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HOUSEHOLDS BELOW AVERAGE INCOME STATISTICS

The Households Below Average Income statistical report (HBAI) for the period 1994/95-2009/10 is published today. This National Statistics First Release contains a digest of key results taken from this publication. All results are estimates, based on data from the Family Resources Survey (FRS) drawn from a sample of private households in the United Kingdom.

The main report results are for 2009/10 using modified OECD equivalisation scales, with the geographical coverage being the United Kingdom. The reference year for absolute low-income results is 1998/99.

Figures are rounded to the nearest 100,000 or percentage point meaning figures may not sum exactly due to rounding. All figures in this First Release are in the HBAI statistical report.

RELATIVE LOW-INCOME INDICATORS

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

Children – In 2009/10, 20 per cent of children (2.6 million) were in households in the UK with incomes below 60 per cent of contemporary median net disposable household income Before Housing Costs (BHC), and 29 per cent (3.8 million) After Housing Costs (AHC).

Compared to 2008/09, this represents a fall of 2 percentage points (0.2m) on a BHC basis and a fall of 1 percentage point (0.1m) AHC.

Compared to 1998/99, this represents a fall of 6 percentage points (0.9m) on a BHC basis and a fall of 5 percentage points (0.7m) AHC.

Working-age adults – In 2009/10, 16 per cent of working-age adults (5.7 million) were in households in the UK with incomes below 60 per cent of contemporary median net disposable household income Before Housing Costs (BHC), and 22 per cent (7.9 million) After Housing Costs (AHC).

Compared to 2008/09, this was flat in percentage point terms (a fall of 0.1m) on a BHC basis and was flat in percentage point terms (a rise of 0.1m) AHC.

Compared to 1998/99, this represents a rise of 1 percentage point (0.7m) on a BHC basis and a rise of 2 percentage points (1.2m) AHC.

Pensioners – In 2009/10, 18 per cent of pensioners (2.1 million) were in households in the UK with incomes below 60 per cent of contemporary median net disposable household income Before Housing Costs (BHC), and 16 per cent (1.8 million) After Housing Costs (AHC).

Compared to 2008/09, this represents a fall of 2 percentage points (0.2m) on a BHC basis and no change AHC.

Compared to 1998/99, this represents a fall of 8 percentage points (0.6m) on a BHC basis and a fall of 13 percentage points (1.1m) AHC.

Whole Population – In 2009/10, 17 per cent of people (10.4 million) were in households in the UK with incomes below 60 per cent of contemporary median net disposable household income Before Housing Costs (BHC), and 22 per cent (13.5 million) After Housing Costs (AHC).

Compared to 2008/09, this represents a fall of 1 percentage point (0.5m) on a BHC basis and no change AHC.

Compared to 1998/99, this represents a fall of 2 percentage points (0.8m) on a BHC basis and a fall of 2 percentage points (0.6m) AHC.

Issued by:
HBAI team
Information Directorate
Dept for Work and Pensions

Telephone:
Press Office: 020 3267 5144

DWP website:
www.dwp.gov.uk

Statistician:
Peter Matejic
Information Directorate
Dept for Work and Pensions
6th floor, Caxton House
Tothill Street
London SW1H 9NA

Telephone: 020 7449 7337
Facsimile: 020 7449 7123
email:
team.hbai@dwp.gsi.gov.uk

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'ABSOLUTE' LOW-INCOME INDICATORS

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

Children – In 2009/10, 11 per cent of children (1.4 million) were in households in the UK with incomes below 60 per cent of 1998/99 median net disposable household income held constant in real terms Before Housing Costs (BHC), and 18 per cent (2.3 million) After Housing Costs (AHC).

Compared to 2008/09, this represents a fall of 2 percentage points (0.2m) on a BHC basis and a fall of 1 percentage point (0.1m) AHC.

Compared to 1998/99, this represents a fall of 15 percentage points (2.0m) on a BHC basis and a fall of 16 percentage points (2.1m) AHC.

Working-age adults – In 2009/10, 10 per cent of working-age adults (3.7 million) were in households in the UK with incomes below 60 per cent of 1998/99 median net disposable household income held constant in real terms Before Housing Costs (BHC), and 15 per cent (5.5 million) After Housing Costs (AHC).

Compared to 2008/09, this was flat in percentage point terms (a fall of 0.2m) on a BHC basis and no change AHC.

Compared to 1998/99, this represents a fall of 4 percentage points (1.3m) on a BHC basis and a fall of 4 percentage points (1.1m) AHC.

Pensioners – In 2009/10, 10 per cent of pensioners (1.1 million) were in households in the UK with incomes below 60 per cent of 1998/99 median net disposable household income held constant in real terms Before Housing Costs (BHC), and 8 per cent (0.9 million) After Housing Costs (AHC).

Compared to 2008/09, this represents a fall of 2 percentage points (0.2m) on a BHC basis and a fall of 1 percentage point (0.1m) AHC.

Compared to 1998/99, this represents a fall of 17 percentage points (1.6m) on a BHC basis and a fall of 21 percentage points (2.1m) AHC.

Whole Population – In 2009/10, 10 per cent of people (6.2 million) were in households in the UK with incomes below 60 per cent of 1998/99 median net disposable household income held constant in real terms Before Housing Costs (BHC), and 14 per cent (8.7 million) After Housing Costs (AHC).

