

Child Benefit Statistics: Geographical analysis, August 2018



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Snapshot Date: 31st August 2018 **Published:** 28th February 2019 **Coverage:** United Kingdom

National Statistics / Annual

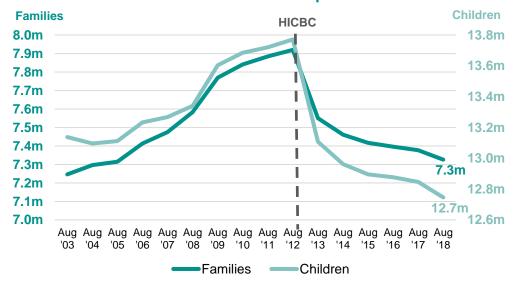
This publication includes details of the number of families claiming Child Benefit as at 31st August 2018, the number and ages of children within those families and their geographical location. Population counts at Country and English Region level are shown, as well as by Local Authority and Parliamentary Constituency (Westminster and Scottish) in the United Kingdom.

Main Headlines

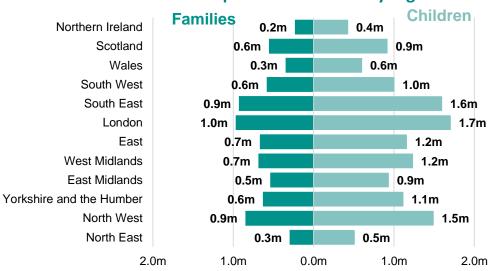
As at 31st August 2018, there were:

- 7.33m families in receipt of Child Benefit. This is a fall of approximately 51,000 when compared to a year earlier.
- 12.75m children in Child Benefit recipient families. This is a fall of approximately 101,000 when compared to a year

Number of families and children in receipt of Child Benefit



Number of Families in receipt of Child Benefit by region



Child Benefit Statistics Geographical Analysis

31st August **2018**

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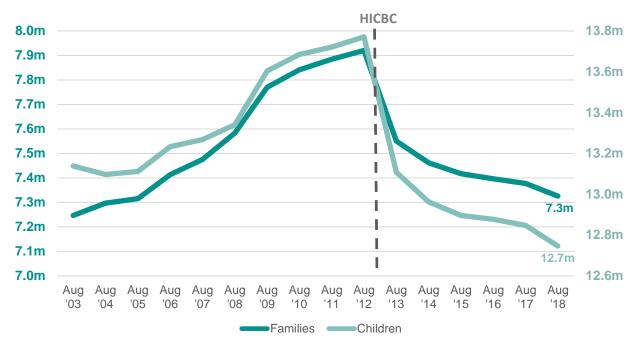
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Following feedback from users this publication includes the following new information and tables:

- A breakdown of the gender of Child Benefit recipients (Table 1);
- The number of new families registering for Child Benefit with respect to the first child in each year between 2004 to 2018, by claimant by gender (Table 12 New);
- Number of new claims for Child Benefit with a child under the age of 12 that have opted out of receiving payment, 2013 to 2018 (Table 13 – New); and
- Number of families that have opted out of receiving Child Benefit payment and registered children within these families by gender of claimant, 2013 to 2018 (Table 14 New)

Overall trends in time series

Figure 1: The number of families in receipt of Child Benefit and the number of children for whom Child Benefit is received, 2003 to 2018



(Source data: Child Benefit Statistics, August '18 - Table 1)

As at the 31st August 2018, there were approximately **7.33m families** in receipt of Child Benefit and **12.75m children** for whom Child Benefit was received. This is a decrease of approximately 50,000 families and 100,000 children when compared with a year earlier in August 2017. The number of families in receipt of Child Benefit and the number of children for whom Child Benefit is received does not include the number of families or children who have claimed Child Benefit but chosen to opt out of receiving payment since the HICBC was introduced in January 2013.

Ahead of August 2013 there had been significant growth in the number of families in receipt of Child Benefit and children for whom Child Benefit is received. However, subsequent to the introduction of the High Income Child Benefit Charge¹ (HICBC) in January 2013, the number of families in receipt of Child Benefit and children for whom Child Benefit is claimed decreased sharply.

