

Statistical Notice

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Coverage: United Kingdom
Theme: Economy

Changes to the Households Below Average Income (HBAI) statistics 2011/12

This Statistical Notice advises users of changes to the 2011/12 Households Below Average Income (HBAI) publication to be published on 13th June 2013.

In summary, the changes are:

- **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 will present the breakdown tables for 2011/12 including the new questions. The time series table will present 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 will be 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 state pension qualifying age for women has been gradually increasing. The changes do not affect the State Pension age of 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 will have 3 years of data on pensioner material deprivation, and will therefore present ethnicity and regional breakdowns for the first time.
- **Ethnicity breakdowns:** The ethnicity figures in the 2011/12 publication will reflect the new harmonised standards published in August 2011. 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.

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What is the HBAI?

The HBAI publication presents information on living standards in the United Kingdom, as determined by net disposable income, and changes in income patterns over time. The main source of data used in this publication is the UK DWP Family Resources Survey (FRS). The HBAI is used for the analysis of low income by researchers and the government.

The HBAI publication presents the following main measures of low income:

- **relative low income** - defined as below 50/60/70 per cent of the average income¹ of the year in question.
- **absolute low income** - defined as below 50/60/70 per cent of average income¹ in the base year adjusted for inflation.
- **income inequality**, as measured by the Gini coefficient, ranges from 0% (when everybody has identical incomes) to 100% (when all income goes to only one person).

In addition, the publication presents information on the material deprivation experienced by children in families and by pensioners.

[Chapter 1](#) and [Appendix 2](#) of the 2010/11 HBAI report present information on the reliability of the HBAI results.

The HBAI uses variants of the Retail Price Index (RPI) to adjust for inflation. The 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 Jevons 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 issues.

¹ In the HBAI statistics 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.

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 will amend 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;

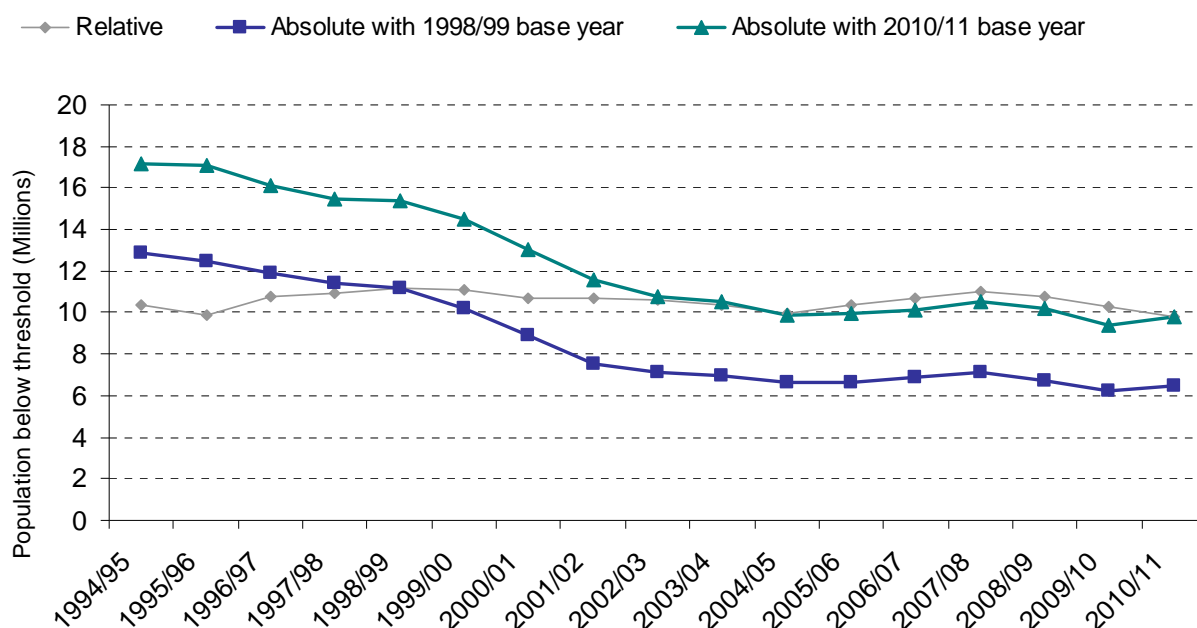
Chapter 5 - 5.2tr, 5.4tr, 5.5tr, 5.6tr, 5.7ts, 5.8ts, 5.9ts, 5.13ts, 5.14ts, 5.15ts;

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’.

Firstly, Chart 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.

