

Poverty Statistics

Headline figures

Relative income poverty

Figures for Wales and across UK

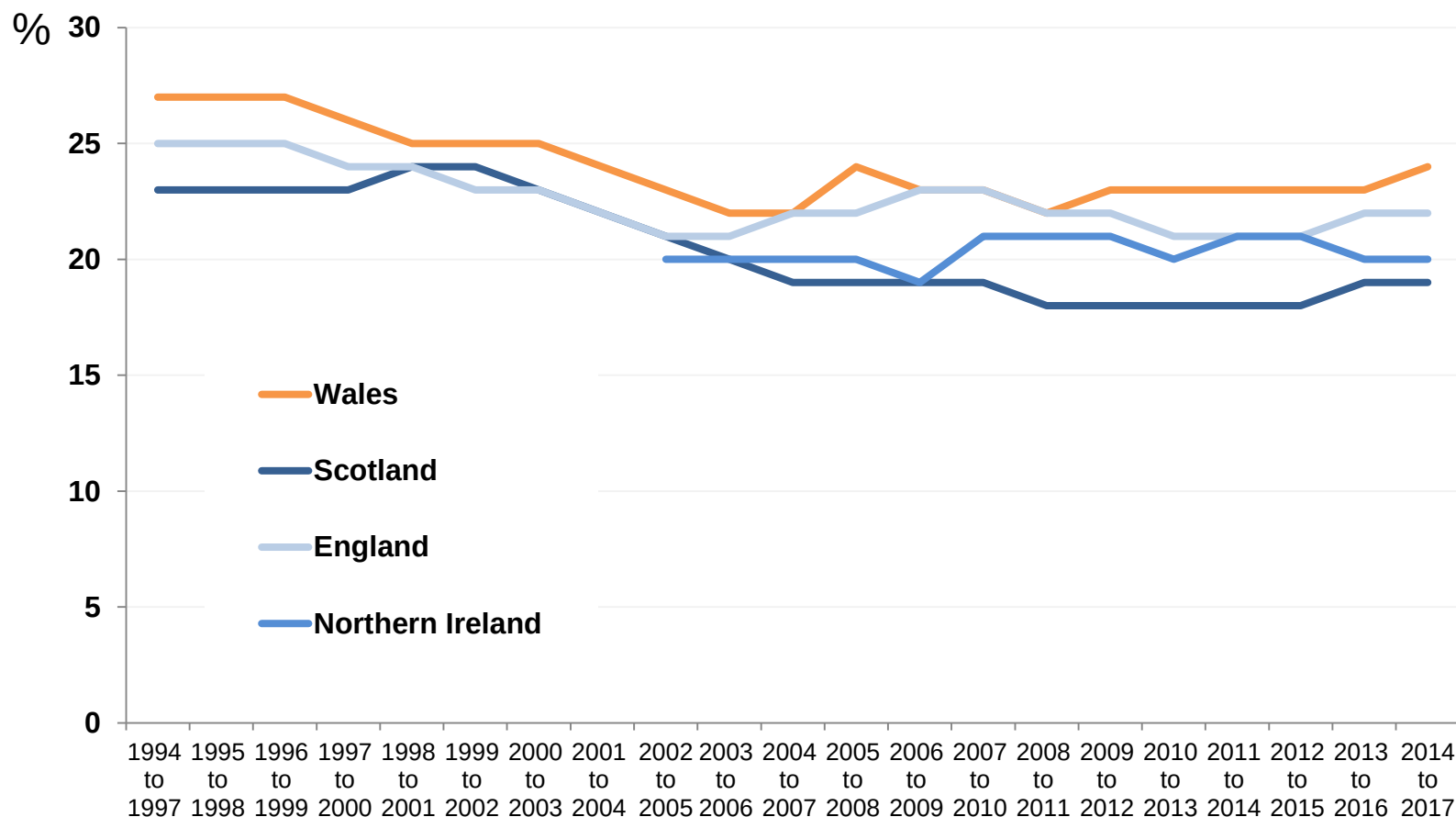
What is relative income poverty?

- Being in relative income poverty means living in a household where the total household income from all sources is less than 60 per cent of the average UK household income (as given by the median).
- Relative income poverty is a measure of income inequality, it is not a direct measure of living standards. If all households had very similar levels of income the percentage of people in relative income poverty would be very low, even zero.
- It is also worth bearing in mind . . .
 - Household incomes for Wales are compared against the UK average household income, not the average household income in Wales.
 - The data is not adjusted for different costs of living in different areas of the UK apart from the removal of housing costs.
 - The data for countries and regions can be volatile due to small sample sizes and so care should be taken when interpreting figures.

