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An Examination of the Rates and Distribution of Poverty in Northern Ireland

June 2022



NICS
ECONOMIST PROFESSION

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Contents

1. Introduction	5
1.1 Background	6
1.2 Aims of the study	6
1.3 Methodology	6
1.4 Format of report	7
2. How poverty is defined, measured and sourced	8
2.1 Sources	9
2.2 Definitions	10
2.3 Measures	11
2.4 Comparisons	13
3. Overall poverty rates	15
3.1 Relative poverty before housing costs	17
3.2 Relative poverty after housing costs	19
3.3 Absolute poverty before housing costs	21
3.4 Absolute poverty after housing costs	23
4. Poverty rates for working-age adults	26
4.1 Relative poverty before housing costs	28
4.2 Relative poverty after housing costs	31
5. Poverty rates for children	33
5.1 Relative poverty before housing costs	35
5.2 Relative poverty after housing costs	38
6. Poverty rates for pensioners	40
6.1 Relative poverty before housing costs	42
6.2 Relative poverty after housing costs	45
7. Poverty rates by other characteristics	47
7.1 Individuals in relative poverty by disability in the family before housing costs	48
7.2 Working-age adults in relative poverty by work status before housing costs	52
7.3 Individuals living in lone parent families in relative poverty before housing costs	54
8. Material deprivation	56
8.1 Children in combined low income and material deprivation	57
8.2 Pensioners in material deprivation	59
9. Persistent poverty	62
9.1 Individuals in persistent poverty before housing costs	63

9.2 Persistent poverty by population groups before housing costs	65
9.3 Individuals in persistent poverty after housing costs	68
9.4 Persistent poverty by population groups after housing costs	70
10. Conclusion	73
10.1 Key findings	74
10.2 Inferences	77

1. Introduction



1. Introduction

1.1 Background

In line with New Decade New Approach, the Department for Communities (DfC) is developing an Anti-Poverty Strategy that aims to address inequalities and obstacles that directly affect the everyday lives of the most vulnerable people in society and will bring focus to identifying and addressing the issues, barriers and disadvantages that undermine equality of opportunity. DfC acknowledged that it was timely for a review of existing poverty literature in Northern Ireland (NI), and its neighbouring areas. In December 2021, they published a report on 'A Scoping Review of the Literature on Poverty in Northern Ireland'.

Through the review of existing literature on poverty, the report highlighted that there was limited poverty literature pertaining to NI, therefore the scope of the review was widened to incorporate evidence from the United Kingdom (UK) and Republic of Ireland (RoI). It was also noted that most literatures integrate NI into the UK as a whole or just focus on Great Britain, often resulting in evidence being heavily influenced by findings from the rest of the UK rather than NI.

The gaps in evidence identified through the review of literature on poverty in NI, informed further potential research. In particular, the report recommended:

An examination of how the rates and distribution of poverty in Northern Ireland compare to UK countries/regions and the Republic of Ireland, and how this has changed over time. This would provide an indication of the extent to which UK research is relevant to NI and an insight into any key differences in poverty in NI.

DfC committed to embark on this study alongside another recommendation to carry out a study of the key sources of poverty data currently available in Northern Ireland and consider, with reference to best practice, options to maximise the insight that can be drawn from the available data. This is addressed in a separate publication, 'A Study of the Key Sources of Poverty Data in Northern Ireland'.

1.2 Aims of the Study

This study will examine how the rates and distribution of poverty in Northern Ireland compare to UK countries/regions and the Republic of Ireland, and how this has changed over time. This will provide an indication of the extent to which UK research is relevant to NI and an insight into any key differences in poverty in NI.

Therefore, the study will assist in ascertaining if existing poverty literature, which mainly focuses on the UK, is relevant to NI.

1.3 Methodology

The study presents poverty rates across the 10 year period from 2010/11 to 2019/20. This is consistent with the period considered during the poverty literature review. Furthermore, this time

series avoids breaks in the data caused by the reduced survey sample sizes due to the pandemic seen in the recently published 2020/21 data for the UK and NI, or the break in time series experienced in the Republic of Ireland's 2020 publication due to methodological changes.

Poverty rates were extracted from published data for NI, the UK and the RoI. In addition, rates have also been included separately for England, Scotland and Wales as well as those at a UK regional level, obtained from Stat-Xplore, an online browser tool administered by the Department for Work and Pensions. Data for the RoI was accessed via StatBank, the Central Statistics Office's online database.

A small steering group was convened within DfC to oversee the study, consisting of poverty policy officials, NISRA statisticians and economists.

1.4 Format of Report

The report illustrates poverty rates in both graphs and charts with associated commentary and high level summaries.

It presents relative and absolute poverty rates on a before and after housing costs basis for the population as a whole, and focuses on relative poverty for the key population groups:

- Children
- Working-age adults
- Pensioners

It also considers other factors affecting distribution such as disability, worklessness and family type.

Each section considers:

- Comparisons between NI, UK and RoI (if available) based on single year figures.
- Comparisons between NI, England, Scotland, Wales and RoI (if available) based on three-year averages.
- Comparisons between each of the UK regions and RoI (if available) based on three-year averages.



2. How Poverty is Defined, Measured and Sourced

2. How Poverty is Defined, Measured and Sourced

2.1 Sources

All poverty rates presented in this report are derived from the following survey sources. As such, they are estimates and therefore subject to a level of uncertainty due to sampling error.

Northern Ireland and the UK

The Department for Work and Pensions (DWP) produce official poverty statistics for the UK. In addition, the Department for Communities (DfC) produce separate analysis for Northern Ireland. The poverty statistics are derived from the Households Below Average Income (HBAI) dataset which uses data collected in the Family Resources Survey (FRS). The FRS is a representative survey of approximately 20,000 UK households (including 2,000 in NI) with data available for Great Britain from 1994/95 onwards and for Northern Ireland from 2002/03. The HBAI is the foremost source of UK and Northern Ireland data on household income and poverty estimates.

The HBAI uses household disposable incomes, adjusted for household size and composition via equivalisation, to ensure that it is properly comparable between households. HBAI information is available at an individual level, a family level (benefit unit level) and a household level. Furthermore, annual estimates for the number and percentage of people living in low income households are provided against several important client groups including children, working-age adults, pensioners, and individuals living in a family where someone is disabled.

Income Dynamics are official statistics published by DWP that supplement the HBAI, providing information on the persistence of low income for various population groups over time. They are derived from the Understanding Society longitudinal survey in which individuals are interviewed on a yearly basis from approximately 22,000 households across the UK, including over 1,000 in NI.

Republic of Ireland

The Central Statistics Office (CSO) publish poverty trends for ROI based on the Survey on Income and Living Conditions (SILC). The SILC is an annual household survey of over 4,000 households across the Republic of Ireland, conducted since 2003. It is the official source of data on household and individual income in the ROI and also provides a number of key national poverty indicators, such as the at risk of poverty rate, the consistent poverty rate and rates of enforced deprivation. The SILC sample has both a cross-sectional and a longitudinal element with households followed across a six year period. The SILC incomes are also equivalised using the modified OECD equivalence scales, similar to the UK.

The SILC is used to meet Ireland's commitment to a European Union requirement to produce data on the level and composition of poverty and social exclusion at national and European levels. In 2021, the European framework regulations were amended. In order to meet the requirements of the new regulation, CSO introduced changes to many SILC survey processes, including changes in the data collection period, income reference period and sampling. These changes have resulted in a break in the SILC time series for 2020. However, for the purposes of this report data will only be considered up to and including 2019.

2.2 Definitions

Poverty

There are various ways of defining poverty and no single definition is universally accepted. In the UK and Ireland, the headline measures are based on disposable household income. In the context of poverty statistics, household income is measured after adding on benefits and deducting direct taxes as a guide to the resources available to the household. Household income is likely to be more informative than individual income since income is expected to be shared between household members. However, the income is equivalised to take into account variations in the size and composition of the households in which individuals live.

Numerous poverty measures based on disposable household income are in common use and the trend can look quite different depending on the measure used. Two commonly used measures are:

Relative Poverty

An individual is in relative poverty (or relative low income) if they are living in a household whose equivalised income is below 60% of the UK median household income in that year. This measure of poverty highlights whether the poorest in society are keeping pace with the growth of the incomes in the population as a whole.

The Republic of Ireland uses a similar system to that of the UK in identifying poverty levels. The SILC uses an 'at risk of poverty' threshold rather than a relative poverty figure as applied in the UK. It is, however, a similar measure, based on 60% of the national median equivalised income.

Absolute Poverty

An individual is in absolute poverty (or absolute low income) if they are living in a household whose equivalised income is below 60% of the inflation adjusted UK median household income in 2010/11. This is a measurement of whether the poorest households are seeing their incomes rise in real terms over time.

In the RoI, this is referred to as 'at risk of poverty rate anchored at a moment in time'. It is the share of the population whose income in a given year is below the at risk of poverty threshold calculated in the standard way for a previous base year and then adjusted for inflation. Unlike the UK, there is the facility to select any previous year as the base year, not just 2010/11. However, this report uses 2010 as its base year to allow for comparisons with the UK.

Both the HBAI and SILC use an absolute low income threshold updated based on the Consumer Prices Index (CPI) measure of inflation.

Material Deprivation

Households that are excluded and marginalised from consuming goods and services which are considered the norm for other people in society, due to an inability to afford them, are considered to be in material deprivation.

Income will not always reflect the extent to which a family can afford necessities. Therefore, a low income threshold may be combined with some assessment of whether households are able to access key goods and services for a measure of low income and material deprivation. This measure is used in NI and the UK when considering child poverty. If a family cannot afford a given item out of a list of 21 goods and services, this is scored in the material deprivation measure, with items more commonly owned in the population given a higher weighted score. A child is defined as poor on this measure if the household in which they live has an income below 70% of the relative UK median household income and has a material deprivation score of 25 or more reflected by enforced lack of adult and child goods and services.

In the RoI, the 'consistent poverty' measure is defined as people who are both at risk of poverty and experiencing enforced deprivation (lacking two or more of the 11 basic deprivation items). Unlike the UK, this is based on the 60% of median income and is available for all population groups, not just children.

In NI and the UK, material deprivation is also considered as a single measure for pensioners based on whether they have access to 15 goods and services. If a pensioner cannot afford a given item, this is scored in the material deprivation measure, with items more commonly owned in pensioner families given a higher weighted score. A pensioner is considered to be in material deprivation if they live in a family that has a deprivation score of 20 or more.

The equivalent of this in the RoI is the 'enforced deprivation rate'. Individuals who lack two or more of the 11 basic deprivation items are considered to be experiencing enforced deprivation. This is the basis for calculating the deprivation rate. Similarly to 'consistent poverty', this measure is available for all population groups and not restricted to only pensioners.

Persistent Poverty

In NI and the UK, an individual is defined as being in persistent poverty if they have been in relative poverty for at least three out of the past four years. This is sourced from Income Dynamics using longitudinal data from the Understanding Society survey.

Whilst in the RoI, persistent at risk of poverty is defined as being in poverty in the current year and at least two of the three preceding years. To date the Irish SILC survey has not produced any detailed results and breakdowns for this measure. Instead, this is sourced from the Eurostat who conduct their own analysis using SILC data.

2.3 Measures

Housing Costs

In the UK, household income may be measured before or after housing costs are deducted. Both measures are commonly used, although in some cases one measure may be more appropriate than the other.

The Before Housing Costs (BHC) measure allows an assessment of the relative standard of living of those individuals who were actually benefiting from a better quality of housing by paying more for better accommodation, and income growth over time incorporates improvements in living standards where higher costs reflected improvements in the quality of housing.

The After Housing Costs (AHC) measure allows an assessment of living standards of individuals whose housing costs are high relative to the quality of their accommodation. Income growth over time may also overstate improvements in living standards for low income groups, as a rise in Housing Benefit to offset higher rents (for a given quality of accommodation) would be counted as an income rise.

However, variations in housing costs may not always reflect differences in the quality of accommodation. For example, geographical differences mean two households could face very different costs for a comparable standard of housing. In this case, an AHC measure is arguably more illuminating. Poverty levels are generally higher when household incomes are measured AHC, as households at the lower end of the income distribution tend to spend a larger share of their income on housing than higher income households.

While the AHC measure is comparable between NI and UK, BHC analysis is not. This is due to the difference in the way water charges are collected. In NI, water charges are included in domestic rates as there are no direct water charges. Therefore, this is already deducted from income in the BHC measure. However, in Great Britain, water rates are only deducted in the AHC measure. As a result, the AHC measure is recommended for drawing comparisons between NI and the rest of the UK.

When looking at pensioner poverty the AHC analysis is the preferred measure. This is because the majority of pensioners own their home. It is therefore more meaningful to use the after housing costs poverty measure for comparing the standard of living between pensioners and other age groups.

In the RoI, poverty rates are only provided on a BHC basis.

Population Groups

In the UK, the HBAI provides poverty estimates for individuals, children, working-age adults and pensioners. Children are generally defined as an individual aged under 16. In addition, a person will also be defined as a child if they are 16 to 19- years old and they are not married nor in a Civil Partnership nor living with a partner; are living with parents; and are in full-time non-advanced education or in unwaged government training. Pensioners are those above state pension age, currently 66 years.

In the RoI, data is produced by the age groups 0-17 years, 18-64 years and 65 years and over.

Number of Measures

The HBAI provides estimates of relative and absolute poverty. Each measure is presented on a BHC and an AHC basis for individuals, children, working-age adults and pensioners. Therefore, there are sixteen high level poverty measures in NI and the UK.

The SILC produces 'at risk of poverty' rates and those 'anchored at a moment in time' for all individuals and three key age groups, providing eight measures.

The most commonly used poverty measure in Northern Ireland is relative poverty before housing costs.

2.4 Comparisons

Comparisons between the UK and RoI

Given that the UK and RoI poverty statistics are derived from different survey sources, there are a number of differences to consider when making any comparisons. Some of the main differences include:

- Time period: The figures are presented on different timescales. The HBAI figures are presented for the financial year, while the SILC are presented for the calendar year.
- Population groups: The SILC statistics are presented in different age groups than the HBAI figures.
- Preferred measures: The SILC estimates are presented on a BHC basis only. While this is consistent with the HBAI's most commonly used measure for working-age adults and children, it is preferable to look at pensioners' incomes after deducting housing costs.
- Income derivation: Elements of the derivation of disposable income in the SILC differ from that done in the HBAI.
- Persistent poverty: Different definitions are used in the UK and RoI.

Despite the differences between the HBAI and SILC, for the purposes of this report, the poverty rates deriving from both these sources have been charted together in order to facilitate comparisons of the UK and NI with the RoI. It is therefore recommended that caution is taken when interpreting such comparisons. However, the trends and their interactions may still provide some useful insight into how poverty varies across the UK, its four nations and the RoI.

Comparisons between the UK and NI

While the AHC measure is comparable between NI and the UK, BHC analysis is not. However, for the purposes of this report, given that the SILC estimates for the RoI are presented on a BHC basis only, NI poverty rates will also be compared with the UK on a BHC basis to allow for comparisons with the RoI.

Comparisons between UK Countries and Regions

UK poverty estimates by country and region are subject to greater sampling variability than estimates for the UK as a whole, since the number of households surveyed is smaller. Therefore, these regional estimates are presented as three-year averages so that the figures are less volatile.

This methodology enables underlying trends to be identified, whilst smoothing out any random fluctuations.

Hence, in this report, three-year averages have been used for comparisons of NI poverty rates with the other UK countries and regions. To allow for comparisons of the ROI with UK countries, three-years averages have also been calculated using the SILC data.

For the purposes of this report, the period 2017-20 refers to the average of the three financial years 2017/18, 2018/19 and 2019/20 for NI and the UK. Whilst for the ROI, it represents the average of the three calendar years 2017, 2018 and 2019.

A photograph showing a person's hands holding an empty, crumpled paper bag. The person is wearing a dark, textured jacket with ribbed cuffs. The background is a light-colored wooden surface with horizontal planks. The entire image is overlaid with a semi-transparent purple filter. The text "3. Overall Poverty Rates" is centered in white, bold font.

3. Overall Poverty Rates

3. Overall Poverty Rates

Poverty - All Individuals in Northern Ireland 2019/20		
	Relative Poverty	Absolute Poverty
Before Housing Costs	17%	13%
After Housing Costs	17%	13%

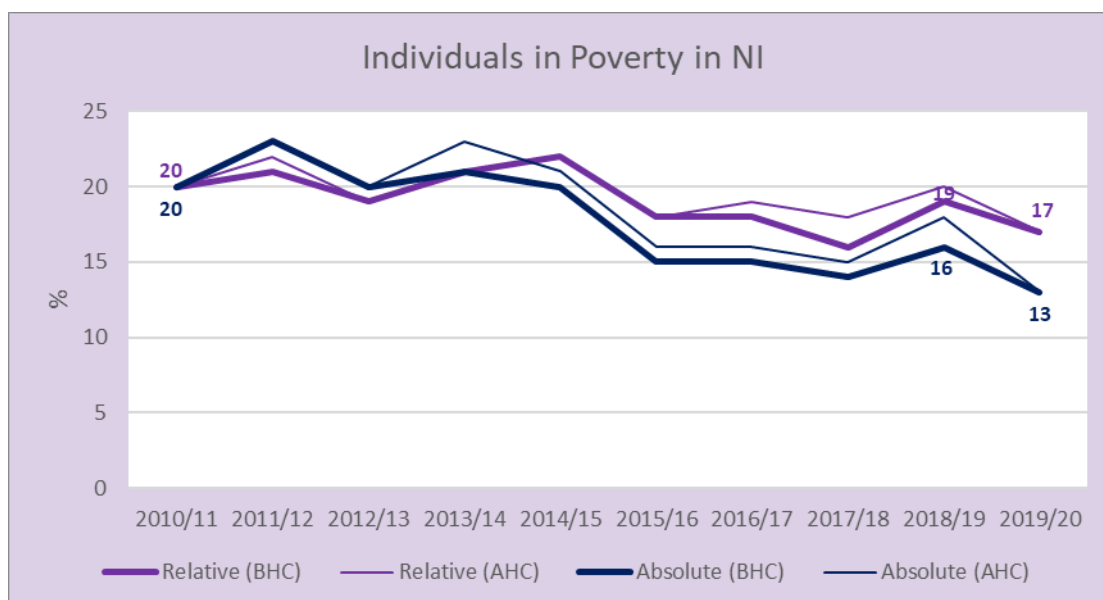
Source: DfC, Households Below Average Income.

In 2019/20, 17% of the NI population were estimated to be living in relative poverty. This fell from 19% in the previous year before housing costs and 20% after housing costs.

The absolute poverty rates are generally lower than their relative counterparts, and have followed a downward trend over the last 10 years. Absolute poverty BHC has fallen from 20% in 2010/11 to 16% in 2018/19 with a further decline to 13% in 2019/20.

When account is taken of housing costs such as rent and mortgage repayments, it generally pushes the poverty rate up. This was particularly true during the intermediate period, however at both the start and end of the decade, as well as in 2012/13, the before and after housing costs rates were equal for both the relative and absolute poverty measures.

Both the relative and absolute rates in NI, on a before and after housing costs basis, are currently at their lowest level in the 10 year time series considered, with the exception of relative poverty BHC which was at its lowest of 16% in 2017/18.



Source: DfC, Households Below Average Income.

Each of the four poverty rates will be considered separately for comparisons with the UK and Republic of Ireland.

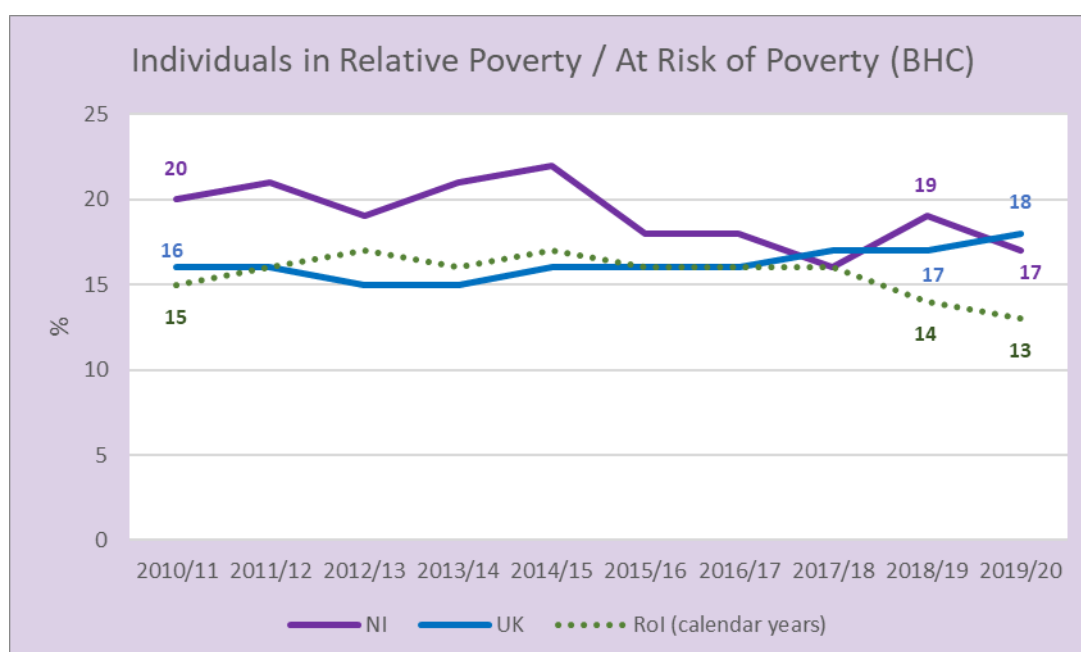
3.1 Relative Poverty – Before Housing Costs

During the last decade, relative poverty rates BHC in Northern Ireland were generally higher than those in the UK but on a gradual downward trend, resulting in this gap narrowing in recent years.