The effects of HICBC are still seen in the 2018 statistics. Following the sharp decrease in August 2013, there has been a downward trend in the number of families and children for whom Child Benefit is received. In August 2018, the number of children for whom Child Benefit is received is at its lowest level since HMRC began producing these statistics (in 2003).

¹ https://www.gov.uk/child-benefit-tax-charge

4.0m 3.5m 3.0m 2.5m 2.0m 1.5m 1.0m 0.5m 0.0m Aug '04 '17 '03 '05 '06 '07 '08 '09 '10 '11 '12 '13 '16 ■1 child ■2 children ■3 children 4 or more children

Figure 2: The number of families claiming Child Benefit broken down by family size, August 2003 to August 2018

(Source data: Child Benefit Statistics, August '18 - Table 2)

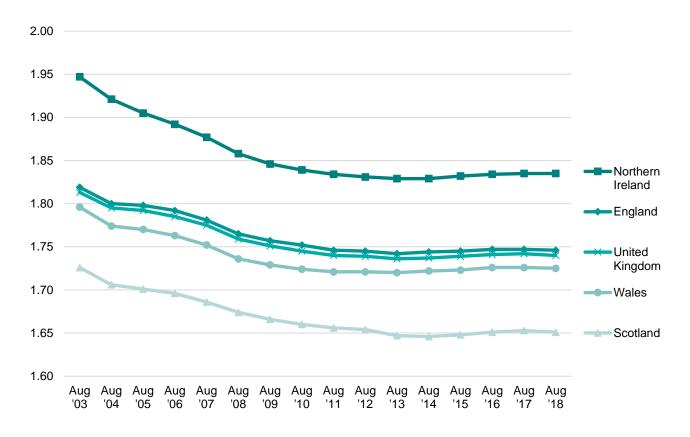
The introduction of the HICBC in January 2013 has resulted in a decrease in the number of families in receipt of Child Benefit. Despite this decrease, the number of families in receipt of Child Benefit for one child remains higher than levels seen in August 2008 and stands at approximately 3.49m families.

Families in receipt of Child Benefit for two children had been steadily increasing from 2003 and peaked in 2012 at approximately 2.95m. After the introduction of HICBC, this particular group then fell by 185,000 to 2.76m in 2013 and has steadily declined to 2.69m in 2018.

Families in receipt of Child Benefit for three children has generally seen a steady decline since 2003 with a net fall of approximately 119,000 where it stood at approx. 828,000 in 2018.

Families with four or more children has remained fairly stable. Although the yearly change within this group has fluctuated between 2003 and 2018, the net change over this entire period amounted to approximately 7,000.

Figure 3: Average number of children for whom Child Benefit is received per family broken down by country, August 2008 to August 2018



(Source data: Child Benefit Statistics, August '18 - Table 1)

The average number of children for whom Child Benefit was received per family in the United Kingdom had fallen each year between 2003 and 2013 from 1.813 to 1.736 (Figure 3). However, in 2014 the average rose slightly to 1.737 and this trend continued until 2017 where it stood at 1.742. In 2018, the average fell slightly and stood at 1.740, a trend seen in all countries with the exception of Northern Ireland which remained at 1.835 between 2017 and 2018.

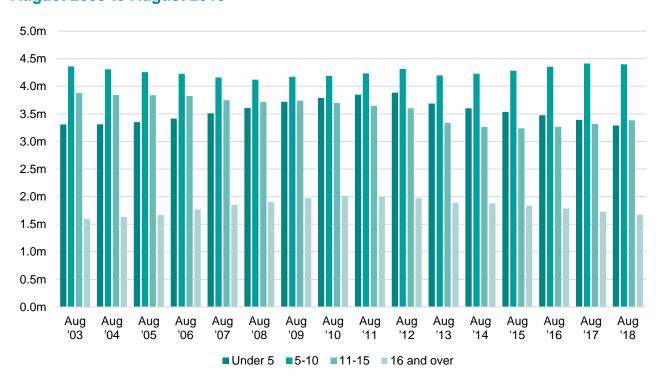


Figure 4: The number of children for whom Child Benefit is received by age group, August 2003 to August 2018

(Source data: Child Benefit Statistics, August '18 - Table 2)

