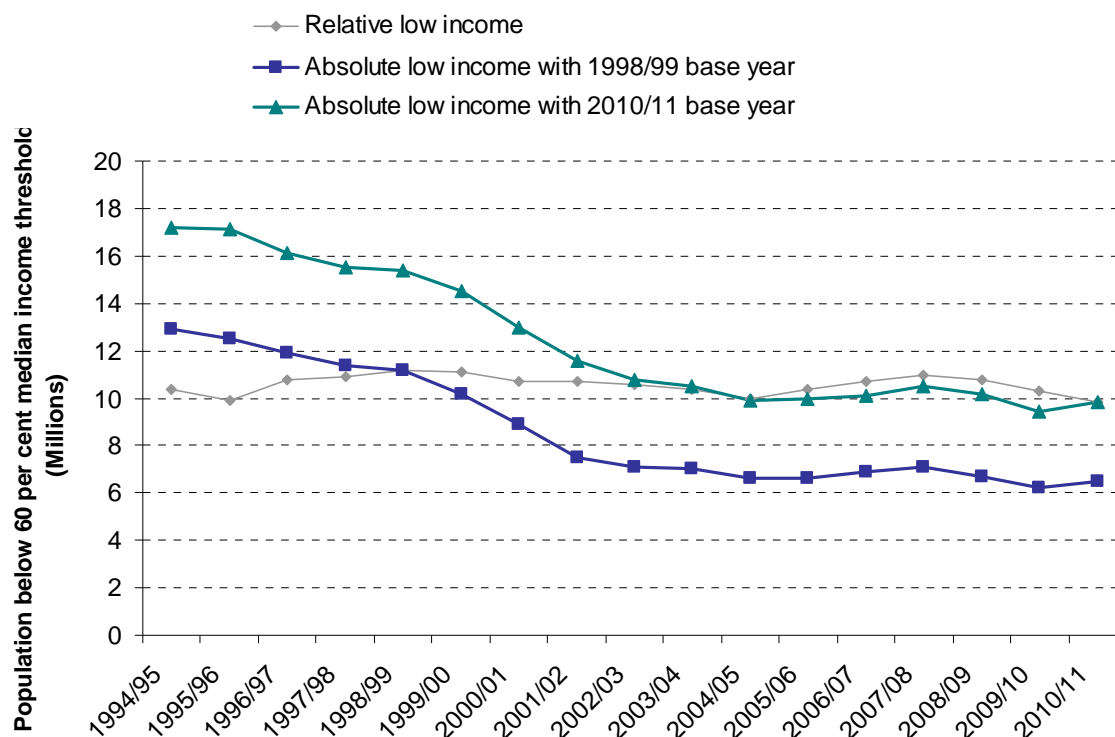
The change of the measurement of absolute low income against the median in 2010/11 adjusted for inflation has a large effect on the proportion and number of people identified as in absolute low income. It also magnifies the scale of historical changes in the time series of the indicator. This is because the threshold has moved to a more densely populated part of the income distribution. The change in the reported headline figure does not reflect a real change in the living standards of those who now fall below the rebased poverty line, nor is it a correction to the previous estimate or a worsening situation in the UK economy than previously estimated – it is a re-classification of ‘absolute low income’.

Chart 3A.1 below shows the absolute measure over time using both the 1998/99 and 2010/11 baseline years. This clearly shows the increase in population identified as in absolute low income.

The change in base year means that the absolute low-income threshold has moved from £220 to £251 per week in 2010/11¹. When this shift is shown in the context of the income distribution, as in Chart 3A.2 below, the threshold has moved up into a much denser part of the distribution. This means that not only is more of the population identified as in absolute low income but also that historical changes in absolute low income are larger.