In 2019/20, 17% of individuals in NI were in relative poverty before housing costs compared to 18% in the UK and 13% at risk of poverty in the RoI. Relative poverty rates BHC were generally higher in NI than the UK, although this gap has narrowed in recent years with NI's rates being lower in 2017/18 and 2019/20.

The poverty rates appear to be lower in the RoI than NI, although due to the different sources and measures, caution should be exercised when interpreting any comparisons of the UK and NI with the RoI. In particular, the RoI consider individuals 'at risk of poverty', although this is similar in definition to the UK and NI's 'relative poverty'. Furthermore, RoI present their figures for the calendar year whilst the UK's are for financial year. However, for the purposes of this report and to facilitate general comparisons, the RoI figures have been charted alongside those for the UK using the same timescale. It should therefore be noted that for example, RoI data for 2019 has been plotted against the period 2019/20. Despite these caveats, the trends and their interactions will still provide useful insight, particularly as RoI poverty data is rarely compared to NI or the other UK nations.

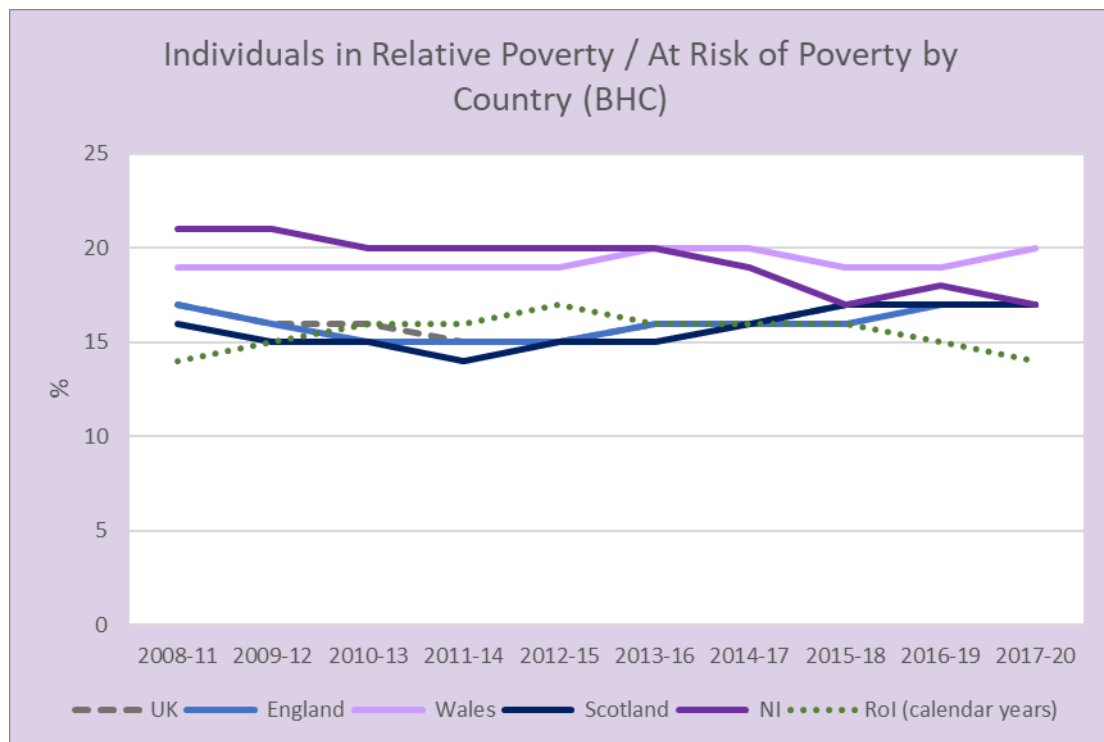
In terms of trends, the 'at risk of poverty' rate in the RoI has broadly been on a downward course over the last five years, having fallen from 17% to a low of 13% in 2019/20, whilst conversely the relative poverty rates in the UK were starting to rise. However in NI, the rates have also generally declined, despite a spike in 2014/15 and again, but to a lesser extent, in 2018/19.



Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

Owing to the volatility of single year results, due to small sample sizes, figures by country are presented as three-year averages. For the purposes of this report, the period 2017-20 refers to the average of the three financial years 2017/18, 2018/19 and 2019/20 for NI and the UK. Whilst for the RoI, it represents the average of the three calendar years 2017, 2018 and 2019.

Northern Ireland had the highest relative poverty rate of the four nations and RoI for the first half of the time series, however since 2014-17 Wales assumed this position. Although NI continues to have the second highest poverty rate, the gap has narrowed and in 2017-20, the rate in NI was the same as that in Scotland and England. The RoI is the only country for which the poverty rate has consistently remained lower than NI over the 10 year period.



Source: DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

Note: Figures for England largely match those for the UK, therefore the UK's data line has in part been subsumed underneath England's.

Relative poverty rates BHC vary across regions with the North East, Yorkshire and the Humber, and West Midlands having the highest rates in 2017-20 at 21%. Northern Ireland's poverty rates appear to be approximately midway between those of the English regions.

Relative Poverty / At Risk of Poverty by Region (BHC)			
Region/Country	2015-18	2016-19	2017-20
UK	17	17	17
North East	19	19	21
North West	19	19	19
Yorkshire and the Humber	19	20	21
East Midlands	18	16	17
West Midlands	19	20	21
East	15	14	14
London	16	16	16
South East	13	13	14
South West	13	14	14
England	16	17	17
Wales	19	19	20
Scotland	17	17	17
NI	17	18	17
RoI (calendar years)	16	15	14

Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

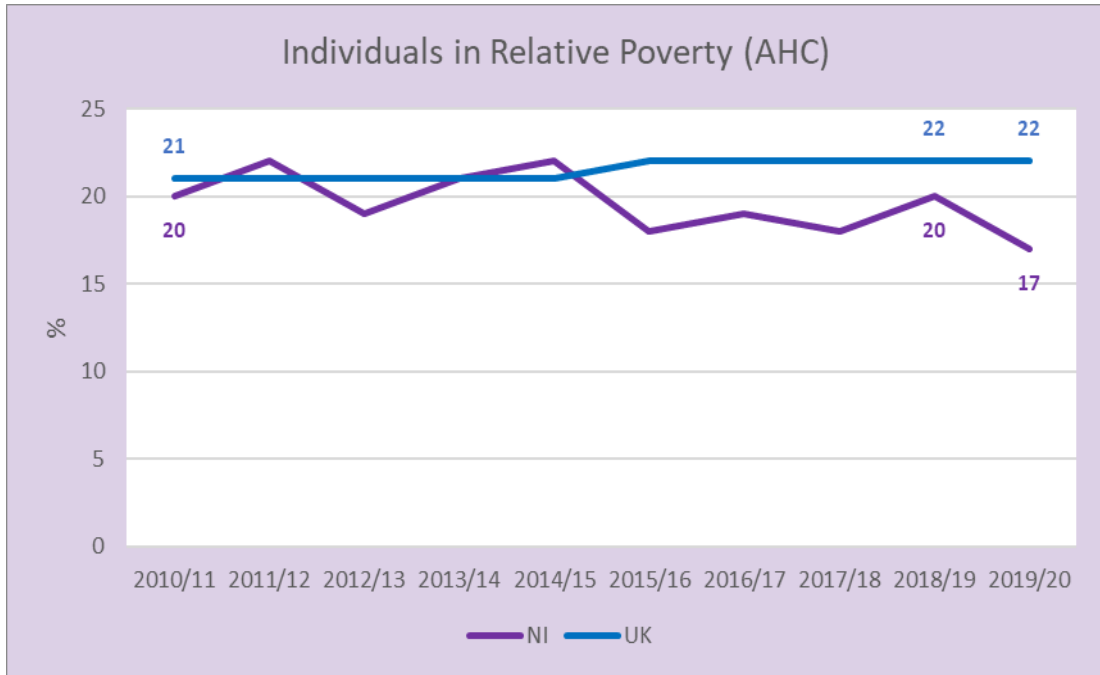
3.2 Relative Poverty – After Housing Costs

Relative poverty rates AHC in Northern Ireland are generally lower than those in the UK with this gap widening in the last five years.

When housing costs are taken into consideration, it appears to have an impact on the relationship between NI and the UK poverty rates. Whilst poverty rates BHC were consistently higher in NI than the UK, with the exception of 2017/18 and 2019/20, the picture is somewhat different on an AHC basis. Over the 10 year period, poverty rates in NI have been lower than those in the UK, excluding 2011/12 and 2014/15 when they were just one percentage point higher. In particular, the gap between NI and the UK has increased to a high of five percentage points in 2019/20, with 22% of the UK's individuals being in relative poverty AHC compared to 17% in NI.

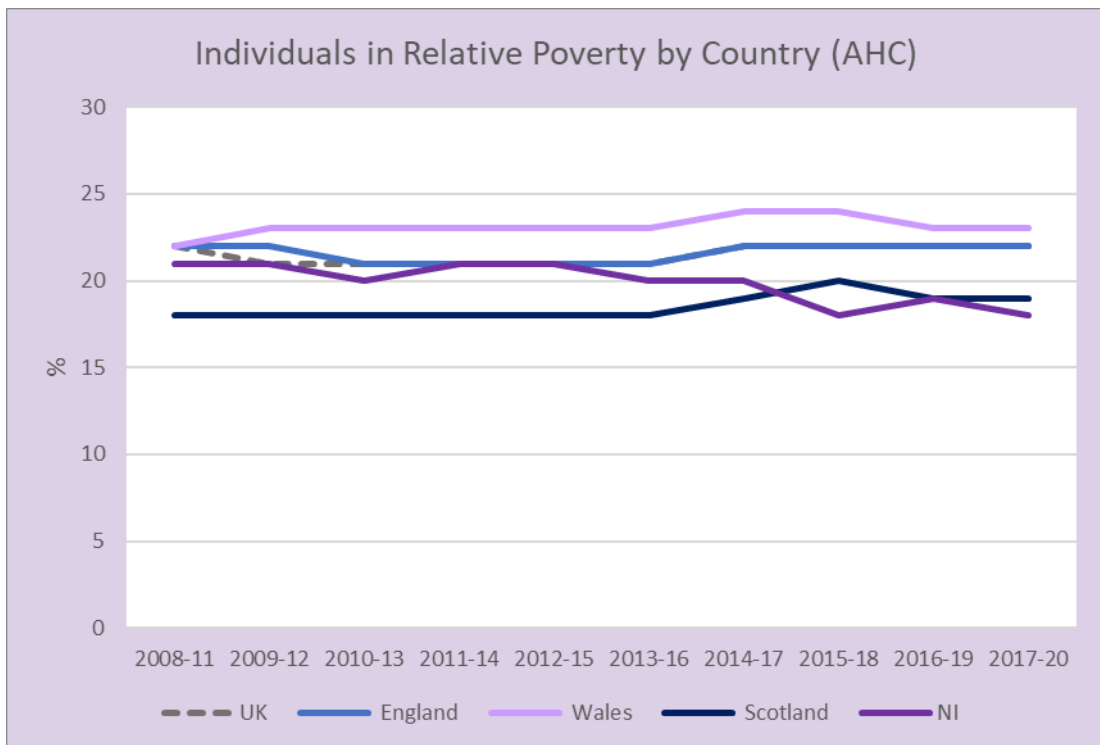
This difference between the rates in NI and the UK on an AHC and BHC basis, may be in part due to the fact that while the AHC measure is comparable between NI and UK, BHC analysis is not. It may be further explained by the comparatively lower housing costs in NI, which can act to protect families from being pushed into poverty. Both renters and those buying with a mortgage pay the lowest average housing costs of any region or country in the UK. Furthermore, there is evidence of a widening gap in terms of lower housing costs for low income individuals in NI compared to the rest of the UK.

Comparisons with the RoI are not possible. As previously stated, figures are not available for the RoI on an AHC basis.



Source: DfC / DWP, Households Below Average Income.

The interaction of trends by country is also somewhat different on an AHC basis. Wales continuously had the highest rate of relative poverty, followed by England, NI and Scotland. Whilst NI's poverty rate matched England's in 2011-14 and 2012-15, this gap has since widened with NI being up to four percentage points lower. Furthermore, in 2015-18 and 2017-20, NI also dipped below Scotland. In the last three periods, NI has experienced the lowest or joint lowest relative poverty rates AHC with their rates gradually declining to a low of 18% in 2015-18 and 2017-20.



Source: DfC / DWP, Households Below Average Income.

Note: Figures for England largely match those for the UK, therefore the UK's data line has in part been subsumed underneath England's.

On an AHC basis, relative poverty rates across the English regions are generally four to five percentage points higher compared to their BHC rates. In particular, London had the highest poverty rate AHC at 27% in 2017-20, whilst NI experienced the lowest at 18%. NI's rates appear to be similar to those in the East, South East and South West.

Relative Poverty by Region (AHC)			
Region/Country	2015-18	2016-19	2017-20
UK	22	22	22
North East	24	24	25
North West	23	22	22
Yorkshire and the Humber	22	24	24
East Midlands	21	19	20
West Midlands	24	24	25
East	19	19	19
London	28	28	27
South East	19	19	19
South West	19	19	19
England	22	22	22
Wales	24	23	23
Scotland	20	19	19
NI	18	19	18

Source: DfC / DWP, Households Below Average Income.

3.3 Absolute Poverty – Before Housing Costs

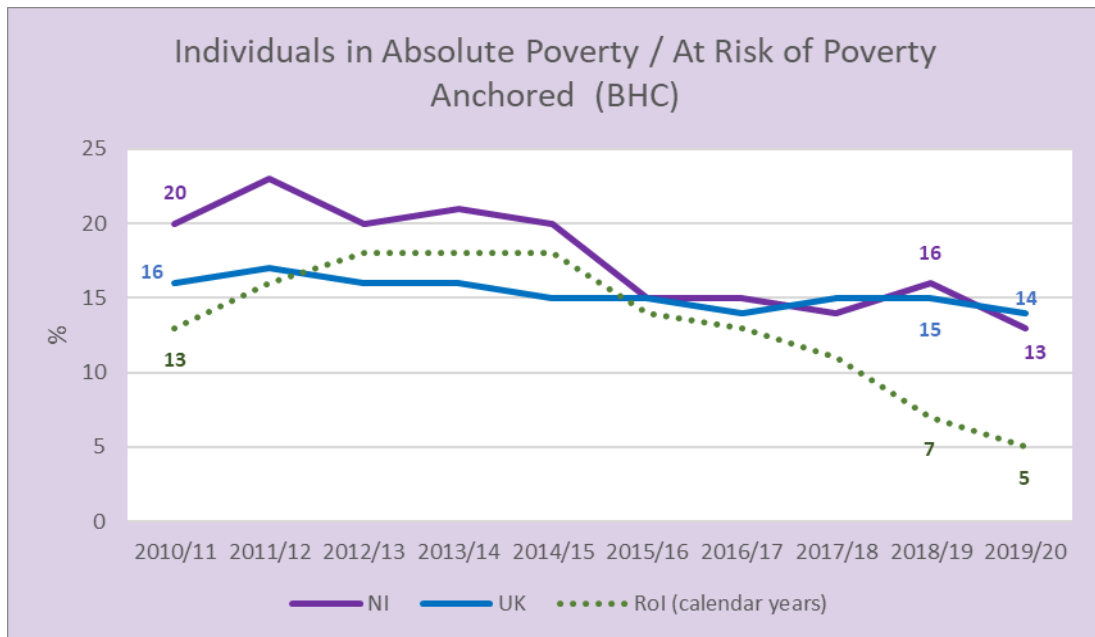
Absolute poverty rates BHC in Northern Ireland were previously higher than those in the UK, however following a marked downward trend in NI, they have been broadly equivalent for the last five years.

The absolute poverty rates are generally lower than their relative counterparts. In both NI and the UK, this equated to a difference of four percentage points in 2019/20 with 13% and 14% of individuals in absolute poverty in NI and the UK respectively, compared to 17% and 18% in relative poverty. However, in the RoI the 'at risk of poverty rate anchored at a moment in time' was much lower than the 'at risk of poverty rate' at 5% and 13% respectively in 2019/20.

The percentage of individuals in absolute poverty / at risk of poverty anchored BHC was higher in NI than the UK and RoI for the first half of the decade. However, in 2015/16 the rates were almost equal across the three areas at 15% for NI and the UK and 14% for the RoI. Since then, the poverty rates in NI and the UK have closely intertwined.

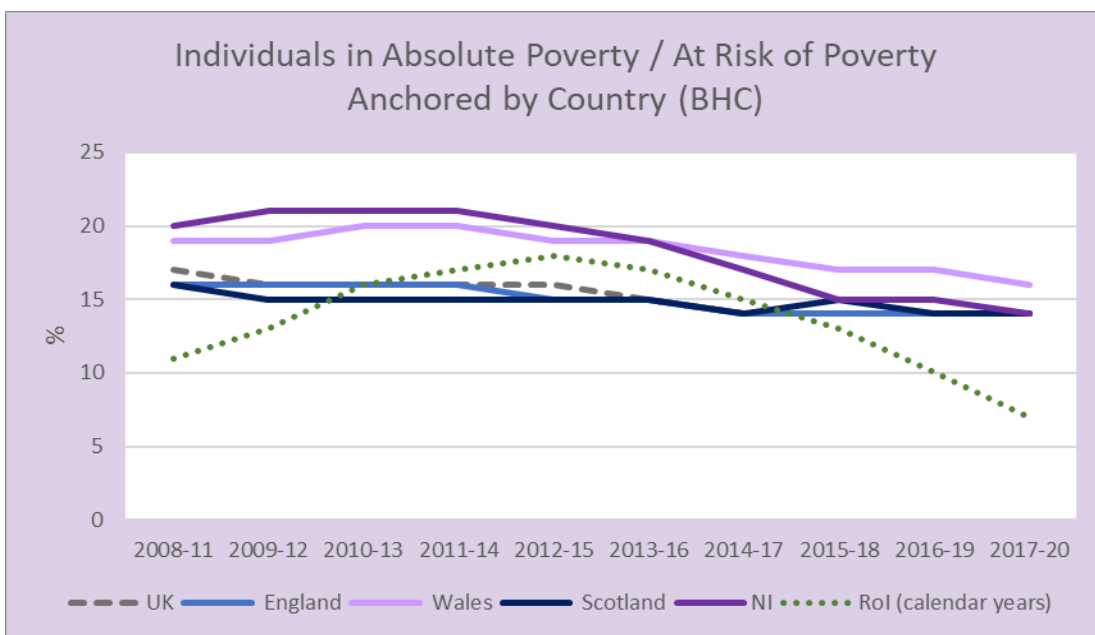
Whilst the poverty rates are on a downward trend for each of the areas, it more much more marked in the RoI having decreased from a high of 18% in 2014/15 to 5% in 2019/20. Meanwhile, NI has

experienced a decline in its absolute poverty from 23% in 2011/12 to 13% in 2019/20, whilst the UK's decline has been much more subtle.



Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

When considering absolute poverty / at risk of poverty anchored by country BHC, Northern Ireland experienced the highest poverty rate of the four nations and the RoI prior to matching Wales in 2013-16, and subsequently falling below Wales which continues to remain the highest at 16% in 2017-20. NI has since fallen further to match rates in England and Scotland of 14% in 2017-20. Meanwhile the poverty rate in the RoI has continually remained lower than NI with the gap at its widest in 2008-11 and narrowing to two percentage points four years later but widening again to seven percentage points in 2017-20.



Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

Note: Figures for England largely match those for the UK, therefore the UK's data line has in part been subsumed underneath England's.

Absolute poverty rates BHC vary across regions with the North East, Yorkshire and the Humber, and West Midlands having the highest rates in 2017-20. Northern Ireland's poverty rates appear to be approximately midway between those of the English regions.