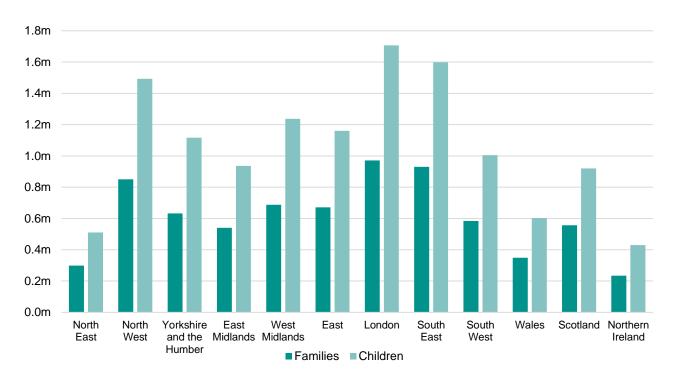
The number of children aged under 5 for whom Child Benefit is received increased by approximately 576,000 between 2003 and 2012 to 3.88m. This group then experienced a continued decline from 2013 of approximately 594,000 where it stood at 3.29m in 2018.

Between 2003 and 2008 the number of children aged between 5 and 10 decreased by approximately 240,000 where it stood at 4.12m. The number of children within this age group then increased by approximately 194,000 between 2008 and 2012 but then fell by 116,000 in 2013. Between 2013 and 2017 the number of children this group then increased by approximately 215,000 before falling by 15,000 in 2018, where it stood at approximately 4.4m.

Children aged between 11 and 15 experienced a continual decline between 2003 and 2015 totalling approximately 637,000, with the largest fall in being attributable to 2013, which accounted for approximately 42% of the total decline in this period. Since 2016, this group then increased by approximately 144,000 in 2018 where it stood at 3.38m.

From 2003 to 2010, the number of children aged 16 and over increased by approximately 416,000 where it peaked in at 2.01m and then subsequently continued to fall through to 2018 where it stood at 1.68m.

Figure 5: The number of families in receipt of Child Benefit and children for whom Child Benefit is being received, by country and English regions, August 2018



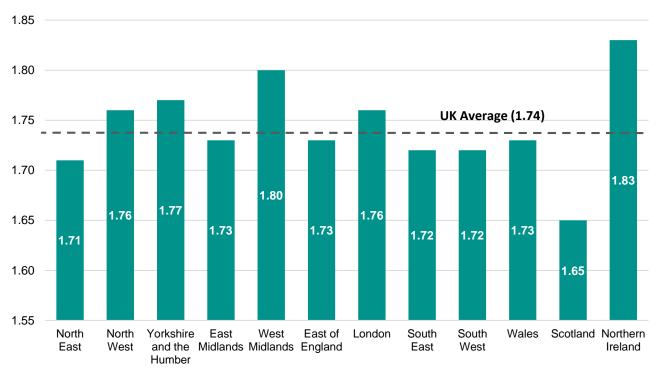
(Source data: Child Benefit Statistics, August '18 - Table 3)

Figure 5 (above) shows the London, the South East and North West to have the highest number of families in receipt of Child Benefit and children for whom Child Benefit is received. This is in line with the population projections/estimates produced by the Office of National Statistics²

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 $^{^{2}\,\}underline{\text{https://www.ons.gov.uk/people population} \text{and community/population} \text{and migration/population} \text{projections}}$

Figure 6: Average number of children for whom Child Benefit is received per family by country and English region, August 2018



(Source data: Child Benefit Statistics, August '18 - Table 3)

In the UK, the average number of children for whom Child Benefit is being received per Child Benefit recipient family is 1.74. We can see that a majority of English regions and Wales fall between +/- 0.03 of this average. Northern Ireland and the West Midlands both have a higher average than the UK, 0.09 and 0.06 higher respectively, whereas Scotland's average is 0.09 lower.

When compared to a year earlier, the average in each regions and country has remained stable with very small movements in Northern Ireland (-0.01), The South West (-0.01) and The North West (+0.01), the latter being the only region/country to experience an increase.