Compared to 2008/09, this represents a fall of 1 percentage point (0.6m) on a BHC basis and was flat in percentage point terms (a fall of 0.2m) AHC.

Compared to 1998/99, this represents a fall of 9 percentage points (5.0m) on a BHC basis and a fall of 10 percentage points (5.3m) AHC.

RELATIVE LOW INCOME AND MATERIAL DEPRIVATION INDICATOR

This is an additional indicator of child poverty complimenting the Before Housing Costs based relative and absolute low-income indicators above. In 2009/10, 16 per cent of children (2.0 million) were living in UK households in low income and material deprivation. This represents fall of 1 percentage point (0.1m) since 2008/09.

SEVERE RELATIVE LOW INCOME AND MATERIAL DEPRIVATION INDICATOR (SEVERE POVERTY)

This is also an additional indicator of child poverty complimenting the Before Housing Costs based relative and absolute low-income indicators above. In 2009/10, 5 per cent of children (0.7 million) were living in UK households in severe low income and material deprivation. This represents fall of 1 percentage point (0.1m) since 2008/09.

MATERIAL DEPRIVATION INDICATOR FOR PENSIONERS

This is an additional indicator of pensioner poverty complimenting the After Housing Costs based relative and absolute low-income indicators above. In 2009/10, 9 per cent of pensioners aged 65 or over (0.9 million) were materially deprived. This is the first year of this indicator.

GROUPS WITH AN ABOVE AVERAGE PROPORTION IN LOW INCOME IN 2009/10

In 2009/10, 17 per cent of the population lived in households with below 60 per cent of contemporary median income Before Housing Costs, 22 per cent on an After Housing Costs basis. The following were among the groups who were more likely to be in relative low income:

- **Children** – In particular, children in workless families, lone-parent families, and those in families with three or more children. These patterns applied on both Before Housing Costs and After Housing Costs bases but all these groups have shown falls in the proportion in low income since 1998/99.
- **Pensioners** – Those privately renting, those having no occupational/personal pensions and those living alone had a higher risk of low income when compared with the overall UK population on both Before Housing Costs and After Housing Costs bases. The proportion of private renters in low income has fallen since 1998/99.
- **Workless households** – Over half of working-age adults in workless households were living in low-income households on a Before Housing Cost basis, with over six in ten living in low-income households on an After Housing Cost basis.
- **Ethnic minorities** – Households headed by a member of certain ethnic minority communities were more likely to have low incomes. This was particularly the case for households headed by someone of Pakistani or Bangladeshi ethnic origin, with around half of this group living in households with below 60 per cent of median income on both Before Housing Costs and After Housing Costs bases.
- **Disabled people** – Individuals in families containing one or more disabled people were more likely to live in low-income households than those in families with no disabled people. This pattern applies on both Before Housing Costs and After Housing Costs bases.
- **Social rented sector tenants** – Individuals in this group were more likely to live in low-income households than other tenure types, with more than three in ten living in households with below 60 per cent of median income Before Housing Costs, and almost half on an After Housing Costs basis.
- **No educational qualifications** – Working-age adults living in families in which the adults had no educational qualification were more likely to live in low income than those with a qualification. On both Before and After Housing Costs bases, around one in three working-age adults without qualifications lived in households with below 60 per cent of median income.
- **Region / country** - Individuals living in the North East, West Midlands and Northern Ireland were most likely to live in low-income households on a Before Housing Costs basis, with individuals in Inner London more likely on an After Housing Cost basis. Those living in the East, South East, South West and Scotland were least likely to live in low-income households on both bases.

THE INCOME DISTRIBUTION IN 2009/10 – ACTUAL MONEY VALUES

In order to allow comparisons of living standards between different household types, income is adjusted to take into account variations in the size and composition of the household in a process known as equivalisation. This adjustment reflects the common sense notion that a household of several people requires a higher income than a single person in order for both households to enjoy a comparable standard of living. Therefore, the majority of monetary amounts presented in HBAI are on this equivalised basis and do not reflect actual money amounts for any family type other than a couple with no children (which is the benchmark used for equivalisation). The median income Before Housing Costs is £413 per week and 60 per cent of this median is £248 per week (see Table 1 overleaf).

INCOME CHANGE AND INEQUALITY

There was income growth, in real terms, across each quintile of the income distribution between 1998/99 and 2009/10. Between 2008/09 and 2009/10, the poorest 20 per cent of the population saw their incomes rise in real terms on a Before Housing Costs basis and on an After Housing Costs basis.

Income inequality, as measured by the Gini Coefficient, is stable on both a Before Housing Costs and After Housing Costs basis (see notes for editors for a definition of the Gini coefficient).

Table 1 shows cash equivalent household incomes for different family types, corresponding to the overall equivalised 2009/10 income distribution Before Housing Costs:

£pw equivalised 2009/10 prices								Source: FRS 2009/10
	Mean	Median	60% median	Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile
Before Housing Costs								
Couple with no children (equivalised income benchmark)	517	413	248	< 263	263 - 358	359 - 475	476 - 657	658 +
Single with no children	346	276	166	< 176	176 - 240	241 - 318	319 - 440	441 +
Couple with two children aged 5 and 14	791	631	379	< 402	402 - 548	549 - 726	727 - 1,005	1,006 +
Single with two children aged 5 and 14	620	495	297	< 316	316 - 429	430 - 570	571 - 788	789 +

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 2009/10 for a couple (the equivalised income reference) was £248 per week. This translates to a reference income of £166 for a single person with no children. This implies that a single person with no children with a cash income of £166 or less is below 60 per cent of median equivalised income for the population as a whole.