Nearly 1 quarter of all people in Wales were living in relative income poverty after paying their housing costs

- Overall, after paying housing costs such as mortgage interest payments/rent, water rates and structural house insurance: **24 per cent** of all people in Wales were living in **relative income poverty** between 2014-15 and 2016-17 (an average over three financial years).
- The latest figure is up slightly on the 23 per cent reported in the previous 5 time periods, however there has not been much change in overall relative income poverty since the time period ending 2003-04.
- This percentage has also been steady for all other UK countries in recent years; however their rates have been lower than for Wales. The most recent figure for England is 22 per cent, for Scotland 19 per cent and for Northern Ireland, 20 per cent.

Percentage of people in each UK country who were living in relative income poverty (after housing costs), three-financial-year averages



Note: There is no data available for Northern Ireland before the 2002 to 2005 period.

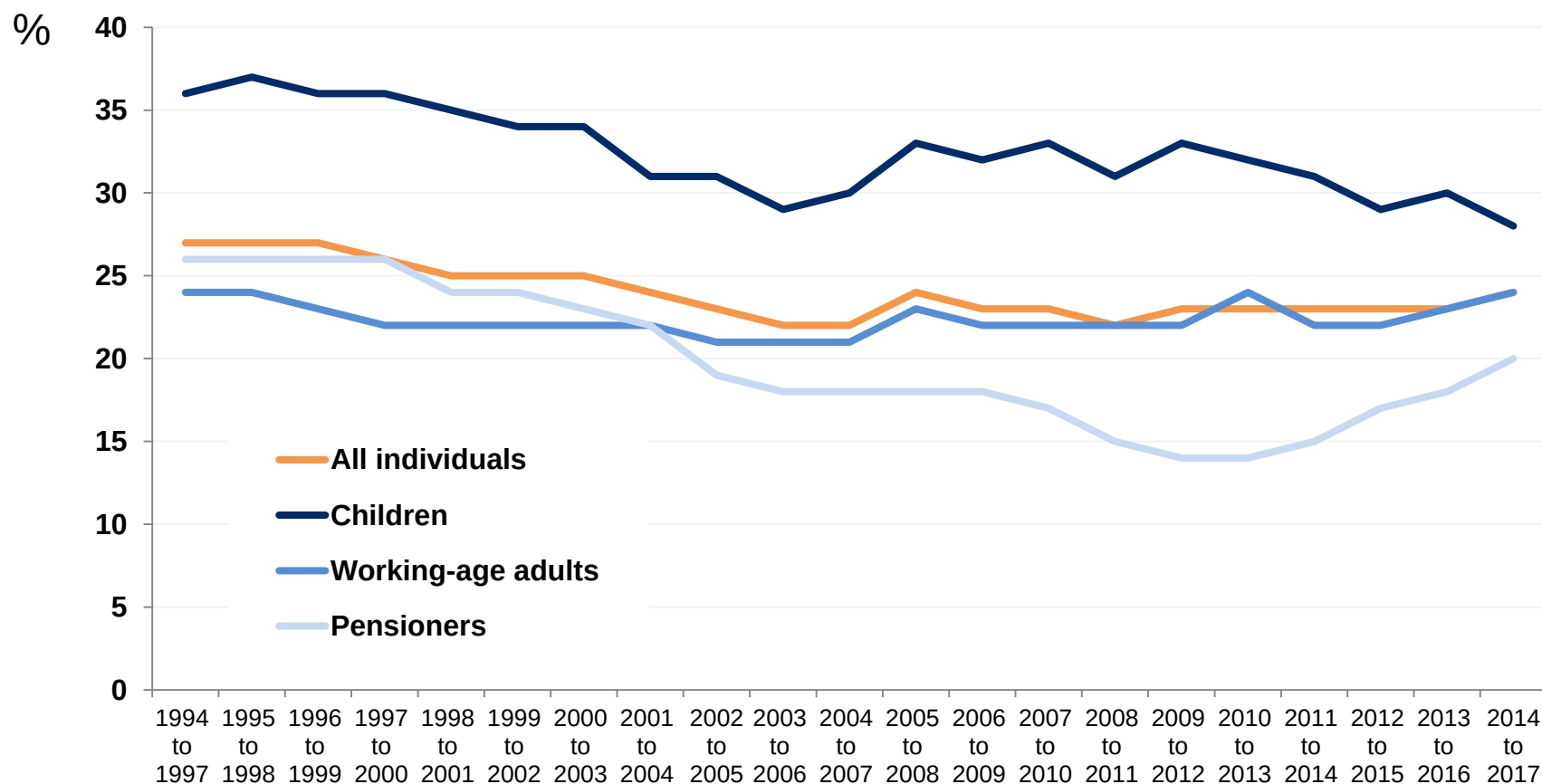
Note: The years represented are financial years – e.g. the most recent period is the 2014-15 financial year to the 2016-17 financial year