900k
800k
700k
600k
500k

Figure 7: The number of children for whom Child Benefit is received by individual age, August 2018

(Source data: Child Benefit Statistics, August '18 - Table 4 & ONS population projections for UK3)

■ ONS population projections 2018

300k

200k

100k

0k

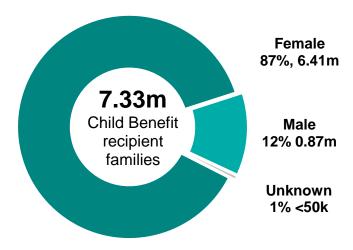
Children registered for Child Benefit, August 2018

Figure 7 shows that the number of children aged between 6 and 16 for whom Child Benefit is received is slightly below the ONS population projections for the same age range. The difference is partly explained by the introduction of the HICBC which resulted in some families choosing to opt-out of receiving Child Benefit (see next section). For children aged 0 to 5 the difference is even larger, and may also reflect the behaviour of some families who are affected by HICBC to not make any claim for Child Benefit when their children were born.

The difference between Child Benefit data and ONS projections is largest for children ages 16 to 19. This is because these children are only included within Child Benefit claims if they meet the eligibility criteria for non-advanced further education or training.

 $^{{}^3\}underline{\text{https://www.ons.gov.uk/people population} and community/population and migration/population projections/bulletins/n}{\underline{\text{ational population projections/2016} based statistical bulletin}}$

Figure 8: The proportion and number of Child Benefit recipient families by gender, August 2018⁴



In August 2018, 87% (6.41m) of Child Benefit recipients were female and 12% were male.

⁴ As the claimant gender is derived from the title provided on the Child Benefit application form, there are instances where we are unable to determine the gender of our claimants as the title is not gender specific.

Families that have opted out of receiving Child Benefit payment

In January 2013, the Government introduced the HICBC. This is a tax charge which does not affect a child's entitlement but the Child Benefit recipient will be liable to pay some or all of their entitlement if their income (**or** their partner's income) is in excess of £50,000 per year. For every £100 an individual earns in excess of £50,000 the tax charge increases by 1%. This means that if the registered Child Benefit recipient (or the recipient's partner) earns £60,000 or more, they will be liable to repay their entire Child Benefit entitlement. Alternatively, if the registered Child Benefit recipient is affected by the HICBC (because either they or their partner earns in excess of £50,000) they can choose to "opt-out" of receiving payments and negate the need to pay the HICBC.

Figure 9: The number of families and children that have opted out of Child Benefit, broken down by country and region at 31st August 2018

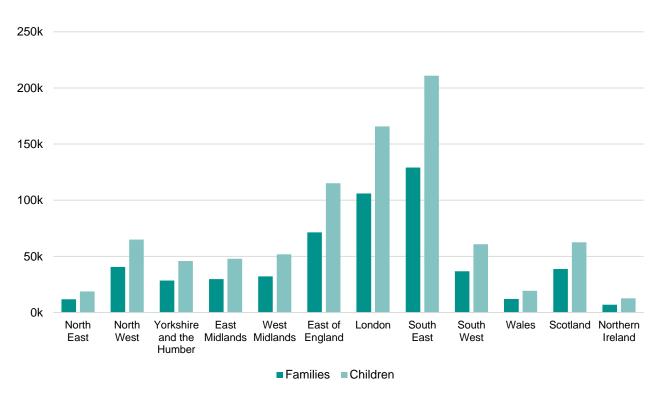
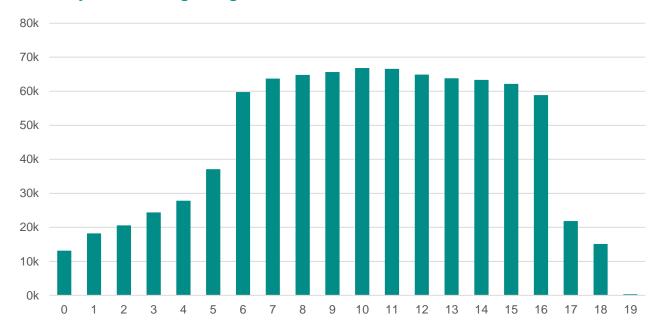


Figure 8 shows that the East of England, London and the South East have the highest number of families that have opted out of receiving Child Benefit.

