

Benefit units in receipt of at least one income related benefit or tax credit, and the number of individuals within those benefit units, Great Britain

July 2012

# Background

This analysis has been carried out using the Family Resources Survey (FRS), 1996/97 to 2010/11.

The FRS is a nationally representative sample of approximately 25,000 UK private households. Data for 2010-11 was collected between April 2010 and March 2011. The figures from the FRS are based on a sample of households which have been adjusted for non-response using multi-purpose grossing factors which align the estimates to region populations by age and sex. Estimates are subject to sampling error and remaining non-response error.

The FRS collects information on the incomes and circumstances of private households in the United Kingdom. This report provides results for benefit units in Great Britain who are in receipt of at least one income related benefit or tax credit.

## *Benefit Unit*

A benefit unit is defined to be a single adult or a married or cohabiting couple and any dependent children; since January 2006 same-sex partners (civil partners and cohabitees) have been included in the same benefit unit.

## *Income Related Benefits*

Income related benefits include Income Support, Pension Credit, Housing Benefit, Council Tax Benefit, Job Seekers Allowance (income based element) and Employment Support Allowance (income based element). For more information, including a comprehensive list of benefits captured on the FRS, please see the FRS publication glossary: [http://research.dwp.gov.uk/asd/frs/2010\\_11/glossary.pdf](http://research.dwp.gov.uk/asd/frs/2010_11/glossary.pdf) . For the purposes of this analysis a benefit unit has been defined as in receipt of an income related benefit if a positive income from an income related benefit has been reported.

## *Tax Credits*

Child Tax Credit and Working Tax Credit replaced Working Families Tax Credit, Disabled Persons Tax Credit, Children's Tax Credit and the child dependency element for all new claims to the following benefits:

- Income Support
- Jobseeker's Allowance (income based)
- Bereavement Benefit
- Incapacity Benefit
- Retirement Pension
- Severe Disablement Allowance

Tax credits are paid by HM Revenue & Customs (HMRC).

- Child Tax Credit: provides support to families with children, and replaced the child dependent elements that were previously paid within the benefits named above, and with Working Families Tax Credit and Disabled Persons Tax Credit, as well as Children's Tax Credit.
- Working Tax Credit: is a payment to top up the earnings of working people on low incomes, including those who do not have children. There are extra credits for those recipients in working households where someone has a disability. Working Tax Credit is available to employees and the self-employed, and includes support for the costs of qualifying childcare, thus replacing Childcare Tax Credit.

For the purposes of this analysis a benefit unit has been defined as in receipt of a tax credit if receipt of a tax credit has been reported.

Working and Child Tax Credits were introduced in 2003/04, for earlier years this analysis includes Working Families' Tax Credit, Family Credit, Disability Working Allowance, Disabled Person's Tax Credit and Children's Tax Credit.

More information on tax credits can be found on the HMRC website: <http://www.hmrc.gov.uk/TAXCREDITS> .

## Results

### Percentage of benefit units in receipt of at least one income related benefit or tax credit, Great Britain

Year	Percentage of benefit units	Sample size (=100%)
1996/97	25	30,432
1997/98	24	27,982
1998/99	24	27,292
1999/00	23	29,575
2000/01	23	28,093
2001/02	22	30,037
2002/03	22	31,873
2003/04	29	31,907
2004/05	31	30,825
2005/06	30	31,012
2006/07	30	27,984
2007/08	30	27,116
2008/09	30	27,122
2009/10	31	27,061
2010/11	32	27,434

Source: Family Resources Survey 1996/97-2010/11

**Number of benefit units in receipt of at least one income related benefit or tax credit and the number of individuals within those benefit units, Great Britain**

Year	Number of benefit units	Number of individuals	<i>Benefit unit sample size</i>	<i>Individuals sample size</i>
1996/97	7,300,000	13,700,000	8,236	16,205
1997/98	7,000,000	13,100,000	7,240	14,112
1998/99	7,000,000	13,100,000	6,942	13,636
1999/00	6,800,000	12,700,000	7,286	14,378
2000/01	6,700,000	12,900,000	6,866	13,767
2001/02	6,500,000	13,000,000	7,084	14,693
2002/03	6,600,000	13,100,000	7,786	15,947
2003/04	8,800,000	21,100,000	10,392	25,253
2004/05	9,200,000	22,300,000	10,525	25,825
2005/06	9,300,000	21,700,000	10,259	24,406
2006/07	9,300,000	21,500,000	9,412	22,523
2007/08	9,300,000	21,600,000	9,064	21,453
2008/09	9,400,000	21,400,000	9,009	21,262
2009/10	9,900,000	22,600,000	9,304	21,839
2010/11	10,100,000	23,100,000	9,378	22,149

Source: Family Resources Survey 1996/97-2010/11

Notes

1. Percentages have been rounded to the nearest 1 per cent.
2. Numbers have been rounded to the nearest 100,000.
3. The FRS is known to under-record benefit receipt. Please see table M6 for more information: [http://research.dwp.gov.uk/asd/frs/2010\\_11/chapter9.pdf](http://research.dwp.gov.uk/asd/frs/2010_11/chapter9.pdf) .
4. 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.
5. Figures for 2008/09 and 2009/10 have been revised. For more details please see: [http://research.dwp.gov.uk/asd/hbai/hbai\\_revision\\_due\\_to\\_ni\\_tax\\_changes.pdf](http://research.dwp.gov.uk/asd/hbai/hbai_revision_due_to_ni_tax_changes.pdf) .

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