Absolute Poverty / At Risk of Poverty Anchored by Region (BHC)			
Region/Country	2015-18	2016-19	2017-20
UK	14	14	14
North East	16	17	19
North West	16	17	16
Yorkshire and the Humber	17	18	18
East Midlands	15	14	15
West Midlands	17	16	18
East	12	12	12
London	13	14	14
South East	12	12	12
South West	12	12	12
England	14	14	14
Wales	17	17	16
Scotland	15	14	14
NI	15	15	14
RoI (calendar years)	13	10	7

Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

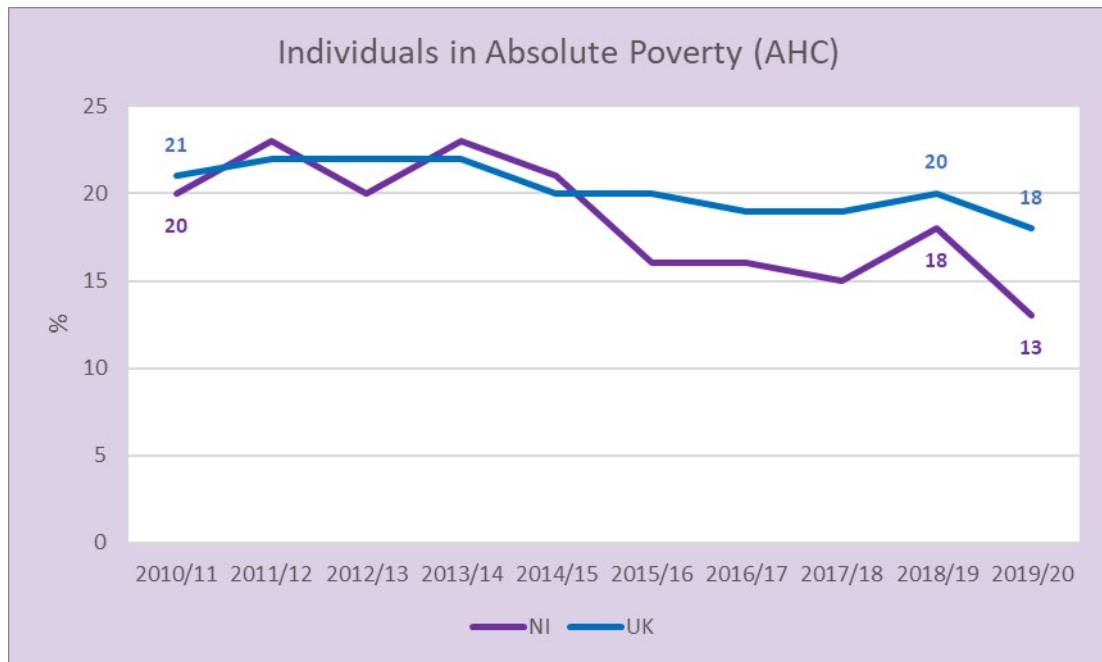
3.4 Absolute Poverty – After Housing Costs

Absolute poverty rates AHC in Northern Ireland have fallen considerably in the last five years and are now lower than those in the UK.

The rates of individuals in absolute poverty AHC follow a similar trend to those for relative poverty AHC, although at a slightly lower level. Furthermore, they have declined slowly in the UK whilst NI has experienced a more pronounced drop in absolute poverty rates from highs of 23% in 2011/12 and 2013/14 to 13% in 2019/20.

Over the last decade, poverty rates in NI have generally been lower than those in the UK, although they were one percentage point higher on three occasions. In particular, the gap by which the UK's poverty rates exceed NI's increased to a high of five percentage points in 2019/20 with 18% of individuals in the UK being in absolute poverty AHC compared to 13% in NI.

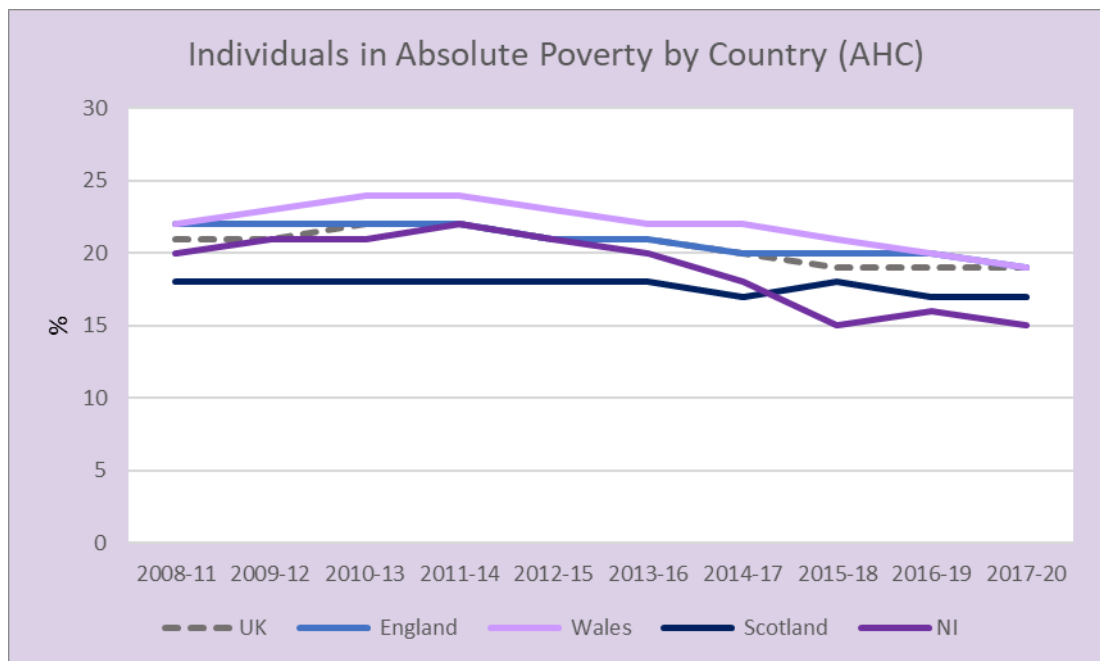
As stated previously, figures are not available for the RoI on an AHC basis and therefore comparisons with the RoI are not possible.



Source: DfC / DWP, Households Below Average Income.

Considering absolute poverty rates AHC by country, those in Scotland have remained fairly consistent over the last 10 years whilst England has experienced a subtle decline. Northern Ireland and Wales have been subject to more variation, particularly NI with a drop in poverty rates from a high of 22% in 2011-14 to lows of 15% in 2015-18 and 2017-20.

Despite Wales initially having the same poverty rate as England in 2008-11, it rose and was continuously the highest, although it has now fallen to once again match that of England in 2016-19 and 2017-20. Scotland historically experienced the lowest absolute poverty rates AHC, however in 2015-18, NI dropped below Scotland and has since remained the lowest across the four nations.



Source: DfC / DWP, Households Below Average Income.

In terms of absolute poverty AHC by region, London had the highest rates of approximately 25% in each of the three time periods considered, whilst NI consistently experienced the lowest across all regions. NI's rates appear to be similar to those in the East and South West.

Absolute Poverty by Region (AHC)			
Region/Country	2015-18	2016-19	2017-20
UK	19	19	19
North East	21	21	21
North West	20	19	18
Yorkshire and the Humber	20	21	21
East Midlands	18	17	17
West Midlands	21	21	21
East	17	17	16
London	25	26	24
South East	17	17	17
South West	17	17	16
England	20	20	19
Wales	21	20	19
Scotland	18	17	17
NI	15	16	15

Source: DfC / DWP, Households Below Average Income.

A photograph of a middle-aged man with grey hair, sitting on a couch. He is wearing a light-colored t-shirt and jeans. He has a distressed expression, with his right hand pressed against his forehead and his gaze directed downwards. The entire image is overlaid with a semi-transparent purple filter.

4. Poverty Rates for Working-age Adults

4. Poverty Rates for Working-age Adults

During the last decade, relative poverty rates for working-age adults in Northern Ireland are slightly lower than those for all individuals, and have generally been on a downward trend.

In NI and the UK, working-age adults are defined as all adults who are aged 16 and over, unless considered as a dependent child, and below State Pension age. However, in the RoI they are defined as those aged 18-64 years.

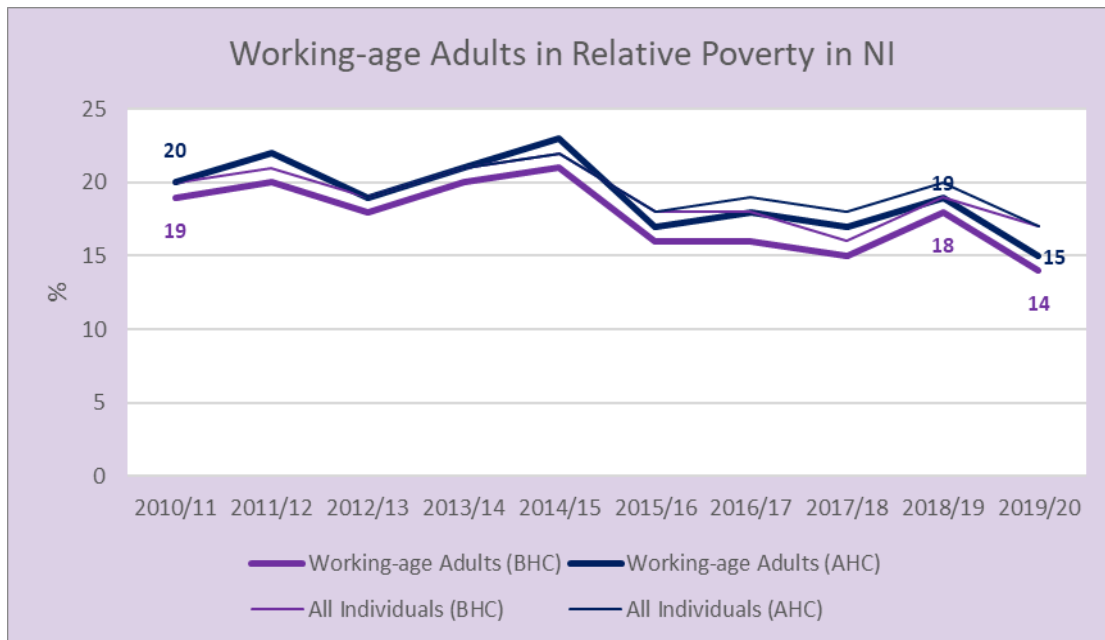
Poverty - Working Age Adults in Northern Ireland 2019/20		
	Relative Poverty	Absolute Poverty
Before Housing Costs	14%	11%
After Housing Costs	15%	12%

Source: DfC, Households Below Average Income.

In 2019/20, 14% of working-age adults in NI were in relative poverty BHC, having fallen from 18% in the previous year. Meanwhile on an AHC basis, relative poverty also fell by a similar amount from 19% in 2018/19 to 15% in 2019/20. Furthermore, 11% and 12% of working-age adults were in absolute poverty in 2019/20, BHC and AHC respectively, having both fallen by five percentage points from the preceding year.

During the last decade, relative poverty rates for working-age adults in NI have generally been on a downward trend across both measures, with each being at their lowest in 2019/20. However, relative poverty rates peaked in 2014/15 to 21% BHC and 23% AHC.

When compared to all individuals in NI, the relative poverty rates for working-age adults follow a similar trend, albeit at a slightly lower level of approximately one to two percentage points on a BHC basis during the decade, and more recently also on an AHC basis. However, in 2019/20, this gap widened to three percentage points on a BHC basis with 17% of all individuals in relative poverty compared to 14% of working-age adults.



Source: DfC, Households Below Average Income.

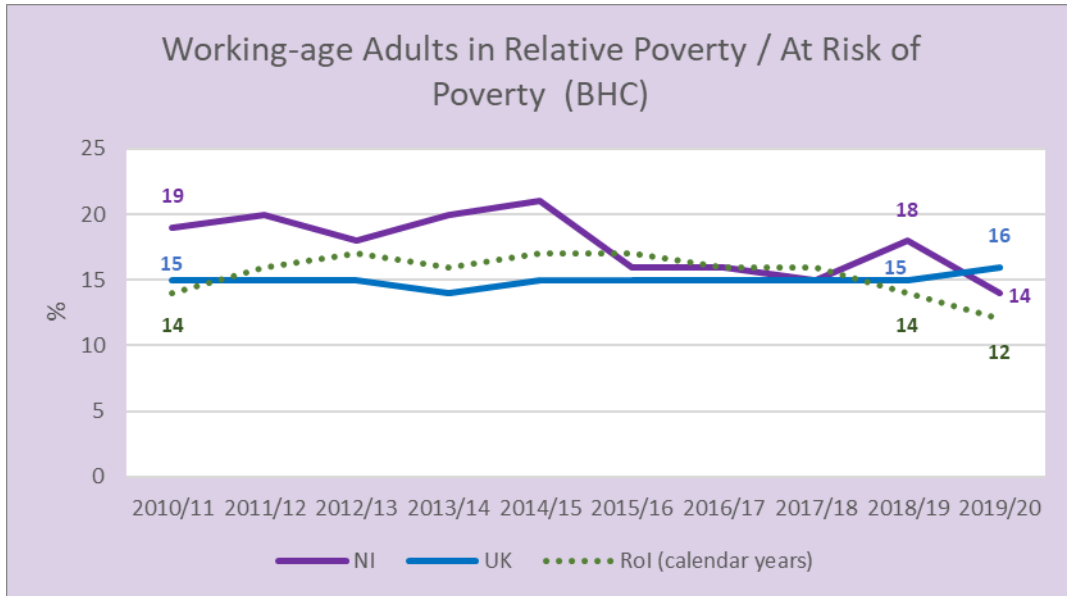
When considering working-age adults, only relative poverty measures will be explored further in this section. They are generally the most commonly used poverty measures in Northern Ireland.

4.1 Relative Poverty for Working-age Adults – Before Housing Costs

Relative poverty rates for working-age adults BHC in Northern Ireland have traditionally been higher than those in the UK, but owing to a gradual downward trend, they were lower in 2019/20 for the first time in a decade.

The percentage of the UK's working-age adults in relative poverty BHC has been broadly stable during the last 10 years at approximately 15%, however it has fluctuated more in NI. Although the rates in NI have fallen from 19% in 2010/11 to 14% in 2019/20, there have been a number of spikes, particularly in 2014/15 when it climbed to a high of 21%, and in 2018/19 when it rose from 15% in the previous year to 18%. Meanwhile in the RoI, the 'at risk of poverty' rate in 2018/19 returned to its original figure of 14% experienced in 2010/11, despite an increase of three percentage points during the intervening period. This rate fell further in 2019/20 to 12%.

The poverty rates in the UK have generally been lower than those in NI and the RoI. However, in 2018/19 the RoI fell below the UK and was also joined by NI in 2019/20. At this stage, both NI and the RoI experienced their lowest poverty rates during the decade, at 14% and 12% respectively. Comparing NI and the RoI, the relative poverty rate BHC has normally been higher in NI, except for the periods 2015/16 and 2017/18, when it dipped below the RoI's 'at risk of poverty' rate by one percentage point.

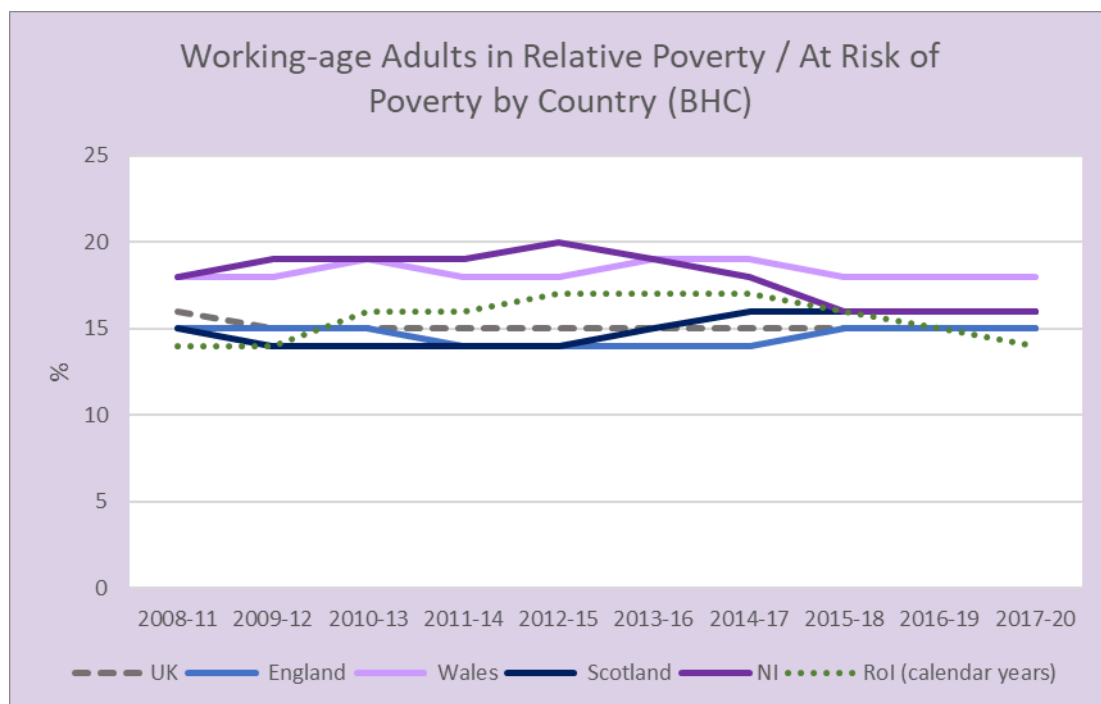


Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions

Owing to the volatility of single year results, due to small sample sizes, figures by country are presented as three-year averages. For the purposes of this report, the period 2017-20 refers to the average of the three financial years 2017/18, 2018/19 and 2019/20 for NI and the UK. Whilst for the RoI, it represents the average of the three calendar years 2017, 2018 and 2019.

In 2017-20, Wales had the highest rate of relative poverty BHC for working-age adults at 18%, followed by 16% in both Scotland and NI, 15% in England and a low of 14% for 'at risk of poverty' in the RoI.

Northern Ireland is the only country to have experienced a downward trend in poverty rates for its working-age adults. Those in Wales and England have been broadly stable whilst, despite fluctuations in Scotland and the RoI, their position in the later period is the same or similar to the original period. Although NI's rates have fallen, those in England, Scotland and the RoI have continually remained lower, or joint with NI, since 2008-11.



Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

Relative poverty rates for working-age adults BHC vary across regions with the North East and Yorkshire and the Humber having the highest rates of 20% in 2017-20. Northern Ireland’s poverty rates appear to be approximately midway between those of the English regions, whilst the East and South East have experienced some of the lowest rates of 12%.

Relative Poverty / At Risk of Poverty for Working-age Adults by Region (BHC)			
Region/Country	2015-18	2016-19	2017-20
UK	15	15	15
North East	18	18	20
North West	17	17	17
Yorkshire and the Humber	17	18	20
East Midlands	17	15	16
West Midlands	17	17	19
East	13	13	12
London	13	14	13
South East	11	12	12
South West	12	12	13
England	15	15	15
Wales	18	18	18
Scotland	16	16	16
NI	16	16	16
ROI (calendar years)	16	15	14

Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

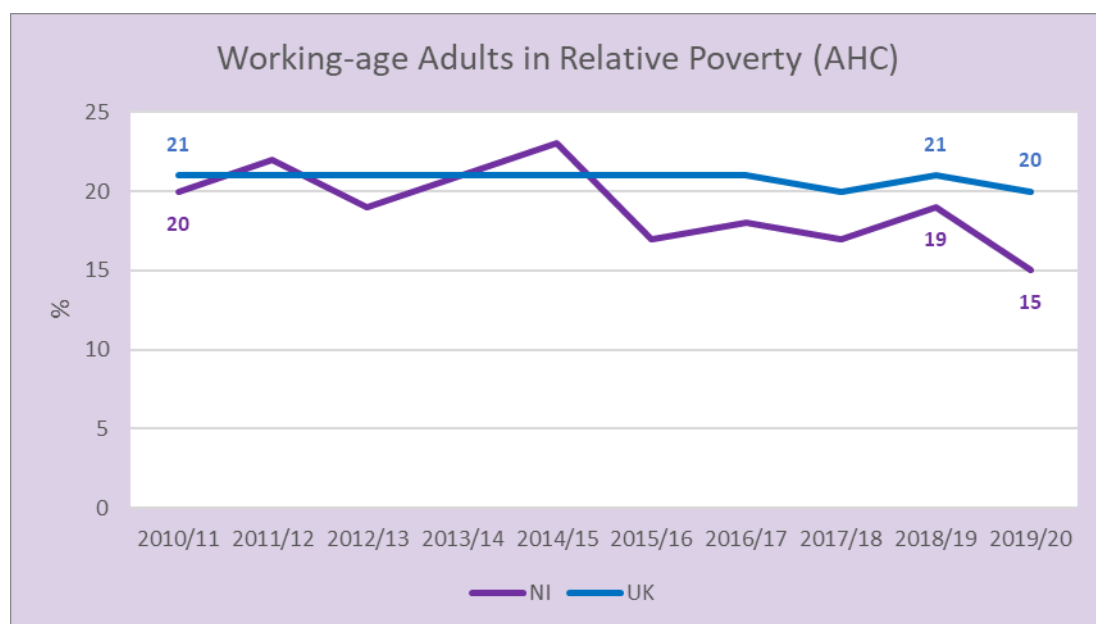
4.2 Relative Poverty for Working-age Adults – After Housing Costs

Relative poverty rates for working-age adults AHC in Northern Ireland were generally lower than those in the UK with this gap widening in the last five years.

When housing costs are deducted, this somewhat changes the picture of relative poverty for working-age adults. Whilst the trends for the UK and NI are similar to those seen previously on a BHC basis, the poverty rates are at a higher level. This is more striking in the UK, where the relative poverty rate BHC was 16% compared to 20% AHC, than in NI at 14% and 15% respectively in 2019/20. The interaction of NI and UK poverty rates is also different on an AHC basis. Although poverty rates for working-age adults BHC were generally higher in NI than the UK, the opposite is true when considering AHC.