This aligns with statistics found in the DWP's *Households Below Average Income*, 2016/17, incomes data tables⁵, which shows the East, London and the South East to have the highest average (mean and median) income per week Before Housing Costs.

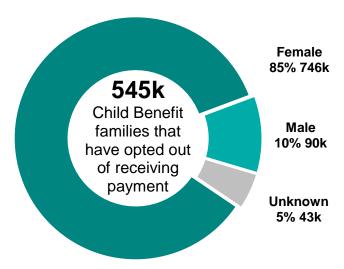
 $^{^{5} \ \}underline{\text{https://www.gov.uk/government/statistics/hbai-199495-to-201617-incomes-data-tables}} \ (2.5 ts)$

Figure 10: The number of children in families that have opted out of receiving Child Benefit by individual age, August 2018



The age distribution of children in families that have opted out of receiving Child Benefit is similar to Children for whom Child Benefit is received (Figure 7 above). The lower number of children at ages 5 or younger is likely to be because families subject to the HICBC (either the potential recipient or recipient's partner earns more than £50,000) will have the option of registering and then opting out of receiving payment or not register to begin with. These figures suggest that these families may have chosen not to register for Child Benefit after learning about the HICBC. For children aged above 16, there are likely to be fewer families that have opted out of receiving Child Benefit with children due to the eligibility criteria for this particular age group, which is seen also in children for whom Child Benefit is received.

Figure 11: The proportion and number of Child Benefit families that have opted out of receiving Child Benefit payment by gender, August 2018⁶



In August 2018, 85% of Child Benefit families that have chosen to opt-out of receiving payment were female and 10% were male.

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⁶ As the claimant gender is derived from the title provided on the Child Benefit application form, there are instances where we are unable to determine the gender of our claimants as the title is not gender specific.

Technical Note

A NATIONAL STATISTICS PUBLICATION

National Statistics are produced to high professional standards set out in the Code of Practice for Official Statistics. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference.

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.

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- · 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.

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What is Child Benefit?

Child Benefit is a payment that you can claim for your child. It is usually paid every four weeks but in some cases can be paid weekly. The payment can be claimed by anyone who qualifies.

As of January 2013, claimants may be liable to a tax charge called the High Income Child Benefit Charge (HICBC). Being liable for this charge does not affect a child's entitlement but any Child Benefit recipient is liable to repay some or all of their Child Benefit back if they or their partner has an individual income of more than £50,000 per year. For every additional £100 over the £50,000 threshold that an individual earns, the tax charge due increases by 1%. This means that any recipient whose income (or partner's income) is over £60,000 will be liable to repay their entire Child Benefit entitlement. Alternatively, claimants affected by the HICBC have the option to opt-out of receiving Child Benefit, thereby ceasing their payments.

Child Benefit is paid to those responsible for children (aged under 16) or qualifying young people. The latter includes those:

- a) in full-time non-advanced education or (from April 2006) on certain approved vocational training courses and who are under 19, or are aged 19 and have been on the same course since their 19th birthdays. (Note: those reaching 19 up to 9 April 2006 ceased to qualify on their 19th birthdays); or
- b) entered for future external examinations, or are in the period between leaving education (or exams finishing) and the week containing the first Monday in September (or similar dates after Easter and in early January, if earlier), and are not in work (there are slight variations for Scotland); or
- c) aged under 18 who have moved directly from full-time education to being registered for work or training with the Careers service or with Connexions.

You can get Child Benefit even if your child doesn't live with you. However, if they live with someone else, you can only get Child Benefit if:

- a) you pay towards the upkeep of your child
- b) what you pay is at least the same as the amount of Child Benefit you get for your child
- c) the person bringing up your child is not getting Child Benefit for them if you and another person both claim Child Benefit for the same child, only one of you can get it

You can also claim Child Benefit for a child even if you're not their parent, but you have to be responsible for them to qualify.

Awards are also subject to residence criteria being satisfied. Under UK domestic law a family is eligible to receive Child Benefit if they are present and ordinarily resident in the UK. Citizens of European Economic Area countries are able to claim Child Benefit as long

as they meet the requirements of the *right to reside*⁷ test, which amongst other requirements means that they must generally be in employment, in self-employment, be self-sufficient, or be a student. There will be no change to the rights and status of EU citizens living in the UK until 2021. Families can apply for *settled status*⁸ to continue living in the UK after June 2021. The scheme will be fully open by March 2019.