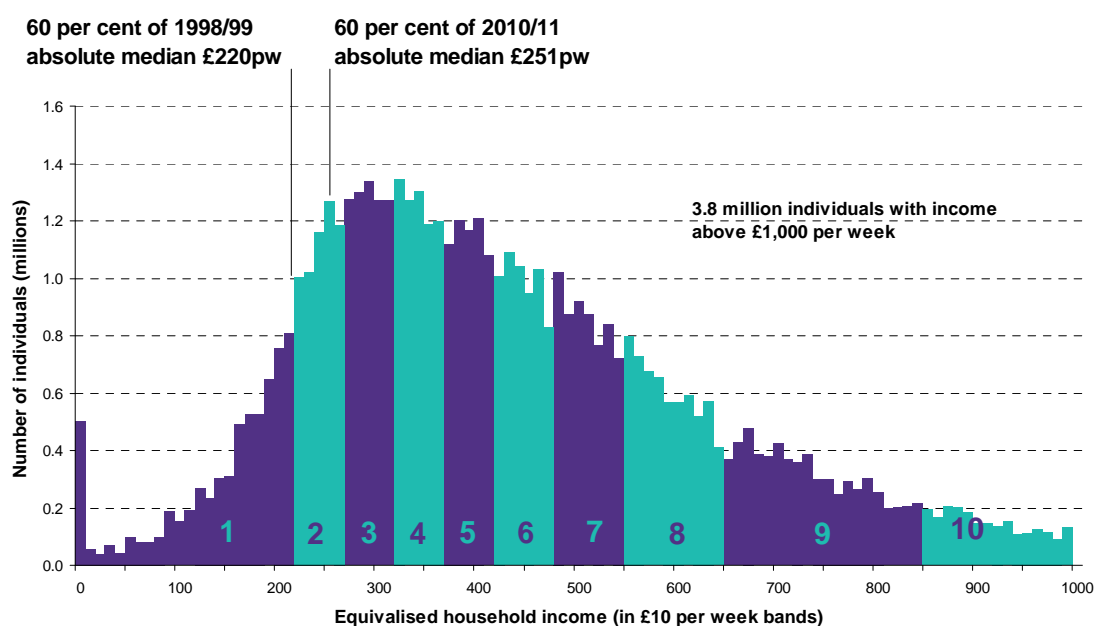
¹ In 2010/11 prices.

Chart A3.1: Comparison of relative and absolute low income, BHC, 1994/95 to 2010/11, United Kingdom.



Note: Figures are for GB up to 1997/98 and for the UK from 1998/99.

Chart A3.2: Income distribution for the total population, 2010/11, with 1998/99 and 2010/11 absolute low-income thresholds BHC (2010/11 prices).



This increase in the absolute low-income threshold has meant a larger scale of change is observed between years. For example, when using the 1998/99 baseline series, the 60 per cent low-income threshold moves from £209 per week in 2009/10 to £220 per week in 2010/11. This change meant that 300,000 more individuals were identified as in absolute low income in 2010/11 compared to 2009/10. A similar amount of monetary change occurs when using the 2010/11 baseline which moves the absolute low-income threshold from £239 in 2009/10 to £251 in 2010/11. However, as the threshold for the 2010/11 baseline is in a denser part of the distribution, the change of 300,000 rises to 500,000 individuals who are now reported in absolute low income. This effect is a product of moving the absolute measure to a new baseline and does not reflect a worsening situation in household living standards or in the UK economy than previously estimated.

A similar effect is seen on the percentage of the population, a change of 0 percentage points between 2009/10 and 2010/11 for the absolute measure using the 1998/99 baseline year is instead a 1 percentage point increase for the absolute measure using the 2010/11 baseline year.

Child material deprivation

The HBAI presents 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, BHC.
- Severe 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 50 per cent of contemporary median income, BHC.

A family's material deprivation score is calculated using a series of 21 questions included in the FRS. Each question asks whether or not the family is able to afford and want a particular item. The choice of the 21 items was based on analysis by independent researchers (published in [Working Paper 13](#)) 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.

When the child material deprivation measures were developed, it was envisaged that the 21 items in the suite of questions used to measure it 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 relevant and contemporary measure of poverty. In 2009, the Child Poverty Unit commissioned an independent analytical review of the items which was published in [DWP Research Report 746](#).

Based on the findings of this review, four new questions about additional items were introduced into the 2010/11 FRS and four of the existing items were removed for 2011/12. It was envisaged that these new items would be used in the future calculation of material deprivation scores, replacing the 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 these items as necessary was due to hardening attitudes following a recession, or instead part of a longer-term trend against certain 'social' measures of deprivation that will persist during an economic recovery.

The **new** questions are:

- Does your child/do your children attend at least one regular organised activity a week outside school, such as sport or a youth group?
- Does your child/do your children eat fresh fruit and/or vegetables every day?
- Does your child have/do your children have a warm winter coat?
- Do you (and your partner) keep up with bills and any regular debt repayments?