MATERIAL DEPRIVATION FOR CHILDREN

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 each of 21 goods and services. 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 included in the HBAI publication with the accompanying relative low income and material deprivation measure of child poverty.

These questions can be used as an additional way of measuring living standards for children and their families. Table 7, attached, taken from the publication, gives an illustration of the information obtained.

Not surprisingly, children in the higher income quintiles are less likely to be deprived of an item or service. For example, only 3 per cent of children in the top quintile Before Housing Costs are lacking outdoor space / facilities to play safely, in contrast to around a fifth of children in the bottom quintile who lack this. Just 7 per cent of children in the top income quintile do not have at least one week's holiday away from home, but more than half of children in the bottom quintile cannot afford such a holiday.

MATERIAL DEPRIVATION FOR PENSIONERS

A suite of questions designed to capture the material deprivation experienced by pensioners has been included in the Family Resources Survey since May 2008. Respondents are asked whether they have access to 15 goods and services. If 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.

There is one exception to this; for the unexpected expense question, 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

An analysis of how pensioners responded to these questions by their location on the income distribution is given in Table 8, attached, taken from the publication.

Almost half of pensioners in the lowest quintile both Before and After Housing Costs were unable to take a holiday away from home, the most common reason across all quintiles for this was health or disability prevents them. Over four-fifths of pensioners in the lowest quintile would be able to pay an unexpected

expense of £200; the most common way of doing this across all quintiles was to use savings. Only 1 per cent of all pensioners did not have at least one filling meal a day.

ADDITIONAL TABLES

The following tables are included overleaf:

- **Table 2.1** - Percentage of individuals below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.
- **Table 2.2** - Number of individuals below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.
- **Table 3.1** - Percentage of children below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.
- **Table 3.2** - Number of children below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.
- **Table 3.3** - Percentage and number of children falling below thresholds of low income and material deprivation 2004/05 to 2009/10
- **Table 4.1** - Percentage of working-age adults below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.
- **Table 4.2** - Number of working-age adults below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.
- **Table 5.1** - Percentage of pensioners below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.
- **Table 5.2** - Number of pensioners below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.
- **Table 6** - Money values and real-terms changes since 1994/95 of decile medians and overall population mean in 2009/10 prices
- **Table 7** - Material Deprivation. Quintile distribution of income (Before Housing Costs) for children by whether they have the material deprivation items and services, United Kingdom, 2009/10.
- **Table 8** - Material Deprivation. Quintile distribution of income (After Housing Costs) for pensioners by whether they have the material deprivation items and services, United Kingdom, 2009/10.

Table 2.1

Percentage of individuals below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.

Percentage of individuals		Source: FRS					
		Before Housing Costs Below median			After Housing Costs Below median		
		50%	60%	70%	50%	60%	70%
Contemporary income thresholds							
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
Change	1998/99-2009/10 ^{2,3}	-1	-2	-3	-1	-2	-1
	2008/09-2009/10 ^{2,3}	-1	-1	-1	-1	0	0

Percentage of individuals		Source: FRS					
		Before Housing Costs Below median			After Housing Costs Below median		
		50%	60%	70%	50%	60%	70%
1998/99 income thresholds held constant in real terms							
FRS (GB)	1994/95	13	23	32	20	29	36
	1995/96	12	23	32	19	28	36
	1996/97	12	21	30	19	27	34
	1997/98	11	20	29	18	25	32
FRS (UK)	1998/99	11	19	28	16	24	31
	1999/00	9	18	26	14	22	29
	2000/01	9	15	24	12	20	26
	2001/02	7	13	21	10	17	24
	2002/03	7	12	20	9	15	22
	2003/04	7	12	19	9	15	21
	2004/05	6	11	18	9	13	19
	2005/06	7	11	18	9	14	20
	2006/07	7	12	18	10	14	20
	2007/08	7	12	18	10	15	20
	2008/09	7	11	18	10	15	20
	2009/10	6	10	17	10	14	20
Change	1998/99-2009/10 ^{2,3}	-5	-9	-12	-6	-10	-11
	2008/09-2009/10 ^{2,3}	-1	-1	-1	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.
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.

Table 2.2

Number of individuals below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.

Number of individuals (millions)		Source: FRS						
		Before Housing Costs			After Housing Costs			All individuals
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
Contemporary income thresholds								
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	6.3	10.9	15.6	9.4	13.4	17.7	60.3
	2009/10	5.9	10.4	15.4	9.2	13.5	17.9	60.7
Change	1998/99-2009/10 ^{2,3}	-0.2	-0.8	-0.7	-0.2	-0.6	0.2	3.1
	2008/09-2009/10 ^{2,3}	-0.4	-0.5	-0.2	-0.3	0.0	0.3	0.4