Since peaking at 23% in 2014/15, the relative poverty rates for working-age adults AHC in NI fell sharply to 17% the following year, at which stage they were lower than those in the UK, where they have since remained. Furthermore, this gap has widened to five percentage points in 2019/20.

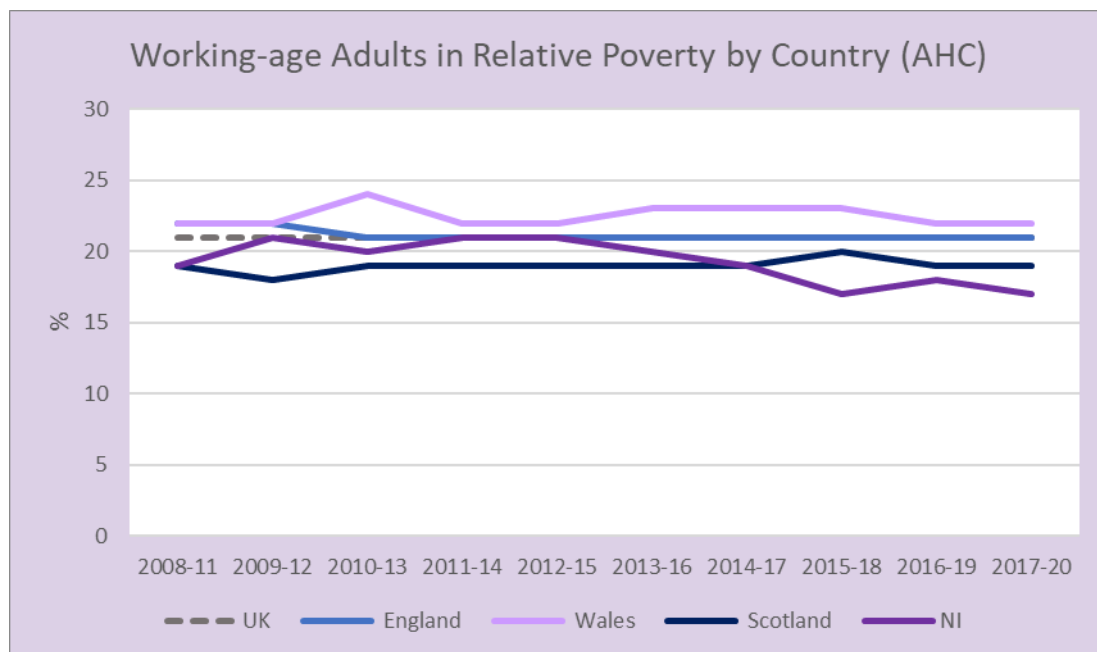
Figures are not available for the RoI on an AHC basis.



Source: DfC / DWP, Households Below Average Income.

The interaction of trends by country is also somewhat different on an AHC basis, particularly for Scotland and NI with both countries now being below, or further below, the UK's poverty rate than when compared BHC.

Working-age adults in Wales have had the highest rates of relative poverty AHC for each three-year period considered, whilst those in Scotland and NI have experienced some of the lowest. In particular, in 2017-20, NI had the lowest rate of 17% followed by 19% in Scotland, 21% in England and 22% in Wales. This order by country has been maintained since 2015-18.



Source: DfC / DWP, Households Below Average Income.

Note: Figures for England largely match those for the UK, therefore the UK's data line has in part been subsumed underneath England's.

When considering relative poverty rates AHC by region, NI had the lowest rates for working-age adults in each of the three periods compared to any other region in the UK. However, in 2016-19 this was joint with East Midlands and the East.

Relative Poverty for Working-age Adults by Region (AHC)			
Region/Country	2015-18	2016-19	2017-20
UK	21	21	21
North East	23	23	24
North West	22	21	20
Yorkshire and the Humber	21	23	23
East Midlands	20	18	19
West Midlands	22	22	23
East	19	18	18
London	25	25	24
South East	18	19	18
South West	18	19	19
England	21	21	21
Wales	23	22	22
Scotland	20	19	19
NI	17	18	17

Source: DfC / DWP, Households Below Average Income.

A young child with blue eyes is looking out from a wooden structure, possibly a window or a playhouse. The child's hands are resting on the wooden ledge. The image is overlaid with a semi-transparent purple filter. The text "5. Poverty Rates for Children" is centered over the child's face.

5. Poverty Rates for Children

5. Poverty Rates for Children

Relative poverty rates for children in Northern Ireland are higher than those for all individuals, with this gap widening, on both a before and after costs basis.

In the UK and NI's HBAI figures, children are defined as individuals aged under 16. In addition, a person will also be defined as a child if they are 16 to 19 years old and they are not married nor in a civil partnership nor living with a partner; are living with parents; and are in full-time non-advanced education or in unwaged government training. However, in the ROI the SILC figures relate to those aged under 18 years.

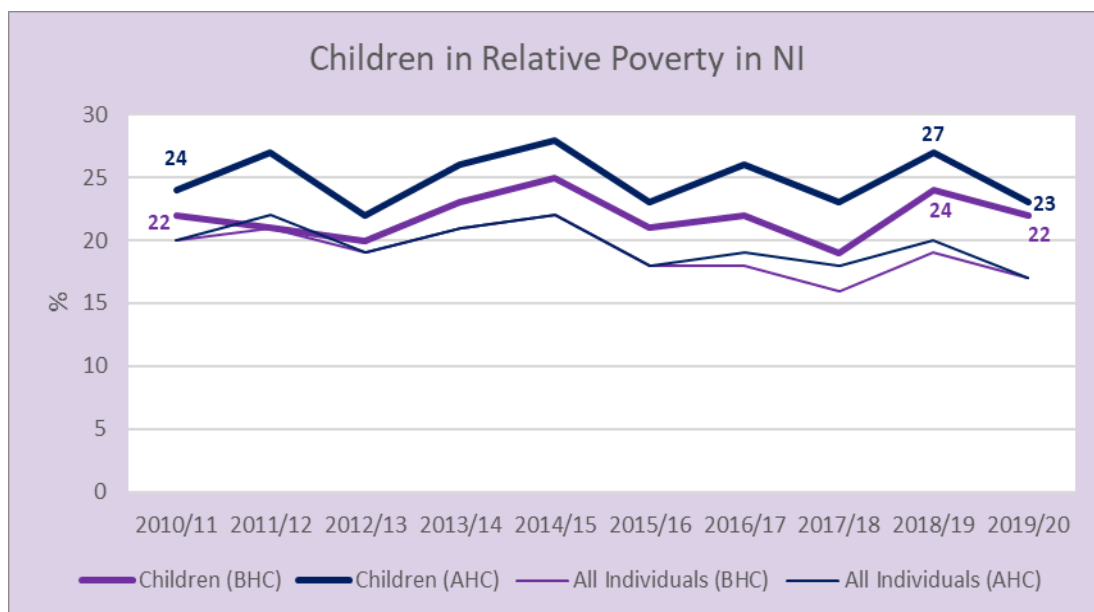
Poverty - Children in Northern Ireland 2019/20		
	Relative Poverty	Absolute Poverty
Before Housing Costs	22%	17%
After Housing Costs	23%	18%

Source: DfC, Households Below Average Income.

In 2019/20, 22% of children in NI were in relative poverty BHC, having fallen from 24% in the previous year. Meanwhile on an AHC basis, relative poverty also fell but to a greater extent from 27% in 2018/19 to 23% in 2019/20. Furthermore, 17% and 18% of children were in absolute poverty in 2019/20, BHC and AHC respectively, having fallen by four and seven percentage points from the preceding year.

During the last decade, relative poverty rates for children in NI have fluctuated slightly, however they now closely match those experienced at the start of the period. Relative poverty amongst children peaked in 2014/15 at 25% BHC and 28% AHC, and rose again to a similar level in 2018/19.

When compared to all individuals in NI, the relative poverty rates for children follow a similar trend, however at a higher level with this gap widening in recent years, on both a BHC and AHC basis. In 2011/12, the relative poverty rate for children BHC equalled that for all individuals, whilst on an AHC basis it was five percentage points higher. By 2019/20, this gap had increased to five and six percentage points, BHC and AHC respectively.



Source: DfC, Households Below Average Income.

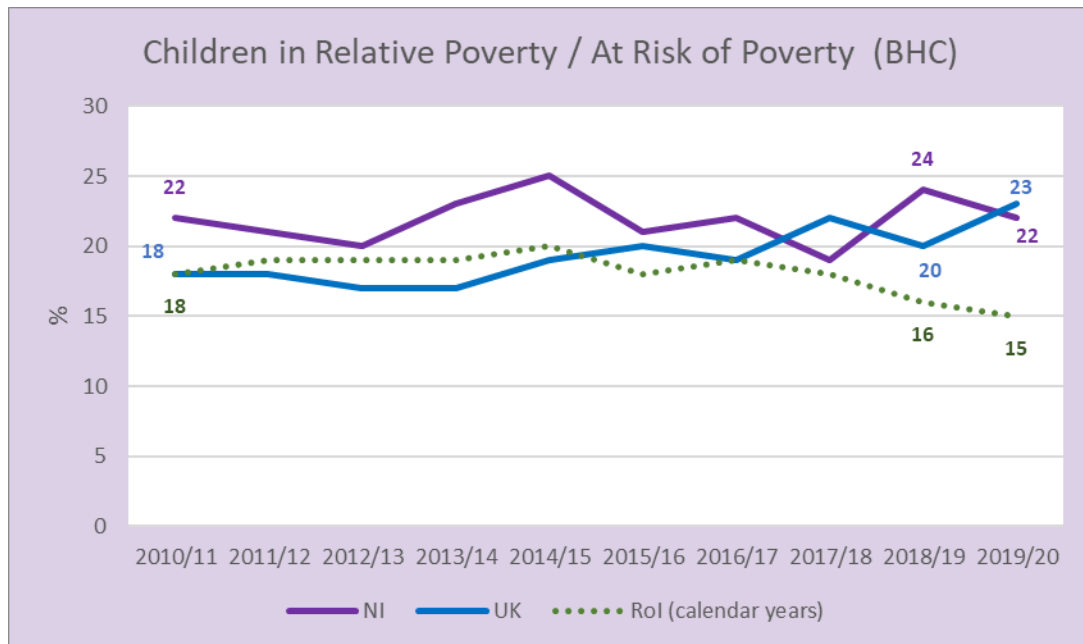
When considering children, only relative poverty measures will be explored further in this section. They are generally the most commonly used poverty measures in Northern Ireland.

5.1 Relative Poverty for Children – Before Housing Costs

Relative poverty rates for children BHC in Northern Ireland, were generally higher than those in the UK, although the gap has narrowed in recent years and given way for NI's rates to dip below those in the UK in 2017/18 and 2019/20.

The relative poverty rates for children in NI have fluctuated during the last decade but in 2019/20, they returned to their original level of 22%, whilst those in the UK have gradually increased and in 2019/20 were at their highest of 23%. Meanwhile in the RoI, the 'at risk of poverty' rate for children remained stable at approximately 19% for much of the period considered, however since 2016/17 it has been on a downward trend, falling to a low of 15% in 2019/20.

In terms of interaction in rates across the three areas, the prevalence of child poverty has generally been highest in NI, although in 2017/18 it dipped below the UK by three percentage points and again in 2019/20, although to a lesser extent of one percentage point. The 'at risk of poverty' rates in the RoI have consistently been lower than the relative poverty rates experienced in NI with this gap widening in recent years. Furthermore, rates in the RoI have been lower than or equal to those in the UK since 2015/16.

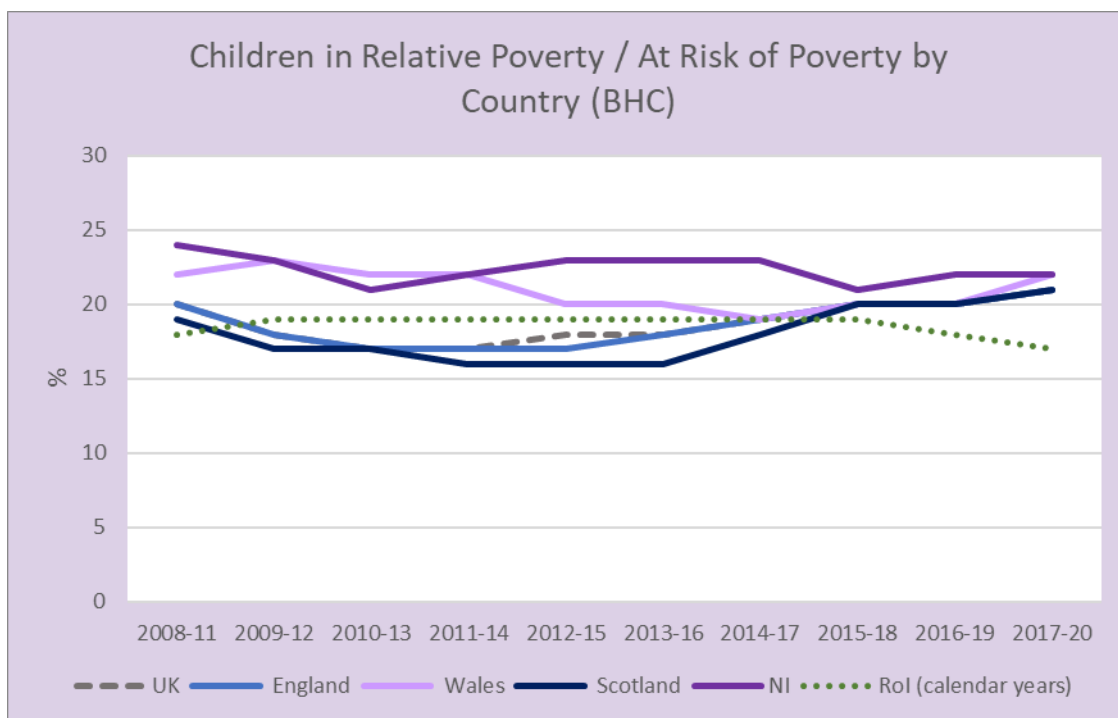


Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

Owing to the volatility of single year results, due to small sample sizes, figures by country are presented as three-year averages. For the purposes of this report, the period 2017-20 refers to the average of the three financial years 2017/18, 2018/19 and 2019/20 for NI and the UK. Whilst for the RoI, it represents the average of the three calendar years 2017, 2018 and 2019.

Comparing each of the UK's four nations and the RoI, NI has continually suffered the highest rate of child poverty across the time series, with the exception of Wales in 2010-13. Meanwhile Scotland generally experienced the lowest rate although more recently the RoI has taken this position, owing to the sharp rise in poverty in Scotland from 16% in 2013-16 to 21% in 2017-20, and a fall in RoI's rate from 19% in 2015-18 to 17% in 2017-20.

Although rates for each of the countries were broadly the same in 2017-20 as they were in 2008-11, they have fluctuated differently in the interim. Whilst NI, Scotland and England saw their rates rising between 2011-14 and 2014-17, those in Wales were falling and the RoI's remained stable. Most notable is the contracting of rates across the four UK countries to near equal levels in 2015-18.



Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

Note: Figures for England largely match those for the UK, therefore the UK's data line has in part been subsumed underneath England's.

Relative child poverty rates vary across regions with the North East, West Midlands and Yorkshire and the Humber decidedly having the highest rates in 2017-20, ranging from 30% to 28%. Northern Ireland's poverty rates appear to be approximately midway between those of the English regions while the South East and South West have the lowest rates of 15% and 16% respectively, below those of the RoI.

Relative Poverty / At Risk of Poverty for Children by Region (BHC)			
Region/Country	2015-18	2016-19	2017-20
UK	20	20	21
North East	25	25	30
North West	25	25	25
Yorkshire and the Humber	24	25	28
East Midlands	21	18	20
West Midlands	26	26	29
East	17	17	17
London	20	20	21
South East	15	15	15
South West	15	15	16
England	20	20	21
Wales	20	20	22
Scotland	20	20	21
NI	21	22	22
RoI (calendar years)	19	18	17

Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

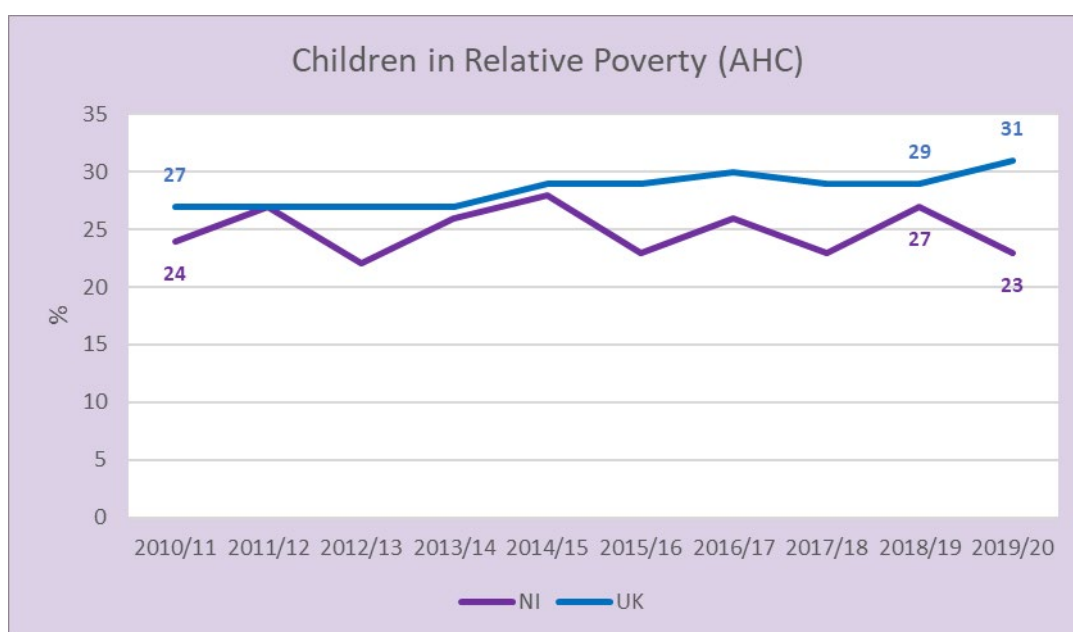
5.2 Relative Poverty for Children – After Housing Costs

Relative poverty rates for children AHC in Northern Ireland have fluctuated during the last decade but remained consistently lower than those in the UK.

The deduction of housing costs alters the relationship between rates of relative poverty for children in the UK and NI. On an AHC basis, the rates in NI have been consistently lower than those in the UK across the decade. Whilst these have on occasion been quite close, this gap has since widened to a maximum of eight percentage points in 2019/20 with 31% of children in the UK being in relative poverty AHC compared to 23% in NI.

Child poverty rates in the UK have steadily increased over time from 27% in 2010/11 to 31% in 2019/20, whilst in NI, despite having oscillated, they are now one percentage point lower than in 2010/11.

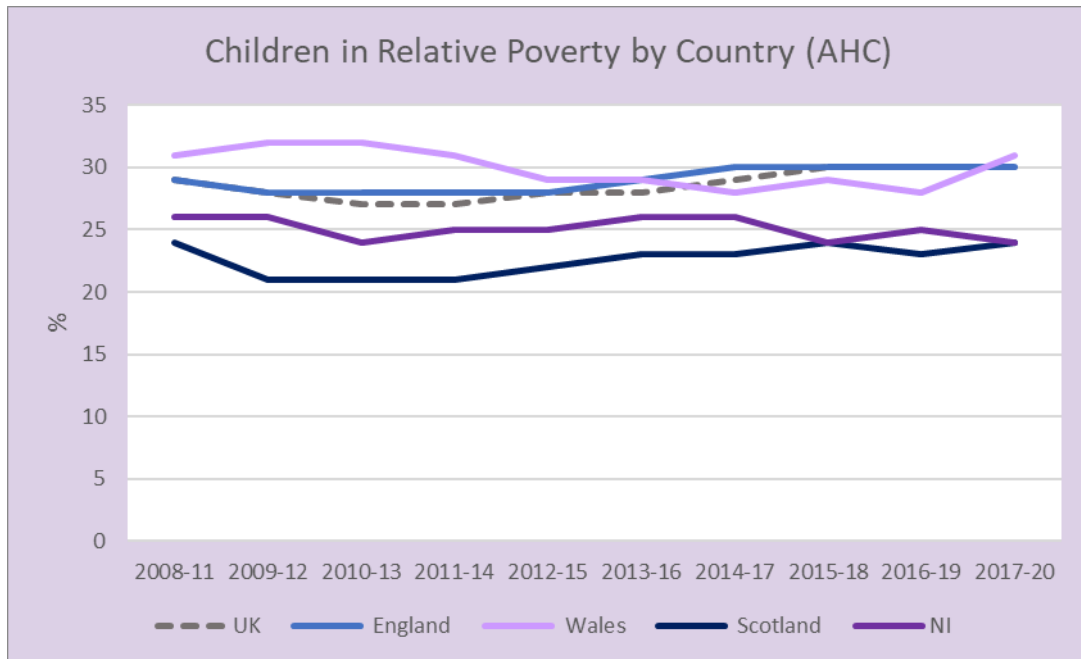
Figures are not available for the RoI on an AHC basis.