The following four existing items were **removed** from the 2011/12 FRS:

- Does your child/do your children go swimming at least once a month?
- Do you have a hobby or leisure activity?
- Do you (and your family/and your partner) have friends or family around for a drink or meal at least once a month?
- Do you have two pairs of all weather shoes for [all adults in Benefit unit]?

For the 2010/11 report we were able to report on both series of items and used the original items for the calculation of low income and material deprivation, and severe low income and material deprivation statistics.

Analysis presented in **Appendix 3** of the **HBAI 2010/11 publication** showed that the low income and material deprivation statistics are quite sensitive to the combination of the threshold and items chosen. Using the new items instead of the old items translates into higher prevalence weights (the weights assigned to the material deprivation scores according the proportion of families who own each item). 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. 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 200,000 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. The new series more accurately reflects today's society and the items and activities people in the UK believe to be necessary.

Appendix 3 set out two options for the 2011/12 HBAI publication:

- **Option A:** Present the new basis in the breakdown tables, have both old and new 2010/11 data in the time series table, and keep the existing threshold; or
- **Option B:** Change the materially deprived threshold for new items from 2010/11. A threshold would be chosen to give the closest proportion of children in low income and material deprivation and severe low income and material deprivation on the new basis to that seen on the old basis.

Since the 2010/11 publication, DWP statisticians internally discussed which option would be best to take forward for the continuation of the measure. It was felt that Option A, breaking the series for the 2011/12 publication, was the most appropriate course of action, as this was a more transparent presentation for users. In early 2013, DWP statisticians discussed these two options, and the DWP preferred view, with various academics interested in material deprivation and poverty measurement. These academics gave no overall consensus for either of the two options.

For the 2011/12 publication we have therefore decided to **keep the existing threshold and present the new basis in the breakdown tables for the latest year**. Both old and new series will be shown in the time series table (Option A).

Due to the break in the series it was not possible to calculate results for ethnicity or regional breakdowns for the 2011/12 publication as these require three consecutive years' data (affecting tables 4.3db, 4.4db, 4.5db and 4.6db). This will however be available from the 2012/13 HBAI publication.

State Pension Age

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 for men, currently 65. Therefore, as with the 2010/11 publication, the age groups covered by the analysis of working-age adults (**Chapter 5**) and pensioners (**Chapter 6**) has changed for 2011/12.

Tables 5.5tr and 5.6tr present a series including adults up to 64, and tables 6.5tr and 6.6tr present a series that only include pensioners aged 65 and over. These tables provide a consistent time series in light of the equalisation of State Pension age for men and women.

Pensioner material deprivation

For the 2011/12 publication we will have three years of data on pensioner material deprivation, and are able to present ethnicity and regional breakdowns for the first time (in tables 6.7db, 6.8db, 6.9db and 6.10db).

Ethnicity breakdowns

The ethnicity questions used in the FRS adopt the UK [harmonised standards](#) for use in major government social surveys; that is they adopt the standard way of collecting information on the ways in which people describe their ethnic identity. The latest harmonised standards were published in August 2011 and cover the ethnic group question in England, Wales, Scotland and Northern Ireland. They also cover harmonised data presentation for ethnic group outputs. The standards were updated in February 2013 detailing how Gypsy, Traveller and Irish Traveller should be recorded in the outputs, due to differences across the UK.

The FRS adopted these latest harmonised standards for England, Wales and Northern Ireland for the 2011/12 survey questionnaire, and the standards for Scotland were adopted for the 2012/13 survey questionnaire. The 2011/12 HBAI publication has adopted the latest harmonised output standards for ethnic group for the UK. The most significant changes to previous publications are that:

- the 'Chinese' category has moved from the 'Chinese or other ethnic group' section to the 'Asian/Asian British' section;

- an 'Arab' category has been included under 'Other ethnic group' section in the questionnaire, but not shown separately due to only being available for one year; and
- 'Irish Traveller' is included under 'Other ethnic group' for respondents in Northern Ireland, and 'Gypsy or Irish Traveller' is included under the 'White' section for respondents in Great Britain, therefore UK figures have been allocated accordingly.

**Households Below Average
Income: An analysis of the
income distribution
1994/95 – 2011/12**

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-fourth in the HBAI series and principally gives information on the income distribution from 1994/95 – 2011/12 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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