Number of individuals (millions)		Source: FRS						
		Before Housing Costs			After Housing Costs			All individuals
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
1998/99 income thresholds held constant in real terms								
FRS (GB)	1994/95	7.2	12.9	18.0	11.2	15.8	19.7	55.3
	1995/96	6.9	12.5	17.8	10.8	15.7	19.7	55.5
	1996/97	6.6	11.9	16.7	10.4	15.0	18.6	55.6
	1997/98	6.3	11.4	16.2	9.8	14.1	17.7	55.7
FRS (UK)	1998/99	6.1	11.2	16.1	9.3	14.0	17.8	57.5
	1999/00	5.4	10.2	15.3	8.3	12.9	16.7	57.7
	2000/01	4.9	8.9	13.7	7.0	11.5	15.3	57.9
	2001/02	4.0	7.5	12.2	5.8	9.7	13.7	58.1
	2002/03	3.9	7.1	11.5	5.4	8.8	12.7	58.3
	2003/04	3.9	7.0	11.2	5.5	8.6	12.0	58.5
	2004/05	3.6	6.6	10.6	5.2	7.8	11.2	58.8
	2005/06	3.9	6.6	10.7	5.4	8.2	11.6	59.1
	2006/07	4.1	6.9	10.8	5.8	8.6	11.8	59.5
	2007/08	4.2	7.1	11.1	5.9	8.7	12.1	59.9
	2008/09	4.1	6.8	10.7	6.1	8.9	12.1	60.3
	2009/10	3.7	6.2	10.0	6.0	8.7	12.0	60.7
Change	1998/99-2009/10 ^{2,3}	-2.4	-5.0	-6.1	-3.3	-5.3	-5.8	3.1
	2008/09-2009/10 ^{2,3}	-0.4	-0.6	-0.7	-0.1	-0.2	-0.2	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.

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.

Table 3.1

Percentage of children below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.

Percentage of children		Before Housing Costs			After Housing Costs			Source: FRS
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
Contemporary income thresholds								
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	
Change	1998/99-2009/10 ^{2,3}	-3	-6	-5	-5	-5	-3	
	2008/09-2009/10 ^{2,3}	-1	-2	-1	-1	-1	-1	

Percentage of children		Before Housing Costs			After Housing Costs			Source: FRS
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
1998/99 income thresholds held constant in real terms								
FRS (GB)	1994/95	17	30	40	28	37	45	
	1995/96	16	29	40	27	37	46	
	1996/97	16	29	38	27	36	44	
	1997/98	15	28	38	26	34	42	
FRS (UK)	1998/99	14	26	36	24	34	41	
	1999/00	11	23	34	21	31	39	
	2000/01	9	19	30	16	27	35	
	2001/02	7	15	27	13	23	32	
	2002/03	7	14	25	11	21	29	
	2003/04	7	14	24	11	20	28	
	2004/05	7	13	23	11	18	27	
	2005/06	7	13	23	11	19	27	
	2006/07	8	13	23	12	19	27	
	2007/08	7	13	23	12	19	28	
	2008/09	7	12	21	12	19	27	
	2009/10	6	11	19	11	18	26	
Change	1998/99-2009/10 ^{2,3}	-7	-15	-17	-13	-16	-15	
	2008/09-2009/10 ^{2,3}	-1	-2	-3	-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.

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 individuals below thresholds for any pair of years shown.

Table 3.2

Number of children below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.

Number of children (millions)		Before Housing Costs			After Housing Costs			Source: FRS
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	All children
Contemporary income thresholds								
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	1998/99-2009/10 ^{2,3}	-0.5	-0.9	-0.7	-0.7	-0.7	-0.5	-0.1
	2008/09-2009/10 ^{2,3}	-0.1	-0.2	-0.1	-0.1	-0.1	0.0	0.2

Number of children (millions)		Before Housing Costs			After Housing Costs			Source: FRS
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	All children
1998/99 income thresholds held constant in real terms								
FRS (GB)	1994/95	2.1	3.8	5.1	3.5	4.7	5.7	12.6
	1995/96	2.0	3.7	5.1	3.5	4.7	5.8	12.7
	1996/97	2.0	3.7	4.9	3.4	4.6	5.6	12.7
	1997/98	1.9	3.5	4.8	3.3	4.4	5.3	12.7
FRS (UK)	1998/99	1.8	3.4	4.8	3.1	4.4	5.4	13.1
	1999/00	1.5	3.1	4.5	2.7	4.1	5.1	13.2
	2000/01	1.2	2.5	3.9	2.1	3.6	4.6	13.1
	2001/02	0.9	2.0	3.5	1.6	3.0	4.2	13.1
	2002/03	0.9	1.8	3.2	1.5	2.7	3.8	13.0
	2003/04	0.9	1.8	3.1	1.5	2.5	3.6	13.0
	2004/05	0.9	1.7	2.9	1.4	2.3	3.4	12.9
	2005/06	0.9	1.6	2.9	1.4	2.4	3.4	12.8
	2006/07	1.0	1.7	2.9	1.5	2.5	3.5	12.8
	2007/08	1.0	1.7	2.9	1.5	2.5	3.6	12.8
	2008/09	0.9	1.6	2.7	1.5	2.4	3.4	12.8
	2009/10	0.8	1.4	2.5	1.4	2.3	3.4	13.0
Change	1998/99-2009/10 ^{2,3}	-1.0	-2.0	-2.3	-1.7	-2.1	-2.1	-0.1
	2008/09-2009/10 ^{2,3}	-0.1	-0.2	-0.3	-0.1	-0.1	-0.1	0.2

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.

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 individuals below thresholds for any pair of years shown.