Source: DfC / DWP, Households Below Average Income.

The interaction of trends by country is also somewhat different on an AHC basis, particularly for Scotland and NI with both countries now being below, or further below, the UK's poverty rate than when compared BHC.

Children in Wales previously had the highest rates of relative poverty AHC, however this dipped below England in 2014-17 but once again rose to become the most prevalent country in the UK for child poverty in 2017-20 at 31%. Scotland experienced the lowest rates for each three-year period considered, although this was joint with NI in 2015-18 and 2017-20. Rates in Scotland have on occasion been up to 11 percentage points lower than those in Wales. In particular, in 2017-20, Scotland and NI had the lowest rate of 24%, followed by 30% in England and 31% in Wales.



Source: DfC / DWP, Households Below Average Income.

Relative poverty rates AHC for children in NI compare favourably with those in each of the English regions, being amongst the lowest during each of the periods considered. Rates in NI are broadly in line with those in the South East. Meanwhile, children in London have suffered prevalence rates of up to 38%.

Relative Poverty for Children by Region (AHC)			
Region/Country	2015-18	2016-19	2017-20
UK	30	30	30
North East	34	34	37
North West	32	31	31
Yorkshire and the Humber	30	31	33
East Midlands	28	25	27
West Midlands	34	34	35
East	27	27	26
London	37	38	38
South East	25	25	24
South West	25	25	26
England	30	30	30
Wales	29	28	31
Scotland	24	23	24
NI	24	25	24

Source: DfC / DWP, Households Below Average Income.



6. Poverty Rates for Pensioners

6. Poverty Rates for Pensioners

On an after housing costs basis, relative poverty rates for pensioners in Northern Ireland are lower than those for all individuals, with gaps of between four to ten percentage points in the last decade.

In the UK and NI's HBAI figures, pensioners are considered to be those above state pension age, currently 66 years, whilst in the ROI the SILC figures relate to those aged 65 years and over.

When considering pensioner poverty, it is often more useful to look at incomes AHC, since around three-quarters of pensioners own their homes, otherwise we may get a misleading impression of the relative living standards of pensioners who do not own their home and so incur significantly higher housing costs.

Poverty - Pensioners in Northern Ireland 2019/20		
	Relative Poverty	Absolute Poverty
Before Housing Costs	18%	14%
After Housing Costs	13%	10%

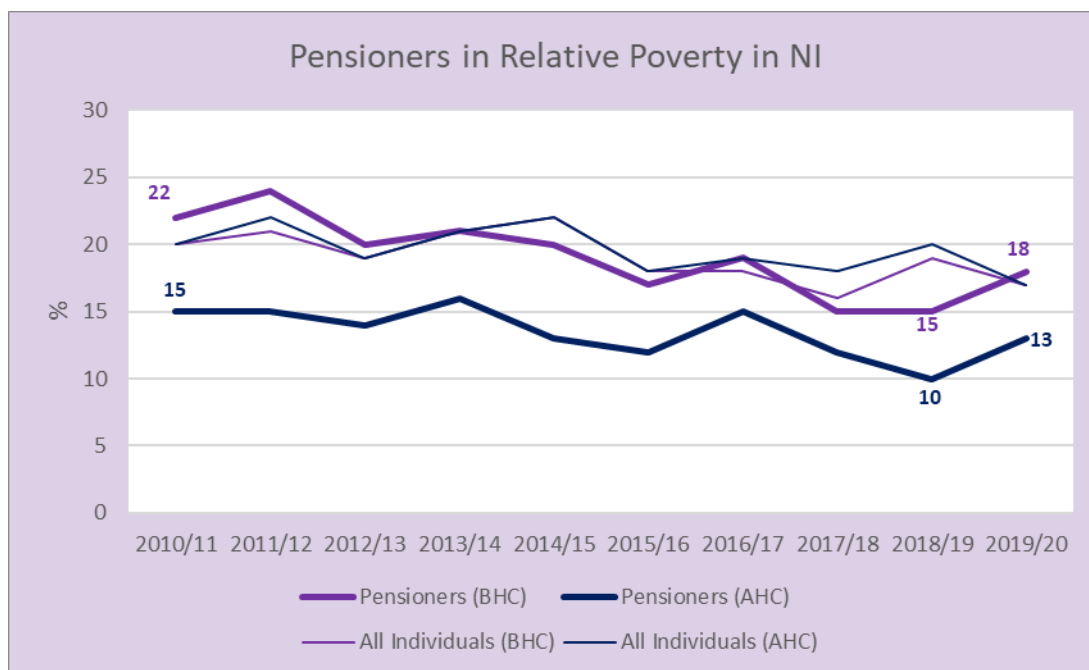
Source: DfC, Households Below Average Income.

In 2019/20, 13% of pensioners in NI were in relative poverty AHC, a rise from 10% in the previous year. Meanwhile on a BHC basis, relative poverty also rose by a similar amount from 15% in 2018/19 to 18% in 2019/20. Furthermore, 10% and 14% of pensioners were in absolute poverty in 2019/20, AHC and BHC respectively.

During the last decade, relative poverty rates for pensioners in NI have broadly been on a downward trend across both the before and after housing costs measures, despite a rise in 2019/20. Relative poverty rates AHC peaked for pensioners in 2013/14 at 16%, however subsequently dropped to their lowest of 10% in 2018/19.

There is a notable difference on a before and after housing costs basis of approximately six percentage points for pensioners, which is much more prominent than for all individuals or any of the other population groups. This is due to pensioners being more likely to own their home leading to greater disparity between the BHC and AHC rates.

When compared to all individuals in NI, the trend for relative poverty rates amongst pensioners varies slightly and on occasion has moved in opposite directions. However, more notable is that on an after housing costs basis, relative poverty rates for pensioners are much lower than those for all individuals, with gaps of between four to ten percentage points during the last decade. The difference between pensioners and all individuals on a BHC basis, is less marked and oscillates between positive and negative variations.



Source: DfC, Households Below Average Income.

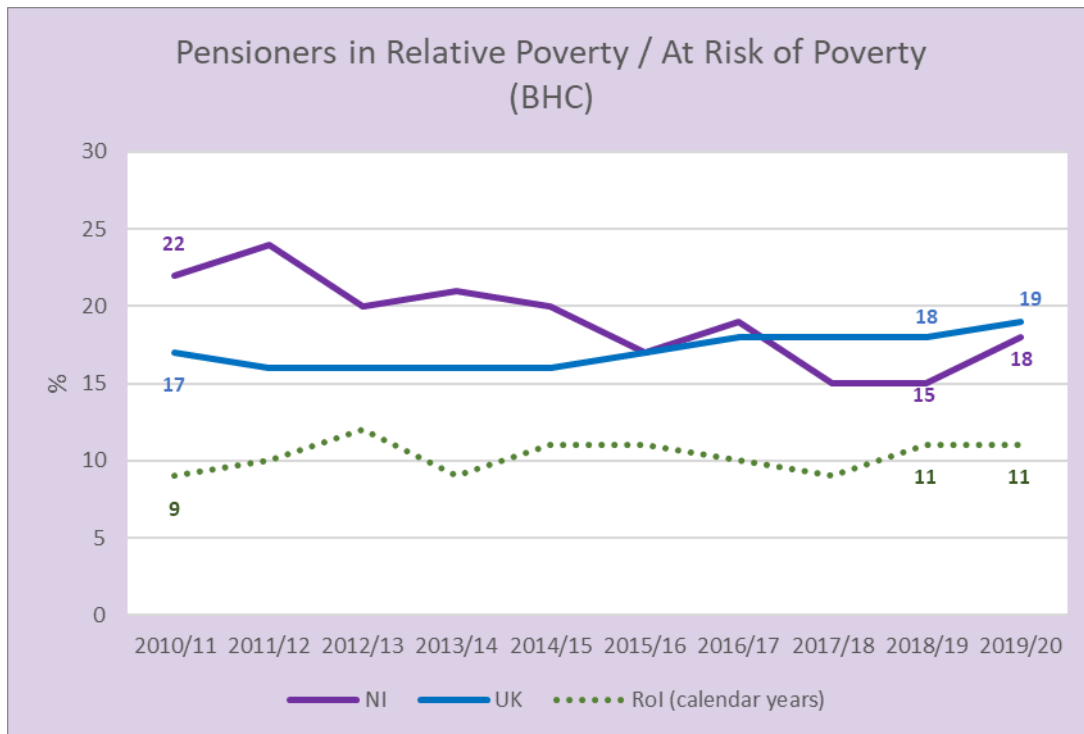
When considering pensioners, only relative poverty measures will be explored further in this section. They are generally the most commonly used poverty measures in Northern Ireland. In particular, AHC are the preferred measure for pensioner analysis, as previously explained. However, to facilitate comparisons with the RoI, for whom analysis on an AHC basis is not available, pensioner poverty rates will be considered for both before and after housing costs. Although caution should be taken when interpreting results on a BHC basis.

6.1 Relative Poverty for Pensioners – Before Housing Costs

Relative poverty rates for pensioners BHC in Northern Ireland were previously higher than those in the UK, however following a downward trend in NI, they have been lower since 2017/18.

During the last 10 years, the percentage of the UK’s pensioners in relative poverty BHC has increased gradually from 16% in 2011/12 to 19% in 2019/20. The trend in NI is somewhat different, with the rates generally falling. As a result, whilst pensioner poverty rates were previously higher in NI than the UK for the first half of the decade, the gap has narrowed from a high of eight percentage points in 2011/12 to match in 2015/16. Subsequently, in 2017/18, the UK become more prevalent than NI for pensioner poverty, continuing to remain so although by only one percentage point in 2019/20.

The RoI has experienced much lower rates of pensioner poverty for the full duration of the last decade. Their high of 12% in 2012/13 was still less than the lows of 15% and 16% seen in NI or the UK, respectively. However, due to differences in the RoI’s data source and definitions, caution should be exercised when making comparisons.

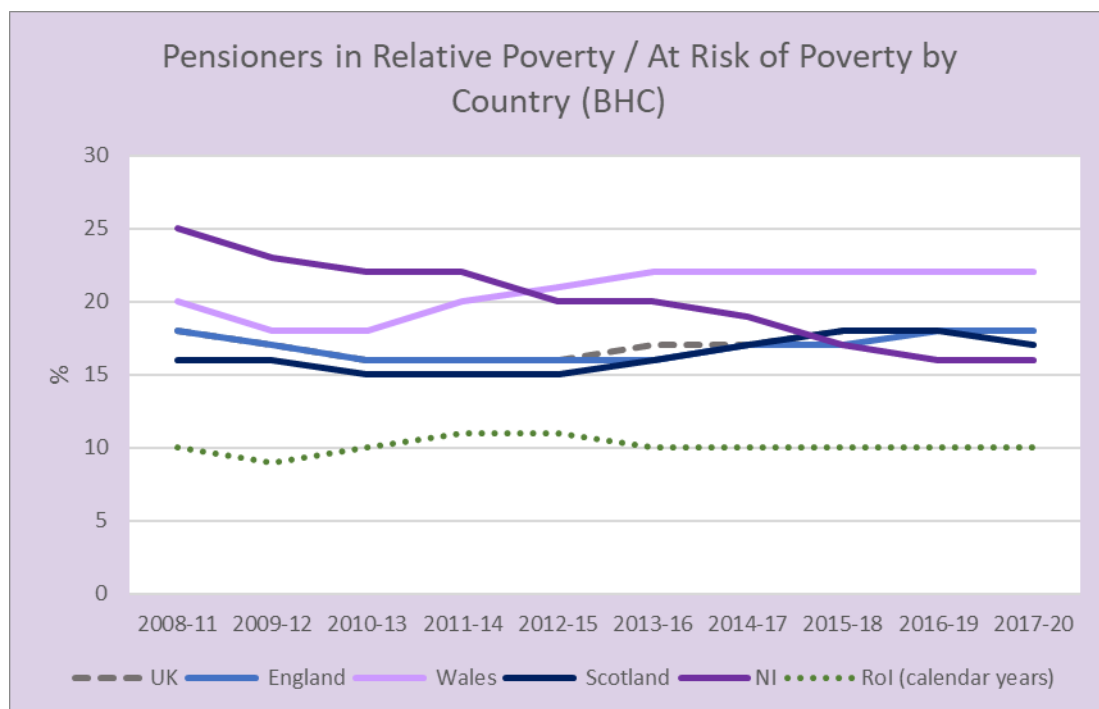


Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

Owing to the volatility of single year results, due to small sample sizes, figures by country are presented as three-year averages. For the purposes of this report, the period 2017-20 refers to the average of the three financial years 2017/18, 2018/19 and 2019/20 for NI and the UK. Whilst for the RoI, it represents the average of the three calendar years 2017, 2018 and 2019.

Comparing each of the UK's four nations and the RoI, NI is the only country to have experienced a marked downward trend in pensioner poverty rates BHC during the last decade. Those in England and Scotland have risen gradually whilst Wales had a sharper increase between 2010-13 and 2013-16. Meanwhile, the 'at risk of poverty' rates for pensioners have been broadly stable in the RoI.

In 2017-20, Wales had the highest rate of relative poverty amongst pensioners at 22%, followed by England 18%, Scotland 17%, NI 16% and 10% were 'at risk of poverty' in the RoI. In the five years between 2011-14 and 2016-19, NI moved from having the highest rate of pensioner poverty across each of the UK nations to the lowest. Although England and Scotland's rates have intersected and remained similar, Wales has continually been higher than both countries with the gap widening in 2010-13. As when compared with the UK and NI, rates in the RoI have also been much lower than each of the other UK nations.



Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

Note: Figures for England largely match those for the UK, therefore the UK's data line has in part been subsumed underneath England's.

When comparing relative poverty rates BHC for pensioners by region, in 2017-20 and also the previous year, NI had the lowest rate across the UK regions, joint on both occasions with the North East and South East. The high rate experienced in Wales matched that in London in 2017-20 at 22%.

Relative Poverty / At Risk of Poverty for Pensioners by Region (BHC)			
Region/Country	2015-18	2016-19	2017-20
UK	18	18	18
North East	16	16	16
North West	18	19	20
Yorkshire and the Humber	19	19	19
East Midlands	17	17	19
West Midlands	20	20	20
East	17	17	18
London	19	20	22
South East	16	16	16
South West	15	16	17
England	17	18	18
Wales	22	22	22
Scotland	18	18	17
NI	17	16	16
ROI (calendar years)	10	10	10

Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

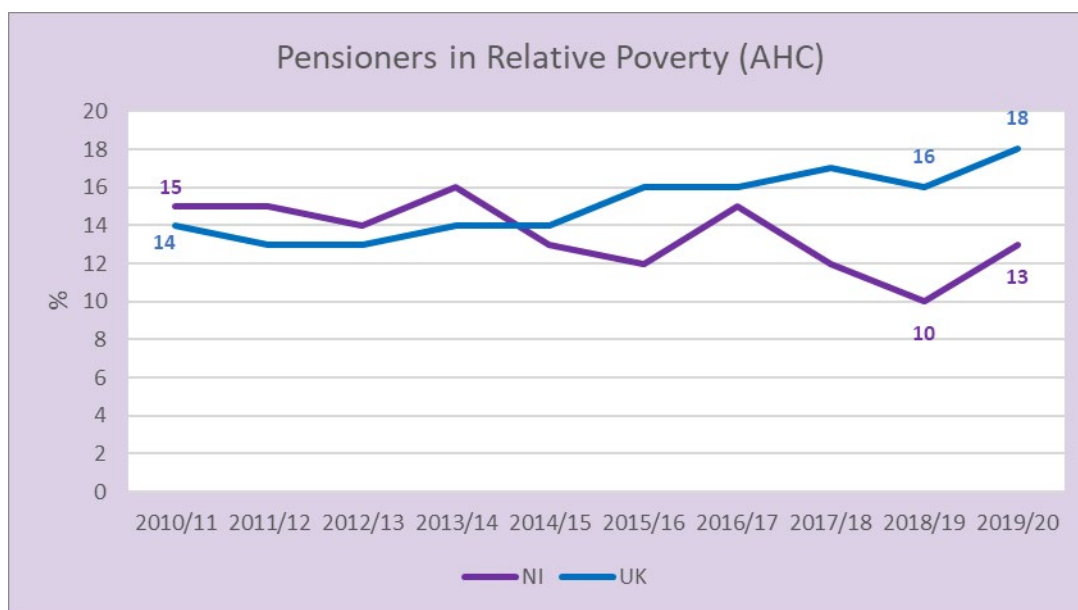
6.2 Relative Poverty for Pensioners – After Housing Costs

Relative poverty rates for pensioners AHC in Northern Ireland were previously higher than those in the UK, however following a downward trend in NI they have been lower since 2014/15, with the gap widening as the UK's rates rise.

Comparisons between relative poverty in the UK and NI on an after housing costs basis are the most accurate when considering pensioners. Not only does the AHC measure account for the difference in the way water charges are collected in GB and NI but also that the majority of pensioners own their home.

Considering the last 10 years, pensioner poverty was more prevalent in NI compared to the UK as a whole until 2014/15, at which point NI's poverty rates fell below those of the UK and widened to six percentage points in 2018/19.

In terms of trends, pensioner poverty rates in the UK have gradually risen from 13% in 2011/12 to a high of 18% in 2019/20. However, in NI despite the rates fluctuating, they have generally been on a downward trend from a high of 16% in 2013/14 to a low of 10% in 2018/19. Although both the UK and NI experienced a sharp rise in their rates between 2018/19 and 2019/20.

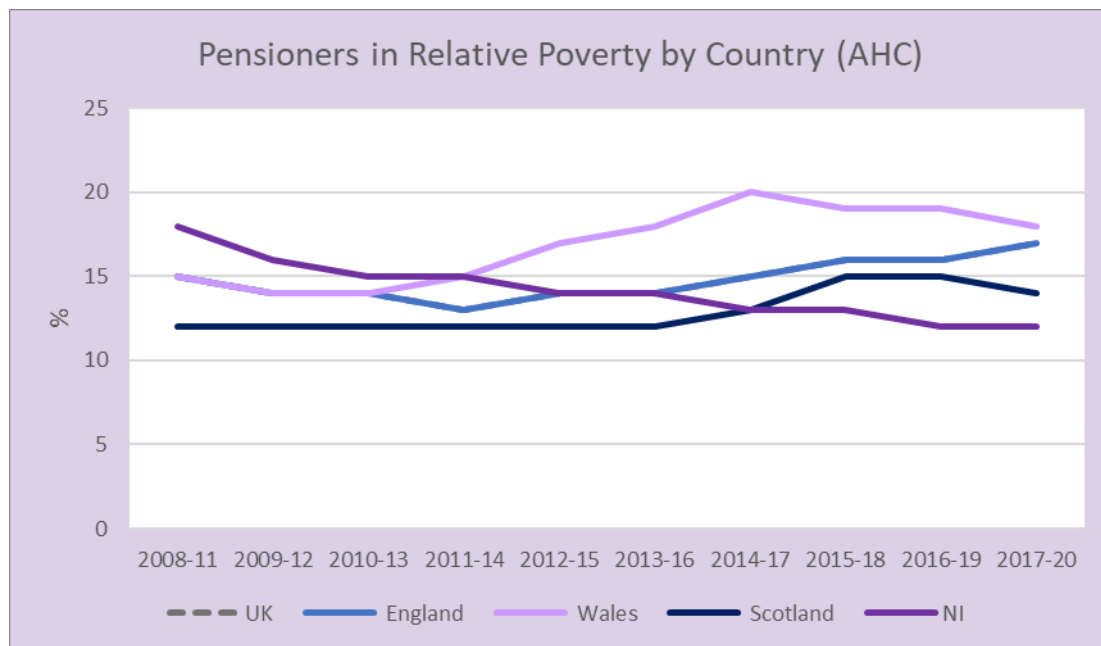


Source: DfC / DWP, Households Below Average Income.

In line with the UK, England and Scotland have also experienced a gradual increase in pensioner poverty rates AHC. Whilst in Wales, following a sharp rise of rates from 14% in 2009-12 to 20% in 2014-17, they have since begun to fall. However, NI has witnessed a continuous decline in poverty rates from a high of 18% in 2008-11 to a low of 12% in 2017-20.

Across the UK nations, Scotland was previously the least prevalent for pensioner poverty AHC, however in 2014-17, during NI's downward trend, it matched Scotland's rate and subsequently

continued to fall below this. Hence, in 2017-20, NI had the lowest rate of pensioner poverty AHC at 12%, followed by 14% in Scotland, 17% in England and 18% in Wales.



Source: DfC / DWP, Households Below Average Income.

Note: Figures for England match those for the UK exactly, therefore the UK's data line has been entirely subsumed underneath England's.

Relative poverty for pensioners AHC varies considerably by region. NI had the lowest rate across all UK regions during each of the three-year periods considered, joint only with the East Midlands in 2015-18. Pensioners in London were more than twice as likely as those in NI to be in relative poverty AHC with rates of 25% in 2017-20.