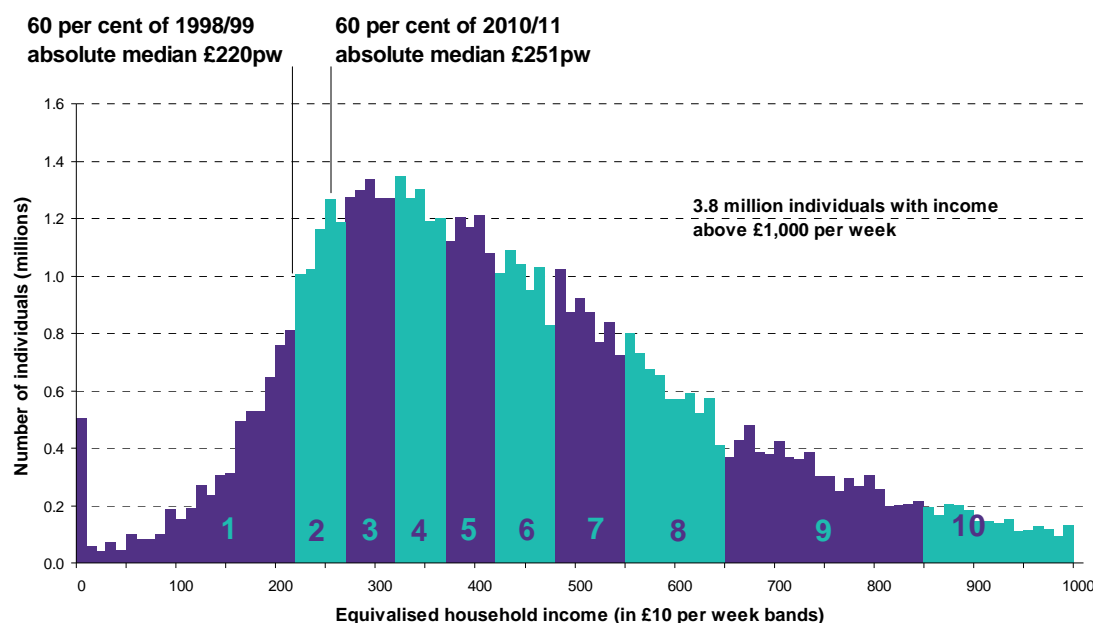
Chart 1: Comparison of relative, absolute with 1998/99 as base year and absolute with 2010/11 as base year, indicators over time 1994/95 to 2010/11, all measures are shown as 60 per cent of the various median incomes, Before Housing Costs (BHC).



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

Secondly, the change in base year means that the absolute low income threshold has moved from £220 to £251 per week in 2010/11². When this shift is shown in the context of the income distribution, as in Chart 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.

Chart 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.

Tables 3.2tr, 3.4tr, 4.2tr, 4.4tr, 5.2tr, 5.4tr, 6.2tr and 6.4tr attached, present the absolute low income measure against the 2010/11 reference year adjusted for inflation for the years 1979 to 2010/11.

² In 2010/11 prices.

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 old 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 to 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).

Table 4.5tr attached, presents the material deprivation measures for the years 2004/05 to 2010/11, with the 2010/11 figures on both bases. 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 (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 of 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) will change 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 3 years of data on pensioner material deprivation, and will therefore 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 will therefore adopt 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.

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

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.

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	

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

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.

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
2010/11	1.2	2.3	3.8	2.2	3.6	4.8	13.0	

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 questions					
	2010/11	13	1.7	4	0.5	13.0

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.

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

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.

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

Table 5.4tr: Number of working-age adults falling below various thresholds of 2010/11 median income held constant in real terms, United Kingdom^{1,2}

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

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

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.

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			All pensioners
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
FES (UK) ⁴	1979	5.5	6.6	7.3	5.5	6.5	7.3	9.1
	1981	5.3	6.6	7.4	5.4	6.5	7.4	9.5
	1987	4.5	5.9	7.0	4.7	5.9	6.8	9.9
	1988 and 1989	4.6	5.9	6.8	4.6	5.7	6.5	9.9
	1990 and 1991	4.1	5.4	6.5	4.1	5.2	6.2	10.1
	1991 and 1992	3.7	5.1	6.3	3.9	5.0	6.0	10.2
	1992 and 1993	3.2	4.9	6.1	3.7	4.9	5.9	10.2
	1993/94 to 1994/95	2.6	4.6	5.9	3.4	4.6	5.7	10.2
	1994/95 to 1995/96	2.3	4.3	5.7	3.2	4.3	5.4	10.1
	1995/96 to 1996/97	2.2	4.1	5.4	3.1	4.2	5.3	10.2
FRS (GB)	1994/95	2.7	4.5	5.8	3.5	4.7	5.7	9.9
	1995/96	2.6	4.5	5.8	3.4	4.6	5.6	9.9
	1996/97	2.3	4.1	5.4	3.1	4.2	5.3	9.9
	1997/98	2.2	3.9	5.3	2.9	4.1	5.1	10.0
FRS (UK)	1998/99	2.3	4.0	5.3	2.9	4.0	5.0	10.3
	1999/00	2.0	3.6	5.0	2.4	3.7	4.7	10.3
	2000/01	1.7	3.2	4.7	1.9	3.3	4.3	10.3
	2001/02	1.5	2.9	4.3	1.4	3.0	4.1	10.4
	2002/03	1.4	2.6	4.1	1.1	2.5	3.8	10.5
	2003/04	1.3	2.5	3.9	1.0	2.1	3.5	10.5
	2004/05	1.1	2.2	3.6	0.8	1.7	3.0	10.7
	2005/06	1.1	2.2	3.4	0.8	1.6	2.9	10.8
	2006/07	1.3	2.4	3.6	1.0	1.8	3.0	10.9
	2007/08	1.3	2.4	3.6	1.0	1.7	2.8	11.1
	2008/09	1.1	2.1	3.3	1.0	1.6	2.7	11.3
	2009/10	0.9	1.9	3.0	0.9	1.5	2.6	11.5
2010/11	1.0	2.0	3.3	1.0	1.7	2.8	11.7	