Table 3.3

Percentage and number of children falling below thresholds of low income and material deprivation 2004/05 to 2009/10.

Children						Source: FRS
		Low income and material deprivation¹		Severe low income and material deprivation²		All children
		Percentage	Number	Percentage	Number	
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	2.0	5	0.7	13.0
Change	2008/09-2009/10 ^{3,4}	-1	-0.1	-1	-0.1	0.2

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

Table 4.1

Percentage of working-age adults below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.

Percentage of working-age adults		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	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	21	27
	2009/10	10	16	22	16	22	28
Change	1998/99-2009/10 ^{2,3}	1	1	2	2	2	3
	2008/09-2009/10 ^{2,3}	0	0	0	0	0	1

Percentage of working-age adults		Source: FRS					
		Before Housing Costs			After Housing Costs		
		Below median			Below median		
		50%	60%	70%	50%	60%	70%
1998/99 income thresholds held constant in real terms							
FRS (GB)	1994/95	11	18	25	17	23	29
	1995/96	10	17	24	17	23	29
	1996/97	10	16	23	16	22	27
	1997/98	9	16	22	15	20	25
FRS (UK)	1998/99	8	15	21	14	19	25
	1999/00	8	14	20	13	18	23
	2000/01	8	13	18	12	17	22
	2001/02	6	11	16	10	15	19
	2002/03	6	10	16	10	14	19
	2003/04	6	10	16	10	14	18
	2004/05	6	10	15	9	13	18
	2005/06	7	10	15	10	14	19
	2006/07	6	10	15	10	14	18
	2007/08	7	11	16	10	14	19
	2008/09	7	11	16	11	15	20
	2009/10	6	10	15	11	15	20
Change	1998/99-2009/10 ^{2,3}	-2	-4	-6	-3	-4	-5
	2008/09-2009/10 ^{2,3}	0	0	-1	0	0	0

Notes:

- FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.
- Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties.
- 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 individuals below thresholds for any pair of years shown.

Table 4.2

Number of working-age adults below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.

Number of working-age adults (millions)		Source: FRS						
		Before Housing Costs Below median			After Housing Costs Below median			All working-age adults
		50%	60%	70%	50%	60%	70%	
Contemporary income thresholds								
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	10.0	36.2
Change	1998/99-2009/10 ^{2,3}	0.6	0.7	1.0	1.0	1.2	1.6	2.0
	2008/09-2009/10 ^{2,3}	-0.1	-0.1	0.2	0.0	0.1	0.3	0.0

Number of working-age adults (millions)		Source: FRS						
		Before Housing Costs Below median			After Housing Costs Below median			All working-age adults
		50%	60%	70%	50%	60%	70%	
1998/99 income thresholds held constant in real terms								
FRS (GB)	1994/95	3.5	5.9	8.1	5.7	7.5	9.4	32.8
	1995/96	3.3	5.7	7.9	5.5	7.5	9.4	32.8
	1996/97	3.2	5.4	7.6	5.4	7.3	8.9	32.9
	1997/98	3.0	5.2	7.3	5.0	6.7	8.4	33.1
FRS (UK)	1998/99	2.9	5.0	7.1	4.8	6.6	8.4	34.1
	1999/00	2.7	4.7	6.9	4.5	6.3	8.0	34.3
	2000/01	2.6	4.3	6.3	4.1	5.9	7.5	34.4
	2001/02	2.1	3.7	5.7	3.4	5.2	6.7	34.7
	2002/03	2.2	3.6	5.5	3.4	4.9	6.5	34.8
	2003/04	2.3	3.6	5.4	3.5	5.0	6.5	35.0
	2004/05	2.1	3.5	5.3	3.3	4.6	6.2	35.2
	2005/06	2.3	3.6	5.5	3.5	5.0	6.6	35.5
	2006/07	2.3	3.6	5.4	3.6	5.1	6.6	35.8
	2007/08	2.4	3.8	5.6	3.7	5.2	6.8	35.9
	2008/09	2.5	3.8	5.7	4.0	5.5	7.2	36.1
	2009/10	2.3	3.7	5.5	4.1	5.5	7.2	36.2
Change	1998/99-2009/10 ^{2,3}	-0.6	-1.3	-1.6	-0.7	-1.1	-1.2	2.0
	2008/09-2009/10 ^{2,3}	-0.1	-0.2	-0.2	0.1	0.0	0.0	0.0

Notes:

- FRS figures are for Great Britain up to 1997/98, and for the United Kingdom from 1998/99, with estimates for Northern Ireland imputed for the years 1998/99 through 2001/02. The reference period for FRS figures is single financial years.
- Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties.
- 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 individuals below thresholds for any pair of years shown.

Table 5.1

Percentage of pensioners below thresholds of contemporary and 1998/99 real-terms median income 1994/95 to 2009/10.