There are two separate amounts, with a higher amount for your eldest (or only) child and a lower amount for each of your other children.

For further information about who can claim please refer to the HMRC website: https://www.gov.uk/child-benefit/eligibility

What does this publication tell me?

This publication includes details of the number of families claiming Child Benefit as at 31st August 2018, the number and ages of children within those families and their geographical location. Population counts at Country and English Region level are shown, as well as by Local Authority and Parliamentary Constituency (Westminster and Scottish) in the United Kingdom. This publication also contains details of the number of families that had opted out of receiving Child Benefit as at August 2018, the number and ages of children within those families and their geographical location. Again population counts broken down by Country and English Region, Local Authority and Parliamentary Constituency are provided.

The statistics are as close to real-time as possible and represent the complete picture as at the 31st August, including back-dated awards pertaining to new-births. As these statistics are classified as National Statistics the exact date of publication is pre-announced at least a month in advance with the month published a year ahead in the previous publication.

This publication includes detailed analysis of the Child Benefit population as at 31st August 2018, as well as headline time series figures for each August back to 2003, this is because HM Revenue & Customs took over the responsibility for Child Benefit from April 2003.

Previously and up until April 2003, Child Benefit was administered by the Department of Social Security (now the Department for Work and Pensions).

We also publish detailed small area statistics for Great Britain, at Lower Layer Super Output Area (LSOA) for England and Wales, and Data Zone for Scotland. These statistics are based on the same source data and totals for higher level geographies will match up. The statistics are available with the National Statistics release of these statistics. Currently the small area data is not labelled as National Statistics and appears on the HMRC website and on the Neighbourhood Statistics website.

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⁷ <u>https://www.gov.uk/right-to-reside</u>

⁸ https://www.gov.uk/settled-status-eu-citizens-families

Further geographical statistics, down to Lower Layer Super Output Area (LSOA) in England and Wales, Data Zones in Scotland and Output Areas in Northern Ireland are available from the following sites:

- Office for National Statistics: Neighbourhood Statistics
- Scottish Government: Scottish Neighbourhood Statistics
- Northern Ireland Statistics and Research Agency (NISRA): Northern Ireland Neighbourhood Information Service

Who might be interested?

The statistics contained in this publication will be of interest for anyone that is looking for the latest possible data on Child Benefit. Specifically, there are statistics on the number of children, by age band, in each geographical area. These statistics may be of interest to academics, think tanks as well as Local Government and might be used for comparison to comparable Tax Credits statistics.

Although the number of families that have opted out and the children within those families are included within this publication, we are unable to provide figures on those that have chosen not to claim Child Benefit due to the introduction of the HICBC. This means that the Child Benefit population (up to 16) may not continue to be as useful a proxy for the child population as a whole in future years.

User Engagement

Bespoke analysis of Child Benefit data is possible although there may be a charge depending on the level of complexity and the resources required to produce. If you would like to discuss your requirements, to comment on the current publications, or for further information about the Child Benefit statistics please use the contact information found at the beginning of this publication.

We are committed to improving the official statistics we publish. We want to encourage and promote user engagement, so we can improve our statistical outputs. We would welcome any views you have using the contact information at the beginning of this publication.

National Statistics Review

We carried out a formal review of our National Statistics publications, covering both Tax Credits (provisional and finalised) and Child Benefit in 2011.

The Child Benefit Statistics User Consultation ran from 11 July to 30 September 2011 and covered Child Benefit National Statistics and Official Statistics using an on-line survey.

Following feedback from the consultation, we introduced a new category from the 2012 publication (for August 2011 data) to show the number of families in receipt of CB for four children and five or more children.

Rounding

The figures have been independently rounded to the nearest 5. This can lead to components as shown not summing to totals as shown.

Age bands of data on children

For most tables in this publication, figures showing the age of children for whom CB is claimed have been grouped into four age bands. Figures at a local authority level showing the number of children by single year of age are available in Table 7, with Table 9 tabulating this for opt-outs.