Relative Poverty for Pensioners by Region (AHC)			
Region/Country	2015-18	2016-19	2017-20
UK	16	16	17
North East	15	14	16
North West	16	16	18
Yorkshire and the Humber	17	17	17
East Midlands	13	14	15
West Midlands	17	17	18
East	14	14	15
London	24	24	25
South East	14	14	16
South West	15	15	15
England	16	16	17
Wales	19	19	18
Scotland	15	15	14
NI	13	12	12

Source: DfC / DWP, Households Below Average Income.

A woman with long dark hair is leaning over a table, looking at several documents. A young child is sitting next to her, also looking at the papers. The scene is dimly lit, and the entire image has a purple tint. The text is overlaid in the center in white.

7. Poverty Rates by Other Characteristics

7. Poverty Rates by Other Characteristics

Some groups, beyond those population groups already considered, are more likely than others to be in poverty.

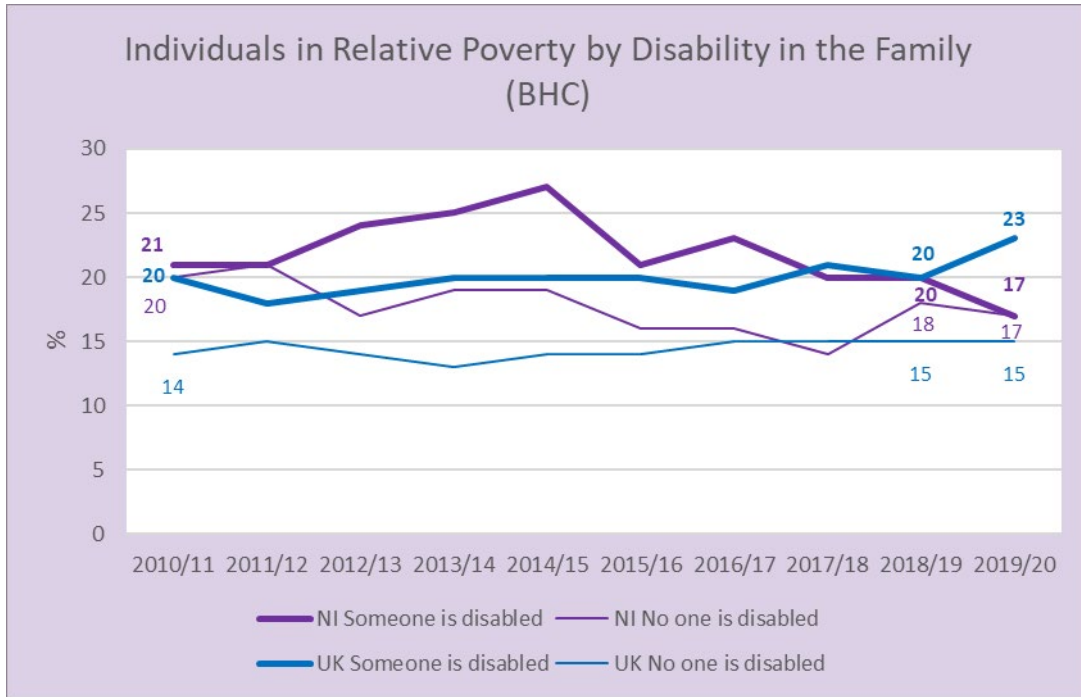
7.1 Individuals in Relative Poverty by Disability in the Family - Before Housing Costs

Relative poverty rates BHC were historically higher for those families in NI where someone is disabled than those in the UK, however this has reversed in recent years. In NI, the percentage of individuals in relative poverty BHC were generally higher for individuals living in households where someone in the family is disabled compared to those in which no one is disabled, although this gap has once again narrowed to match.

This section considers the relationship between disability status and relative poverty for all individuals. During the last decade, in both NI and the UK, prevalence rates of poverty were higher for individuals living in households where someone in the family is disabled compared to those in which no one is disabled, although on occasion in NI these rates have corresponded. In the UK, the gap in poverty rates between families with and without someone who is disabled, was broadly consistent at approximately six percentage points. However, in NI this difference has varied dramatically over the decade, with rates being equal in 2011/12 before diverging to eight percentage points in 2014/15 and converging again to both rates matching in 2019/20.

Comparing NI and the UK, relative poverty rates BHC were generally higher for those families in NI where someone is disabled than those in the UK. However, in 2017/18, NI's rate dropped below that of the UK's by one percentage point with this gap widening to six in 2019/20. At this stage, 23% of individuals living in families in the UK where someone is disabled were in poverty compared to 17% in NI.

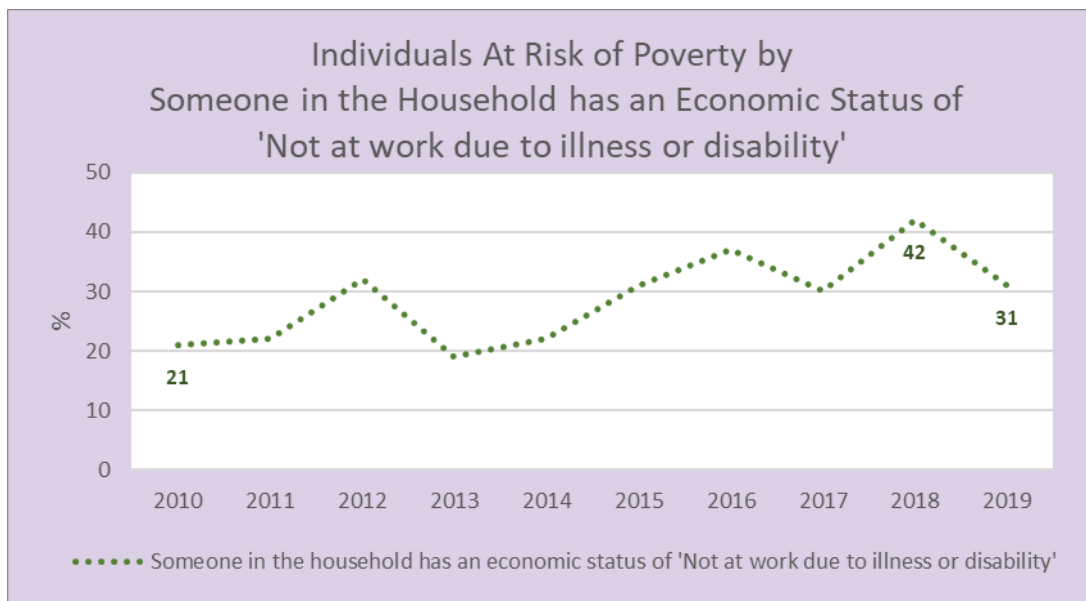
Whilst rates for both those where someone is disabled and no one is disabled, have been stable in the UK, NI has experienced a slight decline overall, despite a peak of 27% in 2014/15 for individuals where someone is disabled in the family.



Source: DfC / DWP, Households Below Average Income.

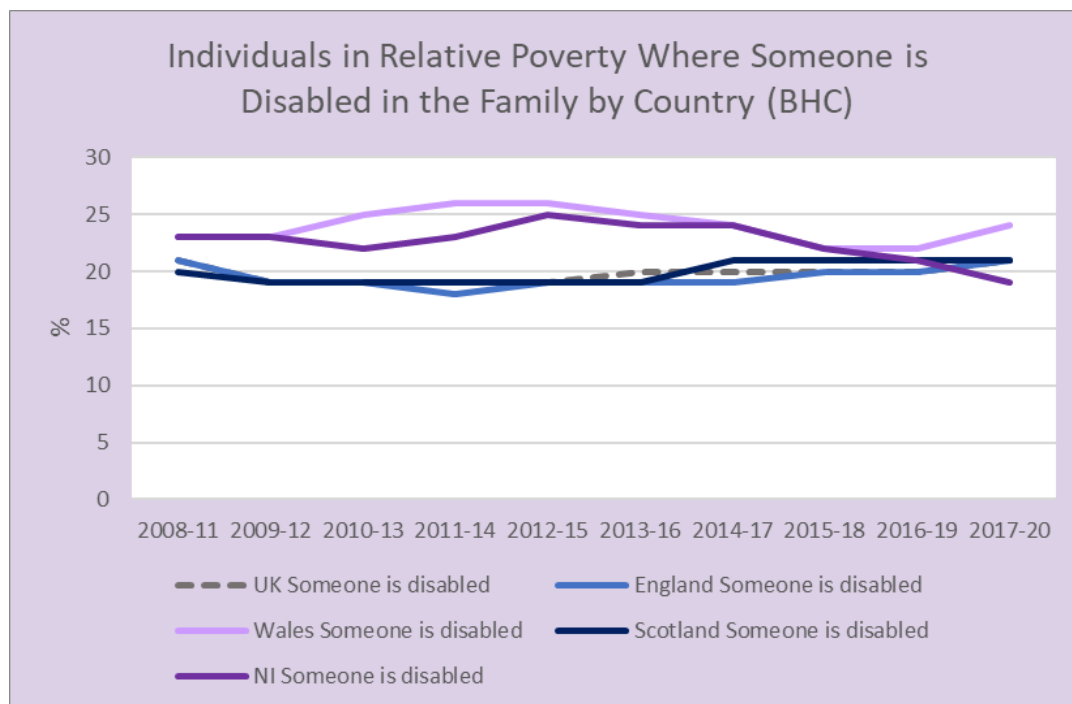
In relation to disability, figures for the RoI are not comparable with those for the UK and NI due to differences in the measure for disability. In the UK and NI, disability is considered for anyone in the family, however in the RoI, their poverty analysis is based on someone in the household having an economic status of 'not at work due to illness or disability'. Therefore, in this instance, figures for the RoI have been presented separately.

The percentage of individuals at risk of poverty where someone in the household has an economic status of 'not at work due to illness or disability', has fluctuated but increased overall during the last decade. In particular, it increased from a low of 19% in 2013 to a high of 42% in 2018, however has since fallen to 31% in 2019.



Source: CSO, Survey on Income and Living Conditions.

Comparing relative poverty rates BHC for individuals where someone is disabled in the family across each of the UK nations, Wales continuously had the highest rate, closely followed by NI. Meanwhile, England and Scotland historically experienced the lowest rates, which have also been largely stable during the period. However, the rates have fluctuated more in NI and Wales with them both peaking but subsequently falling. Owing to the recent downward trend in NI, the country progressed from being joint most prevalent in 2008-11 to least prevalent in 2017-20. Furthermore, in 2017-20, Wales suffered the highest rate of individuals in relative poverty BHC where someone is disabled at 24%, followed by 21% in England and Scotland, and 19% in NI.

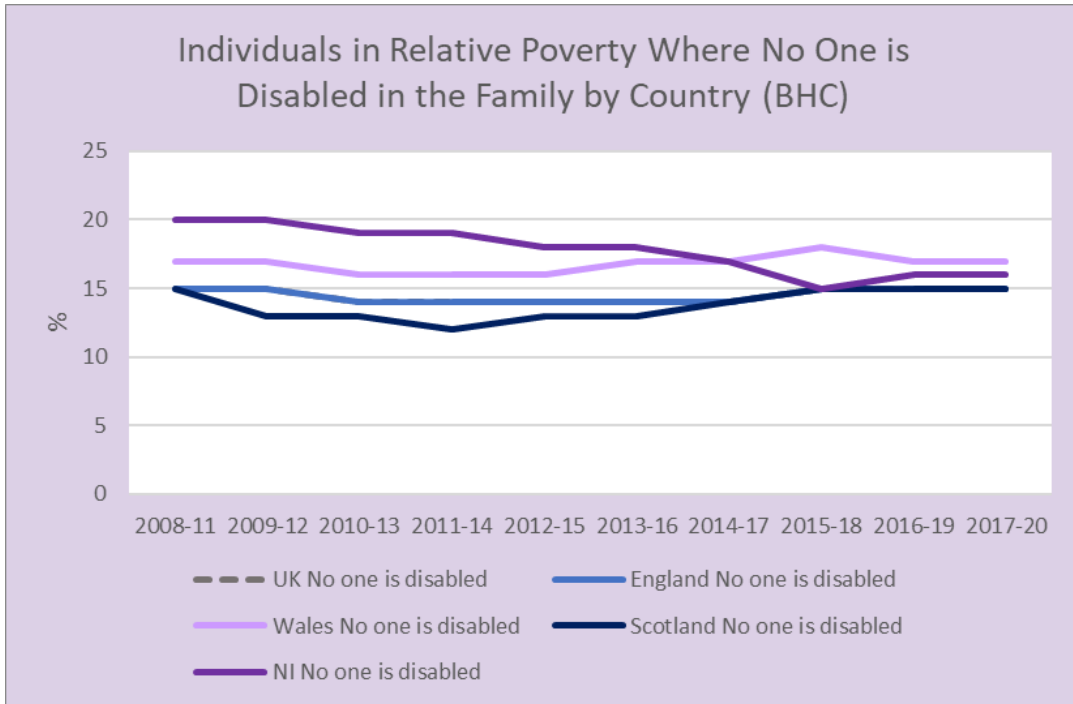


Source: DfC / DWP, Households Below Average Income.

Note: Figures for England largely match those for the UK, therefore the UK's data line has in part been subsumed underneath England's.

Relative poverty rates for individuals where no one is disabled in the family are somewhat different to those where someone is disabled for each of the countries. NI had endured the highest rates prior to a decline from 20% in 2008-11 to 15% in 2015-18, when it then undertook Wales and matched rates in England and Scotland. Scotland generally had the lowest rates, although joint with England more recently, and on one occasion NI. In 2017-20, 17% of individuals in Wales where no one is disabled in the family were in relative poverty BHC, just above NI at 16%, with England and Scotland joint at 15%.

Considering the gap in relative poverty rates BHC for individuals living in households where someone in the family is disabled compared to those in which no one is disabled, this was most prominent in Wales, with a ten percentage point gap in the consecutive periods 2011-14 and 2012-15. Conversely, NI has experienced some of the smallest gaps of three percentage points at both the start and end of the time series.



Source: DfC / DWP, Households Below Average Income.

Note: Figures for England match those for the UK exactly, therefore the UK's data line has been entirely subsumed underneath England's.

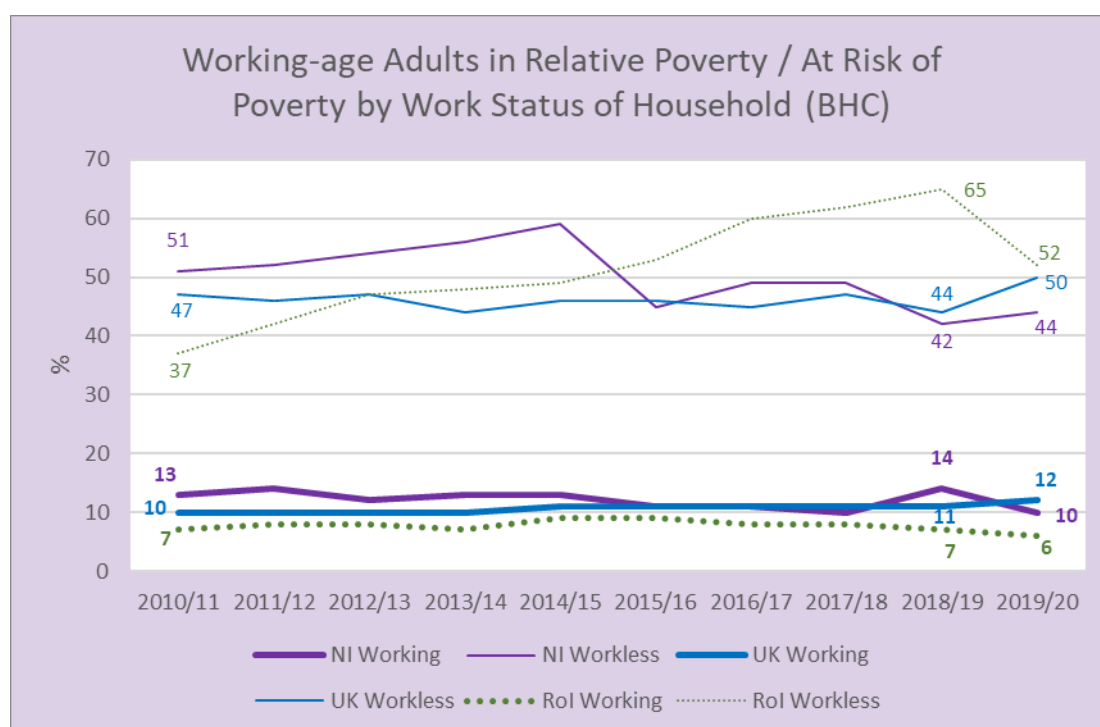
7.2 Working-age Adults in Relative Poverty by Work Status – Before Housing Costs

Relative poverty rates BHC for working-age adults are much higher for those in workless compared to working households. In NI over the last decade, the percentage of working-age adults in relative poverty BHC in working households has remained stable whilst those in workless households have fallen since 2014/15. Poverty rates for both working and workless households are generally higher in NI than the UK.

This section considers the relationship between work status of the household and relative poverty for working-age adults. Employment greatly reduces the likelihood of working-age adults being in poverty, with poverty rates in working households being up to 40+ percentage points lower than those which are workless. In the RoI, this difference was as much as 58 percentage points in 2018/19. In NI during 2019/20, 10% of working-age adults in working households were in relative poverty BHC compared to 44% in workless families.

While the gap between poverty rates for working and workless households has been broadly stable in the UK, it has narrowed slightly in NI, owing to a fall in the poverty rates of its workless households from a peak of 59% in 2014/15 to a minimum of 42% four years later. Conversely, in the RoI, the gap has widened in recent years as the percentage of working-age adults ‘at risk of poverty’ in workless households has risen considerably from a low of 37% in 2010/11 to a high of 65% in 2018/19.

Relative poverty rates BHC for working-age adults living in working households have been stable for each of the three areas and have generally been higher in NI compared to the UK, with NI only dipping below the UK in 2017/18 and 2019/20. The corresponding ‘at risk of poverty’ rates in the RoI, have consistently been lower than those in the UK and NI.



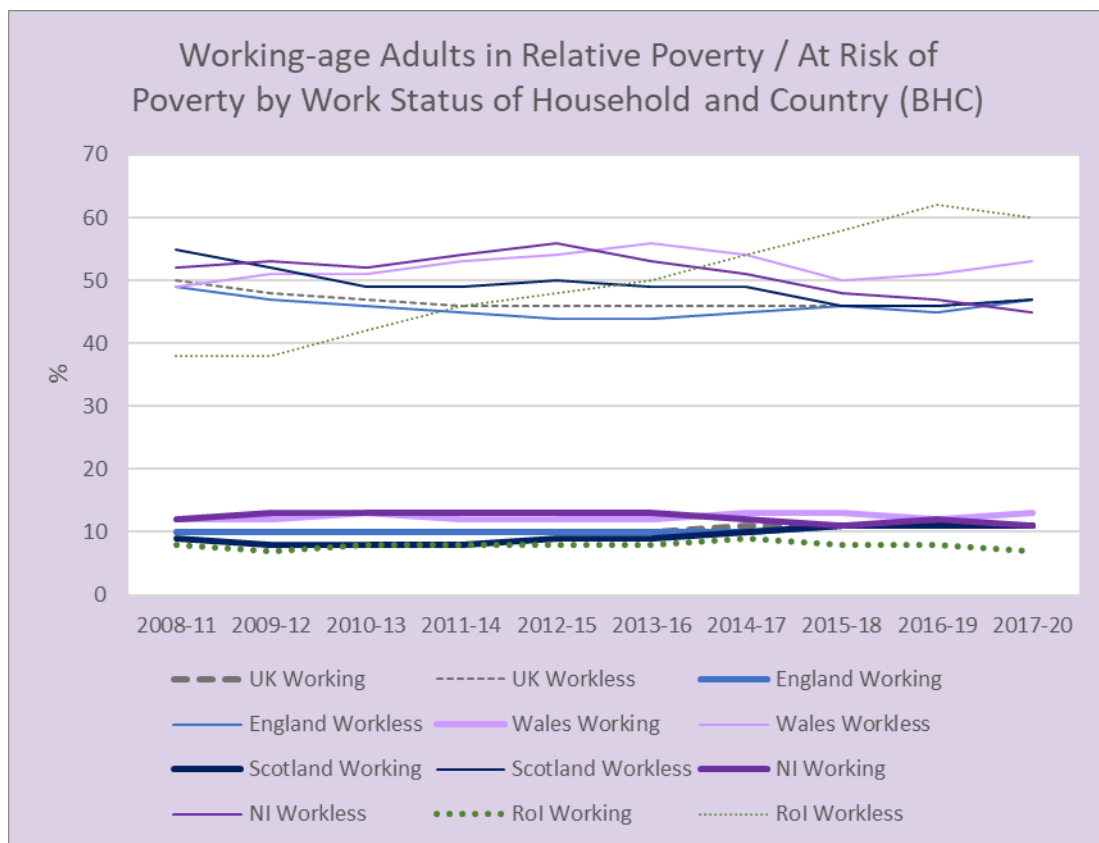
Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

Owing to the volatility of single year results, due to small sample sizes, figures by country are presented as three-year averages. For the purposes of this report, the period 2017-20 refers to the average of the three financial years 2017/18, 2018/19 and 2019/20 for NI and the UK. Whilst for the RoI, it represents the average of the three calendar years 2017, 2018 and 2019.