Percentage of pensioners		Before Housing Costs Below median			After Housing Costs Below median			Source: FRS
		50%	60%	70%	50%	60%	70%	
Contemporary income thresholds								
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	16	25	
Change	1998/99-2009/10 ^{2,3}	-5	-8	-13	-5	-13	-13	
	2008/09-2009/10 ^{2,3}	-2	-2	-3	-1	0	-1	

Percentage of pensioners		Before Housing Costs Below median			After Housing Costs Below median			Source: FRS
		50%	60%	70%	50%	60%	70%	
1998/99 income thresholds held constant in real terms								
FRS (GB)	1994/95	16	32	48	19	36	47	
	1995/96	16	32	47	18	35	46	
	1996/97	14	28	43	16	32	42	
	1997/98	14	27	42	15	31	40	
FRS (UK)	1998/99	14	27	41	13	29	38	
	1999/00	12	23	37	10	25	35	
	2000/01	10	20	33	8	20	31	
	2001/02	8	18	29	7	14	28	
	2002/03	7	16	27	6	12	23	
	2003/04	7	15	25	6	10	19	
	2004/05	6	13	23	5	8	15	
	2005/06	6	12	21	5	8	14	
	2006/07	7	15	23	6	10	16	
	2007/08	7	14	23	6	9	15	
	2008/09	7	12	20	5	9	13	
	2009/10	5	10	18	5	8	13	
Change	1998/99-2009/10 ^{2,3}	-9	-17	-23	-9	-21	-26	
	2008/09-2009/10 ^{2,3}	-2	-2	-3	-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.
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 individuals below thresholds for any pair of years shown.

Table 5.2

Number of pensioners below thresholds of contemporary and 1998/99 real terms median income 1994/95 to 2009/10.

Numbers of pensioners (millions)				Source: FRS				
		Before Housing Costs			After Housing Costs			All pensioners
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
Contemporary income thresholds								
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	1.3	2.3	3.6	1.1	1.8	3.0	11.3
	2009/10	1.1	2.1	3.3	1.0	1.8	2.9	11.5
Change	1998/99-2009/10 ^{2,3}	-0.4	-0.6	-0.9	-0.4	-1.1	-1.0	1.3
	2008/09-2009/10 ^{2,3}	-0.2	-0.2	-0.3	-0.1	0.0	-0.1	0.2

Numbers of pensioners (millions)				Source: FRS				
		Before Housing Costs			After Housing Costs			All pensioners
		Below median			Below median			
		50%	60%	70%	50%	60%	70%	
1998/99 income thresholds held constant in real terms								
FRS (GB)	1994/95	1.6	3.2	4.7	1.9	3.6	4.6	9.9
	1995/96	1.6	3.1	4.7	1.8	3.5	4.5	9.9
	1996/97	1.4	2.8	4.2	1.6	3.2	4.1	9.9
	1997/98	1.4	2.7	4.2	1.4	3.0	4.0	10.0
FRS (UK)	1998/99	1.5	2.8	4.2	1.4	2.9	3.9	10.3
	1999/00	1.3	2.3	3.8	1.1	2.5	3.6	10.3
	2000/01	1.1	2.0	3.4	0.8	2.0	3.2	10.3
	2001/02	0.9	1.8	3.1	0.7	1.5	2.9	10.4
	2002/03	0.8	1.7	2.8	0.6	1.2	2.4	10.5
	2003/04	0.7	1.6	2.6	0.6	1.1	2.0	10.5
	2004/05	0.6	1.4	2.4	0.5	0.9	1.6	10.7
	2005/06	0.6	1.3	2.3	0.5	0.8	1.5	10.8
	2006/07	0.8	1.6	2.5	0.7	1.1	1.7	10.9
	2007/08	0.8	1.6	2.5	0.6	1.0	1.6	11.1
	2008/09	0.7	1.4	2.3	0.6	1.0	1.5	11.3
	2009/10	0.6	1.1	2.0	0.5	0.9	1.5	11.5
Change	1998/99-2009/10 ^{2,3}	-0.9	-1.6	-2.2	-0.9	-2.1	-2.5	1.3
	2008/09-2009/10 ^{2,3}	-0.2	-0.2	-0.3	-0.1	-0.1	-0.1	0.2

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.

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

Table 6

Money values of quintile medians and overall population mean in average 2009/10 prices

(£pw equivalised)						Source: FRS
	Quintile group medians					
	Quintile 1	Quintile 2	Quintile 3 (median)	Quintile 4	Quintile 5	Population mean
Income Before Housing Costs						
1994/95	163	234	323	440	664	390
1995/96	165	236	323	436	668	392
1996/97	167	244	338	454	688	405
1997/98	168	248	344	463	700	416
1998/99	171	253	349	476	726	430
1999/00	177	261	360	486	737	439
2000/01	183	272	371	501	764	458
2001/02	194	288	389	518	800	479
2002/03	197	292	396	524	803	483
2003/04	198	294	396	527	796	481
2004/05	203	299	400	532	806	488
2005/06	202	300	404	538	819	494
2006/07	199	300	405	538	825	498
2007/08	198	301	406	541	833	504
2008/09	201	305	409	547	848	509
2009/10	208	309	413	550	849	517
Income growth 1994/95 to 2009/10	28%	32%	28%	25%	28%	33%

Notes:

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

Table 7

Quintile distribution of income (Before Housing Costs) for children by whether they have the material deprivation items and services, United Kingdom, 2009/10.