Source: Households Below Average Income, Department for Work and Pensions

Relative income poverty

Age groups

Percentage of each age group in Wales who were living in relative income poverty (after housing costs), three-financial-year averages



Note: The years represented are financial years – e.g. the most recent period is the 2014-15 financial year to the 2016-17 financial year

Source: Households Below Average Income, Department for Work and Pensions

Children are the age group most likely to be in relative income poverty

- The most recent figures show that **28 per cent of children** in Wales were living in **relative income poverty** between 2014-15 and 2016-17 (after housing costs were paid).
- This is a decrease from the 30 per cent reported last year and the 29 per cent figure reported the year before. Previous to that, this figure has not been below 30 per cent since the period ending 2005-06.
- A possible reason for children consistently being the age group most likely to be in relative income poverty is that adults with children are more likely to be out of work or in low paid work due to childcare responsibilities.
- The figure for England has increased from the 29 per cent reported last year to 30 per cent. The figures for Scotland and Northern Ireland are lower, standing at 24 per cent and 26 per cent respectively.

Relative income poverty for working-age adults remains steady across the UK countries

- The figures for working-age adults in relative income poverty have been quite steady in recent years for all UK countries.
- However Wales does tend to have a higher percentage of working-age adults living in relative income poverty than the other UK countries.
- Between 2014-15 and 2016-17, **24 per cent of working-age adults** in Wales were living in relative income poverty (after housing costs were paid). This is an increase from the 23 per cent reported last year.
- The figures for England (21 per cent) and Scotland (19 per cent) have not changed from those reported last year. In Northern Ireland the figure has decreased from the 20 per cent reported last year to 19 per cent.

The percentage of pensioners in relative income poverty has been rising but it's still below the rate seen in the mid to late 1990s

- After paying housing costs, **20 per cent of pensioners** in Wales were living in relative income poverty between 2014-15 and 2016-17, compared with 18 per cent between 2013-14 and 2015-16. This is the first time this figure has been above 19 per cent since the period ending 2003-04.
- Between 2014-15 and 2016-17, the corresponding figure for England was 15 per cent and for both Scotland and Northern Ireland it was 13 per cent.



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Material Deprivation and Persistent Poverty

Material Deprivation

The Department for Work and Pensions produces data on children in material deprivation and low income households by area. This is done on a *before* housing costs basis.

They also produce figures on pensioners in material deprivation by area.

Further information on material deprivation in Wales can be obtained from the National Survey for Wales.

10 per cent of children living in Wales were in material deprivation and low income households

- 10 per cent of children living in Wales between 2014-15 and 2016-17 were in material deprivation and low income households (i.e. households that had a total household income below 70 per cent of the UK average household income – before housing costs were paid)
- This is down from the 14 per cent reported last year
- This rate is now equal to the corresponding figures seen in Scotland and Northern Ireland. The figure for England has remained at 12 per cent.
- The regions of England that had the same percentage of children in material deprivation and low income households as Wales in the data reported last year have not seen the decrease that Wales has seen.
- In the most recent period (2014-15 to 2016-17), all regions of England except the East, South East and South West had a higher percentage of children in material deprivation and low income households than Wales.

9 per cent of pensioners living in Wales were in material deprivation

- This means 9 per cent of pensioners living in Wales were in a household that could **not access a certain number of goods and services**. This is down from the 10 per cent reported last year.
- In Scotland this figure stands at 6 per cent, down from 7 per cent reported last year and in Northern Ireland the figure also stands at 7 per cent, down from 9 per cent reported last year. The figure for England has not changed and remains at 8 per cent.

Persistent poverty (experimental statistics)

- The Department for Work and Pensions define an individual as in persistent poverty if he or she is in relative income poverty in at least 3 out of 4 consecutive years.
- After paying housing costs, an individual in Wales had a 13 per cent chance of being in persistent poverty between 2012 and 2016.
- The chance of being in persistent poverty varies by country. In England the chance was 12 per cent, in Northern Ireland it was 11 per cent and in Scotland 8 per cent.

Children and pensioners in persistent poverty (experimental statistics)

Children

- A **child** in Wales had a **20 per cent chance of being in persistent poverty**.
- This was higher than for England, Northern Ireland and Scotland (18, 16 and 10 per cent respectively).
- The chance of a child being in persistent poverty in Wales was the same as the chance in the North West of England and lower than the chance in London and the North East of England (both of which had rates of 24 per cent). The chance of a child being in persistent poverty in all other English regions was lower than that seen in Wales.

Pensioners

- A **pensioner** in Wales had a **5 per cent chance of being in persistent poverty**
- This is lower than the chance in England and Scotland (7 and 8 per cent respectively) and the same as in Northern Ireland.