

EQUALITY AND SOCIAL JUSTICE BRIEFING

Poverty: summary briefing

July 2016



Introduction

The latest figures from the Department for Work and Pensions' Households Below Average Income survey show that low household incomes continue to be a significant problem in Wales, with more than one in five people living on a household income which is less than 60% of the median. Children continue to be at greatest risk of poverty, and arguably bear the greatest consequences from a low income, although the largest group of people on low incomes is adults of working age.

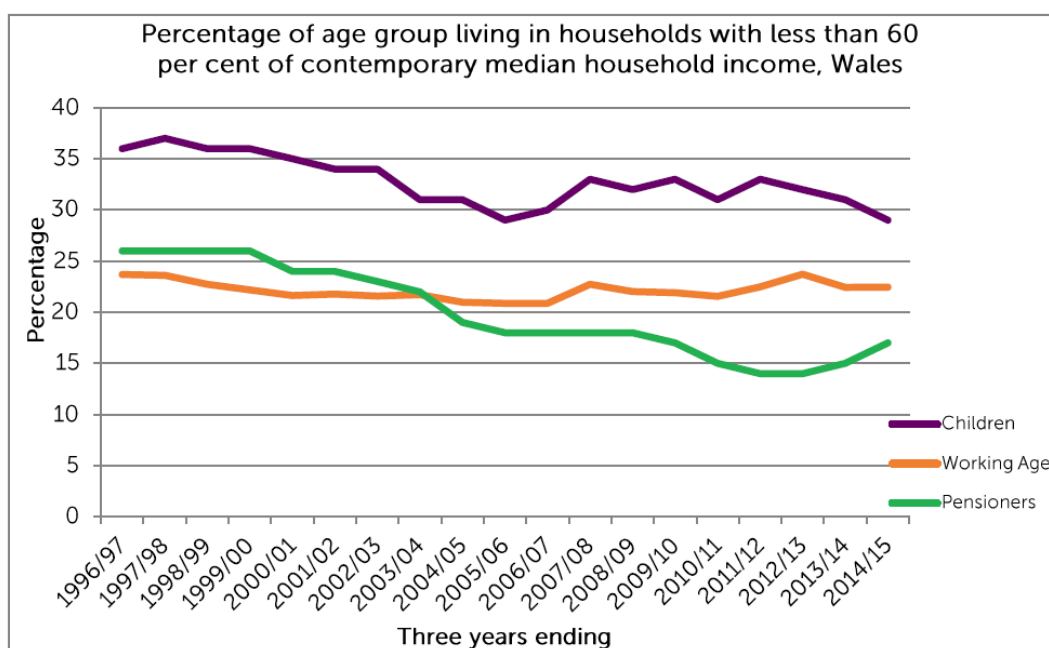
There has been little change in the rate of poverty in recent years, although the latest figures – for 2012/13 to 2014/15 - show an unexpected small decrease in child poverty and a small increase in pensioner poverty. It is unclear if these are a statistical blip or signal a longer-term change of direction.

The longer term and more recent trends in poverty have had little impact on Wales' position compared to other UK nations and regions, with Wales continuing to have one of the highest rates of poverty in the UK for all age groups.

Whole population

New figures for the three years to 2014/15 show that:

- After housing costs are considered, 23% of the population of Wales – 700,000 people – had incomes below the contemporary median.
- The proportion and number of people living in relative income poverty after housing costs are unchanged since 2006/07.
- Wales had the joint highest rate of poverty in the UK outside London.



Source: Households below average income 2014/15 Table 4.16ts

Children

- 29% of children in Wales lived in households with incomes less than 60% of the contemporary median, after housing costs – some 200,000 children.
- The proportion of children in poverty in Wales fell by 4 percentage points since the three years to 2011/12.
- Despite the slight fall in child poverty, Wales still has the third highest child poverty rate in the UK.

Working age

- 22% of working age adults in Wales lived in households with incomes that are less than 60% of the contemporary median – about 400,000 people.
- The proportion of working age adults living below the poverty threshold has been at around this level since 1997/98 - 1999/00.
- The proportion of adults living in relative income poverty in Wales is similar to most other parts of the UK except the east and south east of England and Scotland.

Pensioners

- 17% of pensioners in Wales live in households with incomes less than 60% of the contemporary median, some 100,000 people.
- The proportion of pensioners on relatively low incomes has increased by 3 percentage points since 2010/11-2012/13, after falling steadily for fifteen years.
- Wales has the highest proportion of pensioners in relatively low income households in the UK outside London.
- Despite the increase, pensioners continue to be much less likely to live in poverty than other age groups.

Equality and Social Justice Briefings

This briefing is a summary of our latest Equality and Social Justice Briefing, a bi-monthly resource on key topics produced exclusively for Bevan Foundation subscribers. A more detailed analysis, with graphs and tables and links to the sources, is available as part of a subscription to the Bevan Foundation. Subscriptions cost £255 plus VAT for 12 months and can be purchased at www.bevanfoundation.org/subscribers.

We have made every effort to ensure that the data in this briefing is accurate and up to date at the time of writing. However we cannot be held responsible for any error or omission in the briefing or change in the source data.

About the Bevan Foundation

The Bevan Foundation develops ideas to make Wales a fairer, prosperous and sustainable place. We are independent of government or any political party, and are funded by subscriptions, donations, grants from charitable trusts and foundations and commissions.