Percentage of children ¹		Net equivalised disposable household income					Source: FRS
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	All children
Outdoor space / facilities to play safely	Have this	82	86	91	95	97	89
	Don't have this	18	14	9	5	3	11
Enough bedrooms for every child 10 years or over and of a different gender	Child/ren has/have this	69	78	87	95	95	81
	Want but can't afford this	29	20	12	3	3	17
	Don't want or need; doesn't apply	2	2	1	2	1	2
Celebrations on special occasions	Child/ren has/have this	89	95	97	98	99	95
	Want but can't afford this	8	4	2	1	0	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	77	86	89	93	96	87
	Want but can't afford this	16	8	5	1	1	7
	Don't want or need; doesn't apply	7	5	7	6	3	6
At least one week's holiday away from home with family	Child/ren has/have this	34	46	65	80	91	59
	Want but can't afford this	61	50	29	16	7	36
	Don't want or need; doesn't apply	5	4	6	4	3	4
Hobby or leisure activity	Child/ren does/do this	65	73	80	83	88	76
	Would like to but can't afford this	15	9	4	2	1	7
	Don't want or need; doesn't apply	20	18	16	15	11	17
Swimming at least once a month	Child/ren does/do this	45	56	59	63	70	57
	Would like to but can't afford this	23	14	7	3	1	11
	Don't want or need; doesn't apply	33	30	34	34	29	32
Have friends round for tea or a snack once a fortnight	Child/ren does/do this	57	65	70	73	80	68
	Would like to but can't afford this	18	10	5	2	1	8
	Don't want or need; doesn't apply	25	26	25	25	19	24
Go on school trip at least once a term	Child/ren does/do this	80	87	91	93	97	89
	Would like to but can't afford this	13	7	4	1	1	6
	Don't want or need; doesn't apply	7	6	5	6	2	5
Go to a playgroup at least once a week	Child/ren does/do this	58	63	70	81	83	69
	Would like to but can't afford this	12	9	4	1	1	6
	Don't want or need; doesn't apply	31	28	26	18	16	25

Notes:

1. Percentages relate to the proportion of children whose parent / guardian answered the material deprivation questions, some children have not been included in computing the above breakdowns due to either: a skipped response, doesn't know the answer or refusal to answer the question.

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

Table 8

Quintile distribution of income (After Housing Costs) for pensioners by whether they have the material deprivation items and services, United Kingdom, 2009/10.

Percentage of pensioners ¹		Net equivalised disposable household income					All pensioners	Source: FRS
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile		Most common reason for 'no' response ²
At least one filling meal a day	Yes	99	99	99	99	100	99	.. ⁴
	No	1	1	1	1	0	1	
Go out socially at least once a month	Yes	69	69	71	77	88	74	36%
	No	31	31	29	23	12	26	Health / disability prevents me
See friends or family at least once a month	Yes	93	95	95	95	98	95	41%
	No	7	5	5	5	2	5	Other reason
Take a holiday away from home	Yes	51	51	58	64	79	59	36%
	No	49	49	42	36	21	41	Health / disability prevents me
Able to replace cooker if it broke down	Yes	86	84	90	94	98	90	87%
	No	14	16	10	6	2	10	No money for this
Home kept in a good state of repair	Yes	94	96	96	98	99	97	58%
	No	6	4	4	2	1	3	No money for this
Heating, electrics, plumbing and drains working	Yes	97	98	98	99	99	98	44%
	No	3	2	2	1	1	2	No money for this
Have a damp-free home	Yes	93	94	94	96	97	95	55%
	No	7	6	6	4	3	5	Other reason
Home kept adequately warm	Yes	95	95	97	97	99	97	69%
	No	5	5	3	3	1	3	No money for this
Able to pay regular bills	Yes	95	94	97	98	99	96	84%
	No	5	6	3	2	1	4	No money for this
Have a telephone to use, whenever needed	Yes	96	97	99	99	100	98	39%
	No	4	3	1	1	0	2	No money for this
Have access to a car or taxi, whenever needed	Yes	87	86	93	95	98	91	36%
	No	13	14	7	5	2	9	No money for this
Have hair done or cut regularly	Yes	86	88	90	92	96	90	26%
	No	14	12	10	8	4	10	Not something I want
Have a warm waterproof coat	Yes	98	98	99	98	99	98	38%
	No	2	2	1	2	1	2	No money for this

		Net equivalised disposable household income					All pensioners	Most common reason for 'yes' response ³
		Bottom quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile		
Able to pay an unexpected expense of £200	Yes	82	80	88	94	99	88	52%
	No	18	20	12	6	1	12	Use savings

Notes:

1. Percentages relate to the proportion of pensioners who answered the material deprivation questions.
2. For the first 14 questions in the table the follow up questions were asked to explore the reason for a "no" response. Options were: No money for this; Not priority on current income; Health/disability prevents me; Too much trouble/too tiring; No-one to do this with or help me; Not something I want; Not relevant to me; Other. Pensioners can give multiple responses.
3. For the last question in the table relating to being able to meet an unexpected expense of £200, the follow up question was asked to explore how those who responded "yes" would pay. Options were: Use own income but cut back on essentials; Use own income but not need to cut back on essentials; Use my savings; Use a form of credit; Get money from friends or family; Other.
4. The figures for most common reason for "no" response for at least one filling meal a day has been suppressed due to small sample size.
5. Percentages may not sum to 100 per cent due to rounding.