Working-age adults living in working households in NI along with Wales, were generally most prevalent for relative poverty BHC. However, in 2015-18 and 2017-20, the rate in NI was equal with those in England and Scotland at 11%, compared to 13% in Wales. Meanwhile, the corresponding 'at risk of poverty' rates in the RoI, have continually been lowest and on occasion joint with Scotland.

Rates of relative poverty BHC for working-age adults in workless households are less condensed across the countries and fluctuate more than those for working households. Both NI and Scotland have witnessed a marked decline in their rates of seven and eight percentage points respectively, between 2008-11 and 2017-20. Conversely, the RoI has suffered a substantial rise in its rates for workless households, from 38% in 2008-11 to 62% in 2016-19.

England regularly had the lowest rates of relative poverty BHC for working-age adults living in workless households compared to the other UK nations. However, the order of poverty prevalence amongst the counties has varied somewhat during the period considered. In 2008-11, Scotland had the highest rate at 55%, followed by 52% in NI, 49% in England and Wales, and 38% in the RoI. However, by 2017-20, the RoI had the highest at 60%, 53% in Wales, 47% in England and Scotland and a low of 45% in NI.



Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

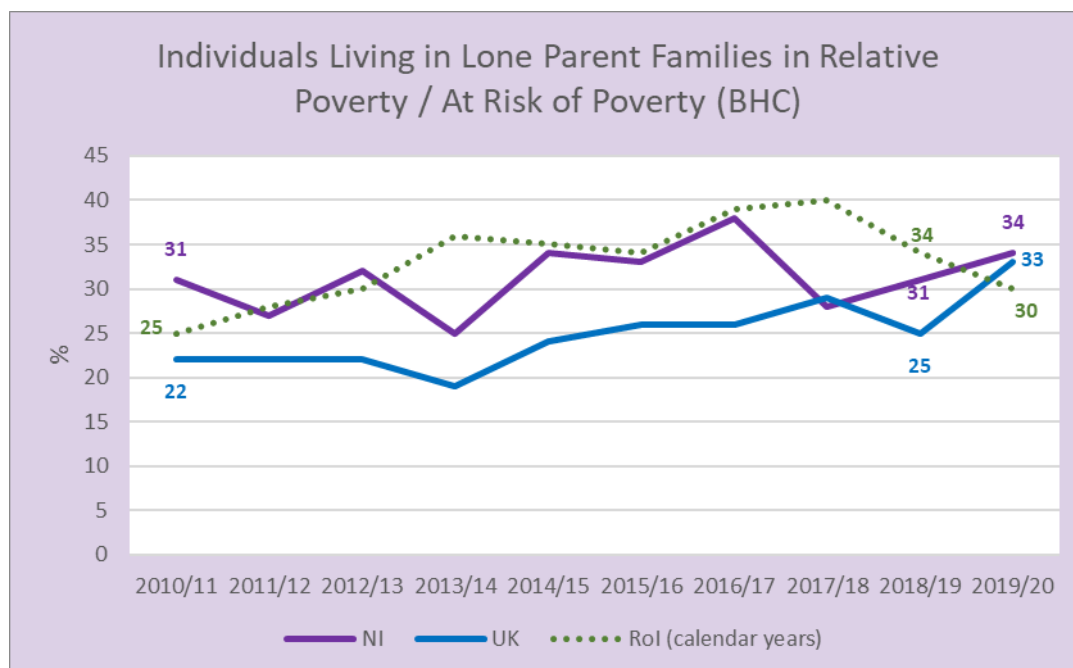
7.3 Individuals Living in Lone Parents Families in Relative Poverty - Before Housing Costs

Relative poverty rates BHC for individuals living in lone parent families are much higher than for all individuals as a whole. The rates in Northern Ireland were generally higher than those in the UK, although the gap has narrowed in recent years.

This section considers the relationship between family structure, in particular lone parents, and relative poverty for all individuals. The percentage of individuals living in lone parent families in relative poverty BHC is much higher than for all individuals in any family type. In 2019/20, individuals living in lone parent families in NI were twice as likely to be in relative poverty BHC as all individuals, at 34% and 17% respectively.

Relative poverty BHC amongst those in lone parent families is generally higher in NI than the UK, although in 2019/20 there was only a difference of one percentage point and in 2017/18, NI briefly dipped below the UK. Meanwhile, the corresponding 'at risk of poverty' rates in the RoI have regularly been higher than those in NI, although following a rapid decline from 40% in 2017/18 to 30% in 2019/20, they are now lower than NI and also the UK.

The UK has experienced a gradual rise in the rates of relative poverty for individuals living in lone parent families, despite descents in 2013/14 and 2018/19. Rates in NI have oscillated much more with a low of 25% in 2013/14 and a high of 38% in 2016/17, although in 2019/20 they were three percentage points higher than at the start of the decade. In the RoI, their 'at risk of poverty' rates for lone parents have also increased, particularly due to a steep rise from 25% in 2010/11 to 40% in 2017/18, however they have since been on a downward trend.

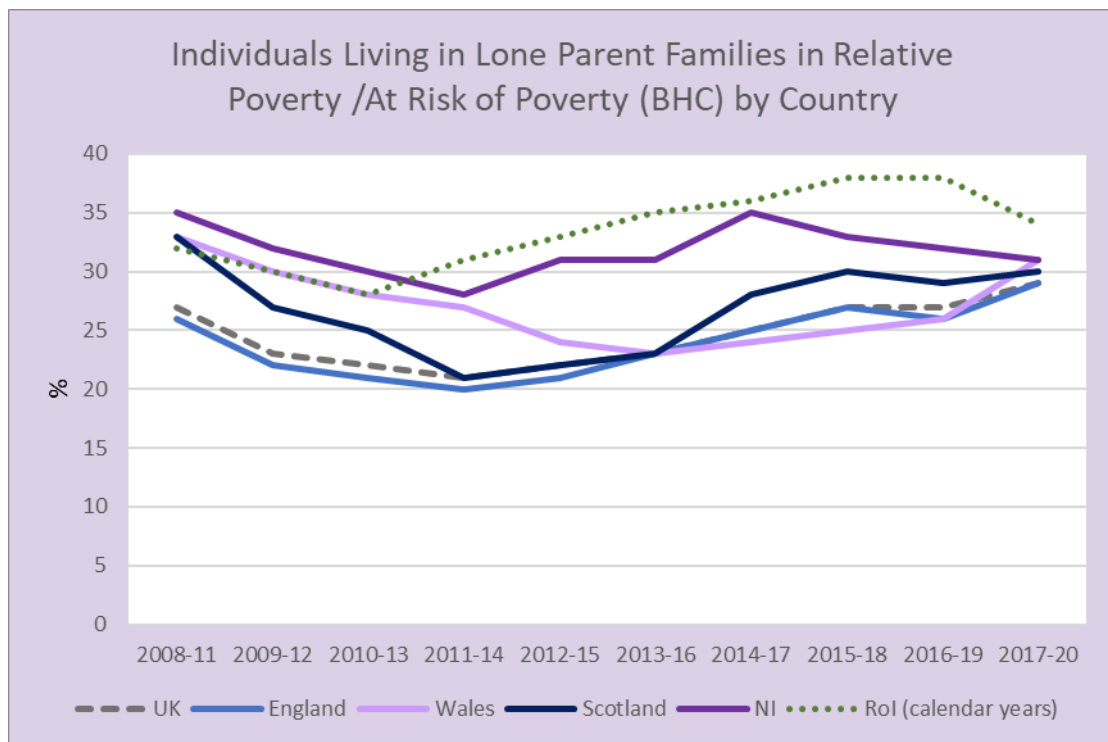


Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

The prevalence of relative poverty amongst individuals living in lone parent families varies by country, however they have followed a similar trend during the period, with rates initially falling in the first half but then rising. NI and the RoI are the only countries to have experienced a subsequent fall in their rates again.

Comparing the countries, NI initially had the highest rates, although it fell below the RoI in 2011-14 and has since remained second most prevalent. Conversely, England has generally enjoyed the lowest rates of relative poverty amongst its lone parent families, although this has been matched on occasion by both Scotland and Wales, with Wales having the lowest rates in 2014-17 and 2015-18.

In 2017-20, 34% of individuals living in lone parent families were at risk of poverty in the RoI, compared to 31% in relative poverty BHC in NI and Wales, 30% in Scotland and 29% in England.



Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

8. Material Deprivation

A photograph of a person with long dark hair, wearing a light-colored hoodie, looking into an open kitchen cabinet. The cabinet has two shelves. The top shelf contains several bags of food, and the bottom shelf contains a single white can. The entire image is overlaid with a semi-transparent purple filter.

8. Material Deprivation

Material deprivation is an additional way of measuring living standards and refers to the self-reported inability of individuals or households to afford particular goods and activities that are typical in society at a given point in time, irrespective of whether they would choose to have these items, even if they could afford them.

In 2010/11, the list of essential items or services was updated to reflect changes in what people in the UK believe to be necessary, and ensure that the measure remained a relevant and contemporary measure of poverty. This resulted in a break in the time series for NI and UK material deprivation data. Therefore, figures in this section are only provided from 2010/11 onwards, including those presented as three-year averages by country.

8.1 Children in Combined Low Income and Material Deprivation

The rates of children in combined low income BHC and material deprivation in Northern Ireland have generally been lower than those in the UK during the last decade, and are largely on a downward trend despite a brief spike in 2014/15.

A low income threshold may be combined with some assessment of whether households are able to access key goods and services for a measure of low income and material deprivation. This measure is used in the UK when considering child poverty. If a family cannot afford a given item out of a list of 21 goods and services, this is scored in the material deprivation measure, with items more commonly owned in the population given a higher weighted score. A child is defined as poor on this measure if the household in which they live has an income below 70% of the relative UK median household income and has a material deprivation score of 25 or more reflected by enforced lack of adult and child goods and services.

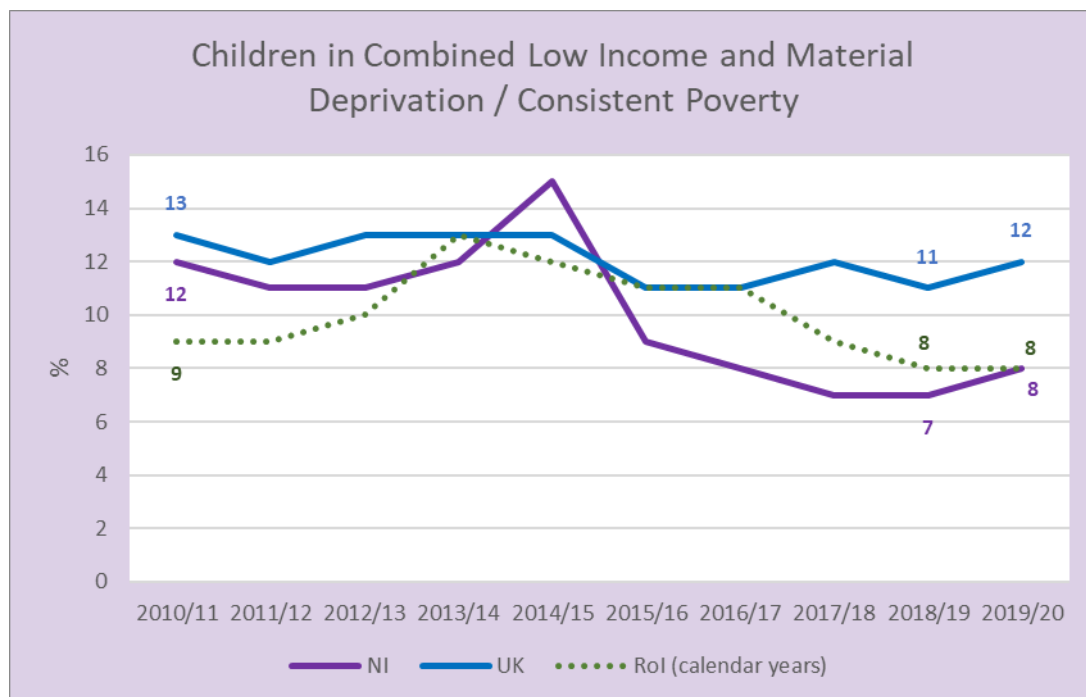
In the RoI, the 'consistent poverty' measure is used to assess people who are both at risk of poverty and experiencing enforced deprivation (lacking two or more deprivation items). Unlike the UK, this is based on the 60% of median income.

Therefore, caution should be taken when making comparisons between the UK and NI with the RoI due to the different thresholds and list of deprivation items used. However, despite these caveats, the trends and their interactions will still provide useful insight into child material deprivation across the areas.

In NI, 8% of children were estimated to be in combined low income and material deprivation in 2019/20. Whilst this was down from the 12% reported at the start of the period in 2010/11, it did however peak abruptly to 15% in 2014/15. Around the same time, the consistent poverty rate in RoI also increased to a high of 13% in 2013/14. Subsequently, the rates in both NI and the RoI have fallen to equal levels of 8% in 2019/20. Meanwhile in the UK, the percentage of children in combined

low income and material deprivation has been much more stable during the decade at 13% in 2010/11 and 12% in 2019/20.

The UK has generally suffered higher rates of combined low income and material deprivation for children than NI and the RoI, with the exception of 2014/15 during NI's spike. Furthermore, the RoI's rates also matched those of the UK in 2013/14, 2015/16 and 2016/17. However, since then the gap has widened again with both NI and the RoI being four percentage points lower than the UK in 2019/20.

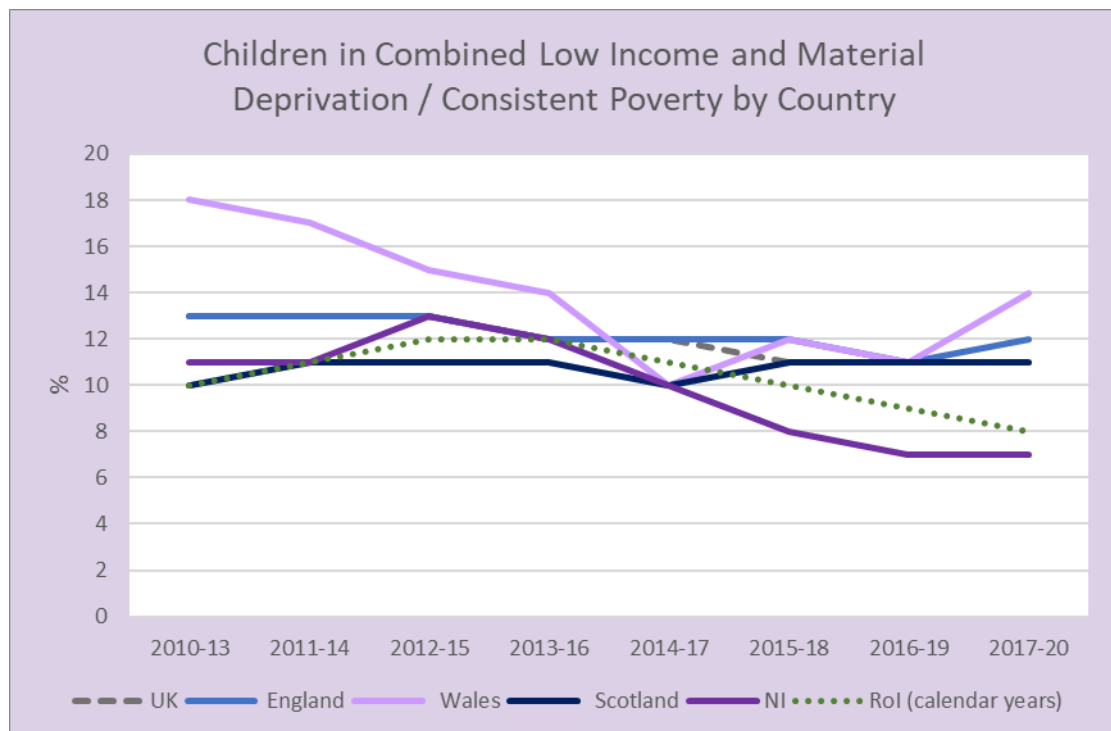


Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

Owing to the volatility of single year results, due to small sample sizes, figures by country are presented as three-year averages. For the purposes of this report, the period 2017-20 refers to the average of the three financial years 2017/18, 2018/19 and 2019/20 for NI and the UK. Whilst for the RoI, it represents the average of the three calendar years 2017, 2018 and 2019.

Comparing each of the UK's four nations and the RoI, most notable is the convergence of rates in 2014-17. The three-year average smoothed out the spike experienced by NI in 2014/15, displaying an underlying downward trend in combined low income and material deprivation amongst children. The rates have also fallen in the other UK countries since 2010-13, although to a lesser extent in Scotland and England. Wales has largely endured the highest rates of combined low income and material deprivation amongst children, despite a fall of eight percentage points from a high of 18% in 2010-13 to a low of 10% in 2014-17, they have since crept up to 14% in 2017-20. In the RoI, their rates of consistent poverty for children rose steadily to peak at 12% in 2012-15, but have subsequently fallen again.

In 2017-20, NI had the lowest percentage of children in combined low income and material deprivation at 7%, followed by 11% in Scotland, 12% in England and 14% in Wales. In addition, 8% of children were in consistent poverty in the RoI.



Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

Note: Figures for England largely match those for the UK, therefore the UK's data line has in part been subsumed underneath England's.

8.2 Pensioners in Material Deprivation

During the first half of the last decade, a higher proportion of pensioners were in material deprivation in Northern Ireland than the UK. However, following a more pronounced fall in the rates in NI, they briefly dipped below those in the UK.

In the UK, material deprivation is also considered as a single measure for pensioners based on whether they have access to 15 goods and services. If a pensioner cannot afford a given item, this is scored in the material deprivation measure, with items more commonly owned in pensioner families given a higher weighted score. A pensioner is considered to be in material deprivation if they live in a family that has a deprivation score of 20 or more.

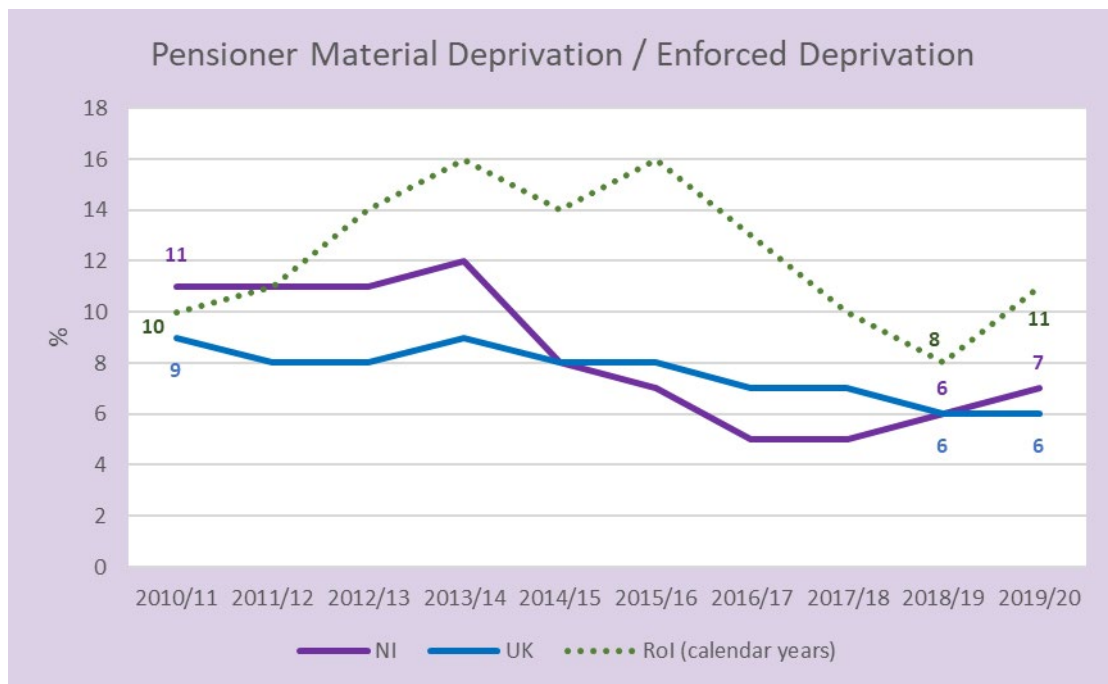
The equivalent of this in the RoI is the 'enforced deprivation rate'. Individuals who lack two or more of the 11 basic deprivation items are considered to be experiencing enforced deprivation. This is the basis for calculating the deprivation rate.

During the last 10 years, the percentage of pensioners in material deprivation in NI has followed a similar trend to that of children in combined low income and material deprivation, with the rates

initially rising to a peak in 2013/14 and then falling to a low three years later before beginning to rise again.

The UK has seen a slow decline in the rate of material deprivation amongst pensioners from 9% in 2010/11 to 6% in 2019/20. Whilst the rates in NI have also fallen, this has been at a more pronounced rate from a high of 12% in 2013/14 to a low of 5% in 2016/17. However, they have since risen gradually to 7% in 2019/20. The corresponding enforced deprivation rate in the RoI, has also wavered during the period. They experienced a rapid rise in deprivation from 10% in 2010/11 to 16% in 2013/14 although this also fell quickly again to a low of 8% in 2018/19.