Notes for editors:

1. The Households Below Average Income statistical report (HBAI) for the period 1994/95-2009/10 is published today. The report, the twenty-second in the HBAI series, uses household disposable incomes, adjusted for household size and composition, as a proxy for material living standards. It principally gives information on the income distribution in GB / UK for the financial years 1994/95 to 2009/10 using cross-sectional data from the DWP Family Resources Survey (FRS). The report also draws on data from the British Household Panel Survey (BHPS), run by the University of Essex, which, unlike the Family Resources Survey, tracks the same individuals over time to give a picture of income changes over time. The latest BHPS estimates available relate to 2008, and were published by DWP on 23 September 2010.
2. Northern Ireland was included in the Family Resources Survey (FRS) from 2002/03. Detailed time series data will therefore have coverage for Great Britain only before 2002/03. This break in the series is made clear in a footnote attached to the relevant tables in the latest HBAI publication. However, for high-level trend data, estimates for Northern Ireland 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. These data are presented in Tables 2 – 5 in this release.
3. In order to allow comparisons of living standards between different household types, income is adjusted to take into account variations in the size and composition of the household in a process known as equivalisation. This adjustment reflects the common sense notion that a household of several people requires a higher income than a single person in order for both households to have an equivalent standard of living. A key assumption made in HBAI is that all individuals in the household benefit equally from the combined equivalised income of the household. The equivalisation scales used in the report are modified OECD scales, which are consistent with those used in the EU.
4. HBAI employs two measures of net equivalised household income: Before Housing Costs (BHC) and After Housing Costs (AHC). Each measure has advantages and disadvantages as a guide to differences in, and changes in, living standards. Housing costs are made up of: rent (gross of housing benefit); water rates, community water charges and council water charges; mortgage interest payments (net of tax relief); structural insurance premiums (for owner occupiers); and ground rent and services charges.
5. The income definition used in the main analysis in HBAI, derived from the Family Resources Survey (FRS) is as follows: net earnings; profit or loss from self-employment after income tax and NI; all social security benefits and tax credits, including Social Fund grants; occupational and private pension income; investment income; maintenance payments; top-up loans and parental contributions for students, educational grants and payments; the cash value of certain forms of income in kind such as free school meals, Healthy Start vouchers and free TV licences for the over 75s (where data is available). HBAI income is net of: income tax payments; National Insurance contributions; contributions to occupational, stakeholder and personal pension schemes; council tax/domestic rates; maintenance and child support payments made; parental contributions to students living away from home and student loan repayments.
6. Information from the DWP survey, the Family Resources Survey, was introduced into the HBAI series after a review of methodology in 1996. The Family Resources Survey does not collect information on individuals living in institutions, e.g. nursing homes, barracks or jails; and homeless people living rough or in bed and breakfast accommodation. Consequently HBAI does not cover these individuals. Survey data are grossed to national totals and an adjustment is made using Her Majesty's Revenue and Customs' Survey of Personal Incomes (SPI) to ensure very high income cases are correctly represented in HBAI.
7. To ensure that the figures produced from the survey can provide reliable estimates, we round the figures to the nearest 100,000. This can mean that figures may not sum due to this rounding. As an example, if poverty levels amongst a certain group changed from 1.64 to 1.57 million, the rounded levels of poverty would be 1.6 million in both years as both levels round to this, but the unrounded difference would be 0.07 million which would be rounded to 0.1 million. This could also work in the opposite direction, as if the statistics changed from 1.66 to 1.64, the rounded levels of poverty would be 1.7 million in the first year and 1.6 in the second year because of rounding, but the unrounded difference would be 0.02 million which would be rounded to no change. Only rounding figures at the final point of calculation of a statistic produces the best estimate.
8. Figures published today continue to use the grossing factors introduced in the 2003/04 publication for all years. Further details of the FRS grossing regime are available at the following URL:
<http://research.dwp.gov.uk/asd/frs/reports/pn170205final.pdf>.

9. HBAI allows consistent comparisons of disposable income over time, for different parts of the income distribution. The income measures used have been up-rated using the information derived from the Retail Prices Index (RPI) to enable one year's data to be compared with another. This edition focuses on results that cover the period since 1994/95. Some results are presented from the Family Expenditure Survey (FES), which look at the period between 1979 and the mid 1990s. Following a consultation exercise with outside academics and other Government departments, results from the two survey sources are presented together, using agreed methodologies to provide a longer time series.
10. In previous years, analysis comparing household expenditure levels using the Family Expenditure Survey (a survey run for the Office for National Statistics which captures household expenditure) indicated that the standard of living of people in the bottom decile was no worse than that of people in the second decile; and the expenditure levels of zero or negative income cases place nearly half of them in the top half of the expenditure distribution. For these reasons, results for the bottom end of the income distribution should not be interpreted as relating unambiguously to the bottom end of a distribution of living standards.
11. The Gini Coefficient is a quantitative measure of income inequality ranging from 0 (perfect equality - all individuals would have equal income) to 1 (perfect inequality – one individual would have all the income of the country). It has been commonly used to see how income inequality has changed over time, and to compare between countries.
12. "Households Below Average Income – 1994/95 to 2009/10" ISBN 978 1 84947 584 6 is produced by the Department for Work and Pensions and is a National Statistics publication. General enquiries about the figures contained in the publication should be referred to the Department for Work and Pensions Press Office. Questions of detail on the figures may be referred to the DWP statistician responsible for HBAI (Tel: 020 7449 7337, email: team.hbai@dwp.gsi.gov.uk) of the DWP Information Directorate. The report is available on the DWP Internet site at <http://research.dwp.gov.uk/asd/hbai.asp>.