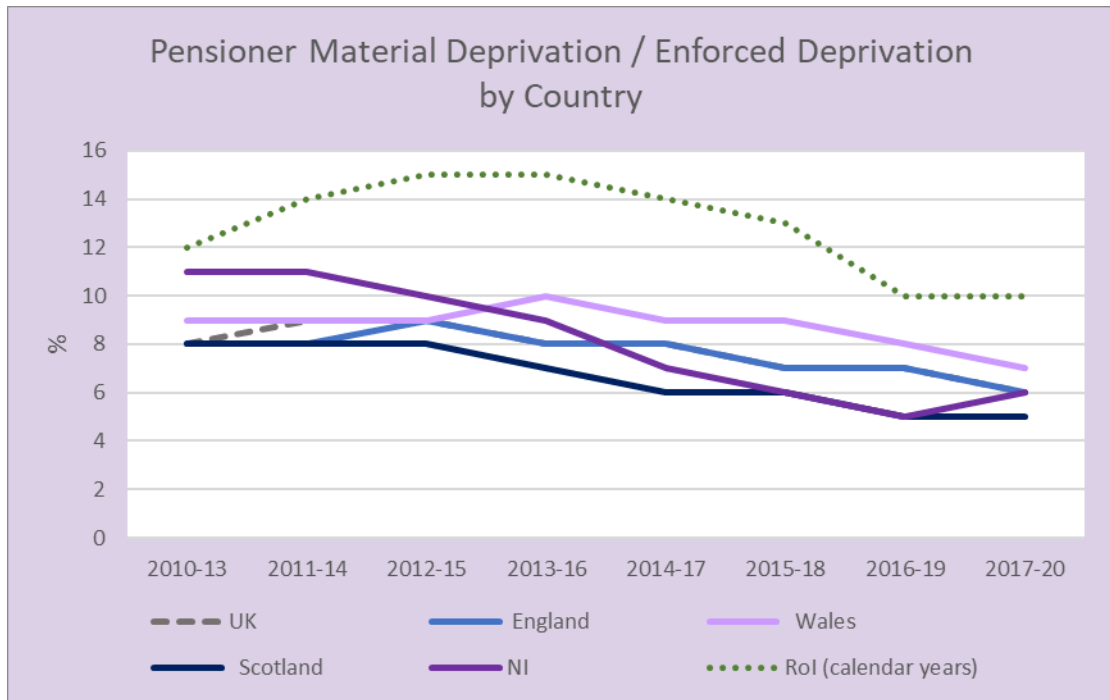
Pensioner deprivation has generally been highest in the RoI and lowest in the UK, although NI dipped below the UK's rates between 2015/16 and 2017/18. However, as previously mentioned, caution should be exercised when drawing comparisons with the RoI due to differences in the list of deprivation items considered.



Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

The rates of pensioner material deprivation vary by country. Each of the four UK nations have witnessed a fall in deprivation across the period considered with this being more muted in England, Scotland and Wales than in NI. The RoI has also experienced a fall in enforced deprivation for pensioners during the second half of the period, however this was after an earlier pronounced rise.

Across the five countries, the percentage of pensioners in material deprivation has continually been lowest in Scotland, although matched on occasion by England and more recently NI. In 2017-20, 5% of pensioners in Scotland were considered to be deprived, followed by 6% in NI and England, 7% in Wales and 10% were in enforced deprivation in the RoI. This rank has been maintained since 2014-17. Prior to this in 2010-13, NI had the highest rate across the UK nations, however the rate of enforced deprivation for pensioners in the RoI has continuously been higher.



Source: DfC / DWP, Households Below Average Income & CSO, Survey on Income and Living Conditions.

Note: Figures for England largely match those for the UK, therefore the UK's data line has in part been subsumed underneath England's.



9. Persistent Poverty

9. Persistent Poverty

Households may move in and out of poverty from year to year. The figures presented earlier in this report are a snapshot of the number of people in poverty at one point in time but do not indicate how long someone experiences poverty. To obtain information on the duration of poverty, longitudinal surveys are used to track individuals over a number of years.

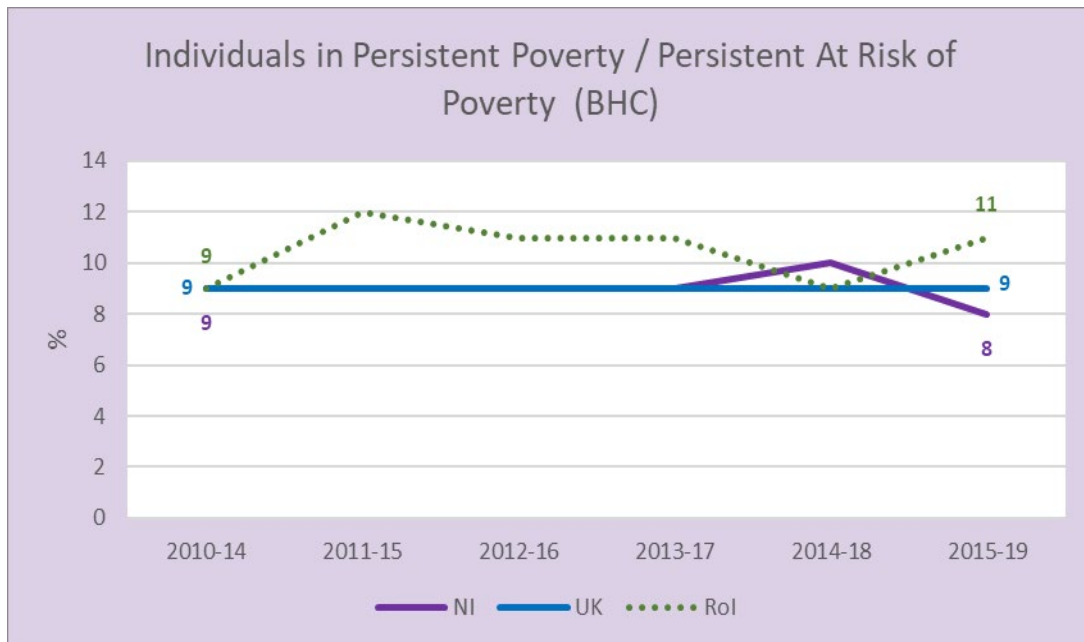
In the UK, an individual is defined as being in persistent poverty if they have been in relative poverty for at least three out of the past four years. This is sourced from Income Dynamics using longitudinal data from the Understanding Society survey. Whilst in the RoI, persistent at risk of poverty is defined as being in poverty in the current year and at least two of the three preceding years. To date the Irish SILC survey has not produced any detailed results and breakdowns for this measure. Instead, this is sourced from the Eurostat who conduct their own analysis using SILC data.

As persistent poverty is analysed on the basis of 'rolling' four survey period datasets, for the purposes of this report, the period 2015-19 refers to the four-year period from 2015/16 to 2018/19 for NI and the UK. Whilst for the RoI, it represents the four calendar years between 2015 and 2018.

9.1 Individuals in Persistent Poverty – Before Housing Costs

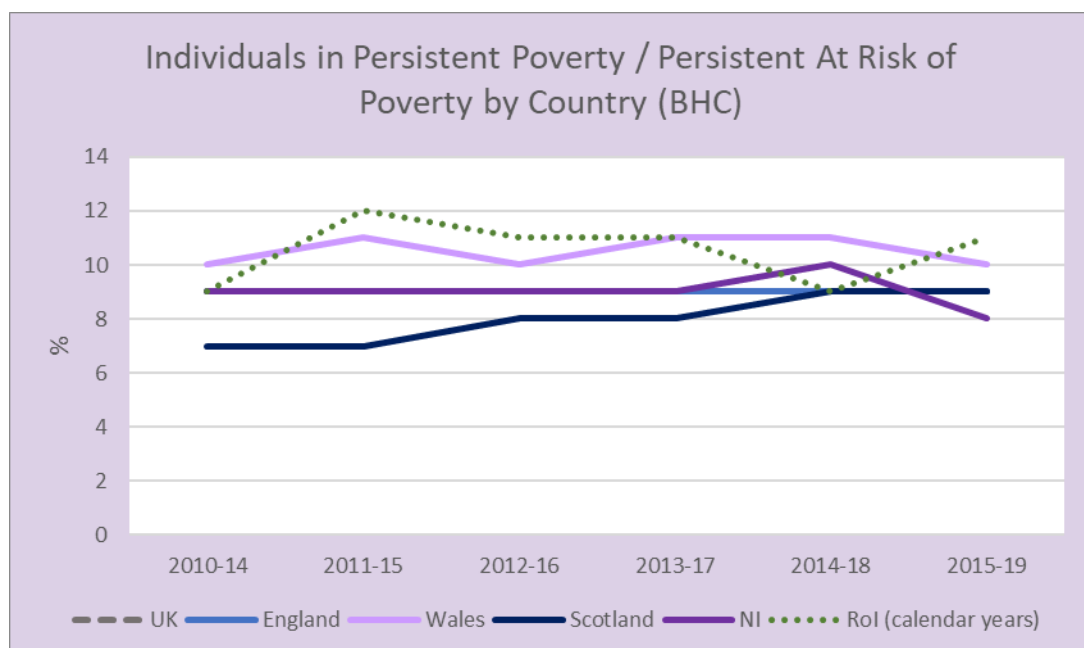
The rates of individuals in persistent poverty BHC in Northern Ireland have been broadly stable and generally consistent with those in the UK at 9%.

During the four-year period 2015-19, 8% of all individuals in NI were in persistent poverty BHC compared to 9% in the UK and 11% in persistent at risk of poverty in the RoI. Persistent poverty has remained constant in the UK at 9% during the period considered. The rates in NI are similar and have also been relatively stable despite a rise to 10% during the period 2014-18. Although not directly comparable due to differences in measures and definitions, the rates in the RoI appear to be slightly higher than those in the UK and NI, however they briefly dipped below NI to match the UK in 2014-18.



Source: DWP, Income Dynamics & Eurostat, Survey on Income and Living Conditions.

Comparing persistent poverty BHC across the UK nations and the RoI, it has generally been lowest in Scotland and highest in Wales and the RoI. However, in 2015-19, persistent poverty was least prevalent in NI at 8%, followed by 9% in Scotland and England, and 10% in Wales, whilst 11% in the RoI were at risk of persistent poverty. Scotland has seen its rates rise gradually from lows of 7% in 2010-14, whilst NI has recently experienced a fall in persistent poverty from 10% in 2014-18 to 8% in 2015-19. Persistent at risk of poverty in the RoI has been at a similar level to the persistent poverty rates observed in Wales despite a brief divergence in 2014-18.



Source: DWP, Income Dynamics & Eurostat, Survey on Income and Living Conditions.

Note: Figures for England match those for the UK exactly, therefore the UK's data line has been entirely subsumed underneath England's.

Persistent poverty BHC varies by region. During the last three periods, the South East has experienced the lowest rates and in particular observed a low of 5% in 2014-18. In contrast, Yorkshire and the Humber have suffered much higher levels of persistent poverty with highs of 14% in 2013-17, although this has since fallen to 12% in 2015-19. NI compared favourably to the other regions in 2015-19, however this was to a lesser extent during the earlier periods.

Individuals in Persistent Poverty / Persistent At Risk of Poverty by Region (BHC)

Region/Country	2013-17	2014-18	2015-19
UK	9	9	9
North East	10	11	12
North West	10	9	9
Yorkshire and the Humber	14	13	12
East Midlands	9	10	10
West Midlands	12	11	11
East	8	7	8
London	8	9	9
South East	6	5	7
South West	8	8	10
England	9	9	9
Wales	11	11	10
Scotland	8	9	9
NI	9	10	8
RoI (calendar years)	11	9	11

Source: DWP, Income Dynamics & Eurostat, Survey on Income and Living Conditions.

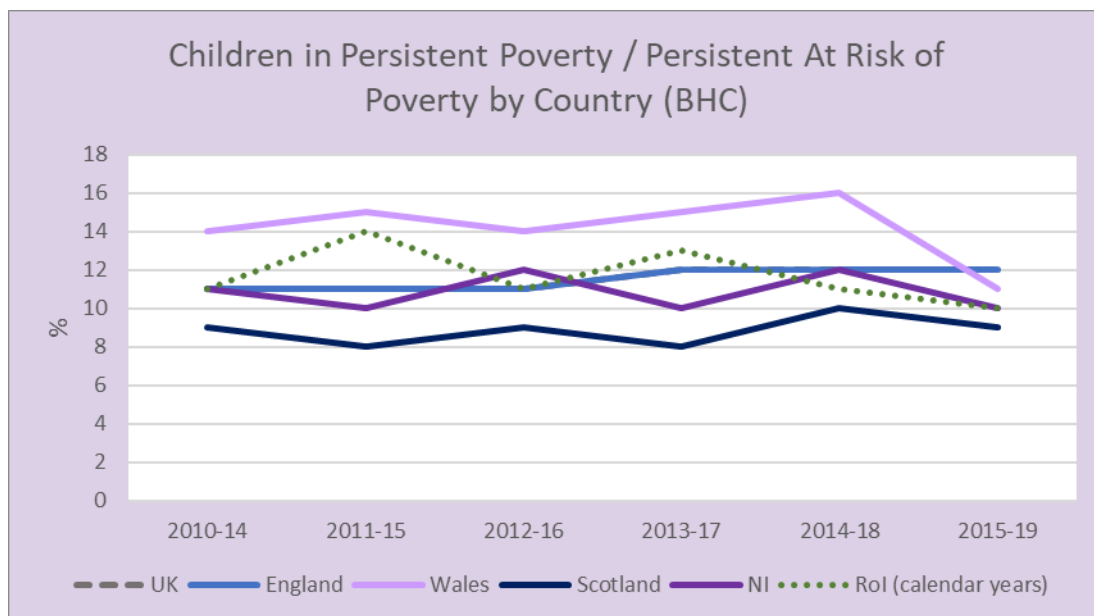
9.2 Persistent Poverty by Population Groups – Before Housing Costs

The rates of children in persistent poverty BHC in Northern Ireland were broadly similar to those in the UK, however subject to more fluctuation. Furthermore, they were higher than the rates experienced for all individuals.

The percentage of children in persistent poverty BHC is approximately two percentage points higher than that for all individuals in the UK and NI. However, in Wales this gap is more pronounced and widened to five percentage points in 2014-18.

During the period considered, the rates amongst children in NI were broadly similar to those in England and the RoI, although consistently lower than Wales and higher than Scotland. In 2015-19, 10% of children in NI were in persistent poverty compared to 12% in the UK. Scotland had the lowest rate at 9%, while England had the highest at 12%, followed by 11% in Wales. The percentage of children at persistent risk of poverty in the RoI matched NI at 10%.

The rates of persistent poverty have fluctuated slightly over the period for each of the countries. The most distinct movements were seen in the RoI when the rates rose to 14% in 2011-15 from 11% in the previous year, and also in Wales with a fall from 16% in 2014-18 to 11% the following year.



Source: DWP, Income Dynamics & Eurostat, Survey on Income and Living Conditions.

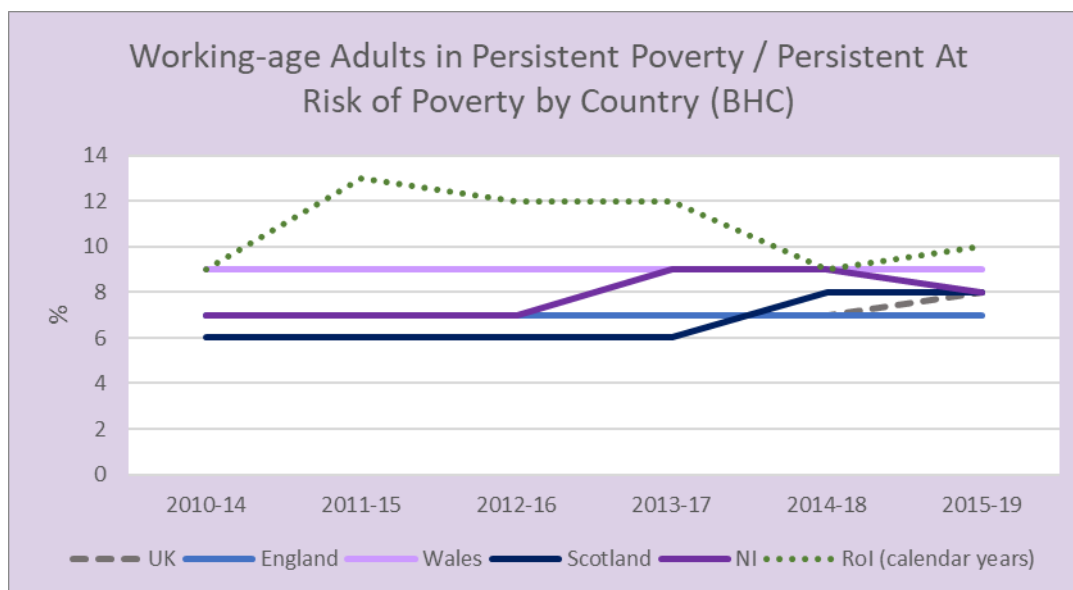
Note: Figures for England match those for the UK exactly, therefore the UK's data line has been entirely subsumed underneath England's.

The rates of working-age adults in persistent poverty BHC in Northern Ireland diverged briefly from those in UK, at which stage they were slightly higher. Furthermore, they were slightly lower than the rates experienced for all individuals.

The percentage of working-age adults in persistent poverty BHC is approximately one to two percentage points lower than that for all individuals across each of the UK countries, although in the RoI they have on occasion been higher for working-age adults compared to all individuals.

Whilst the rates in England and Wales have been stable across the period at 7% and 9% respectively, both NI and Scotland have seen a rise of two percentage points, however NI's rate has since fallen slightly to 8% in 2015-19. At this time England had the lowest rate of persistent poverty for working-age adults (7%), Scotland matched NI at 8%, Wales was highest in the UK at 9%, and in the RoI 10% were in persistent at risk of poverty.

Although not directly comparable with the UK nations due to definitional differences, the RoI appears to be most prevalent for persistent poverty amongst its working-age adults, with a high of 13% in 2011-15.



Source: DWP, Income Dynamics & Eurostat, Survey on Income and Living Conditions.

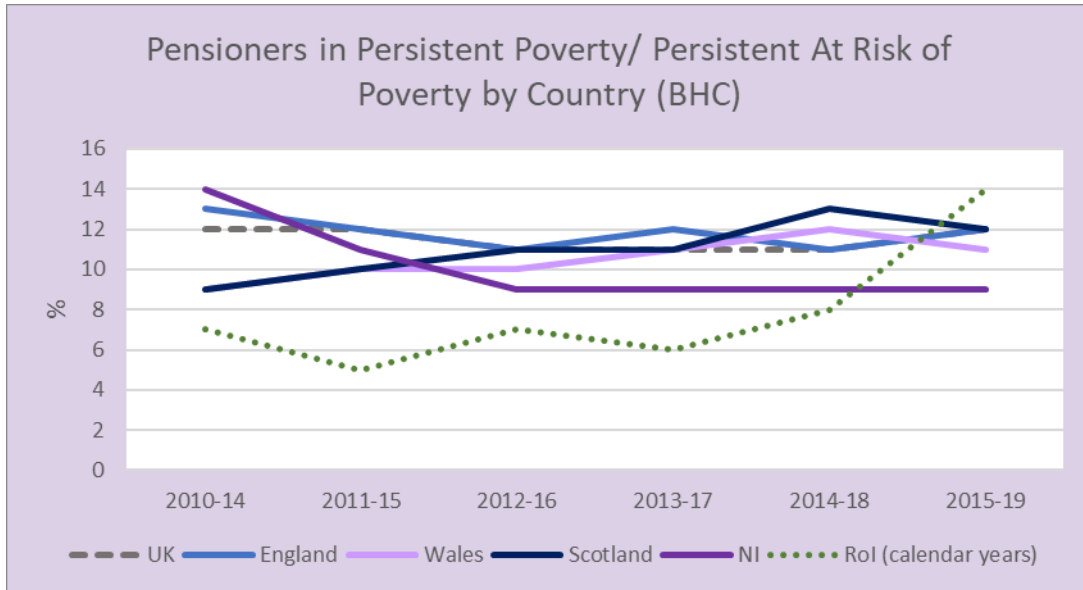
Note: Figures for England largely match those for the UK, therefore the UK's data line has in part been subsumed underneath England's.

The percentage of pensioners in persistent poverty BHC in Northern Ireland has generally been lower than the UK due to a fall in NI rates. In addition, the prevalence of persistent poverty in NI is higher for pensioners than for all individuals.

In each of the countries, with the exception of the RoI, the rates of persistent poverty amongst pensioners BHC were generally higher than those for all individuals. This was most prominent in NI in 2010-14, when the proportion of pensioners in persistent poverty was five percentage points higher than that for all individuals, however by 2014-18 this had reversed and was one percentage point lower for pensioners compared to all individuals. Furthermore, the trends for pensioners in persistent poverty across each of the countries interact differently to those seen for all individuals or the other population groups. While the RoI had the highest rates for all individuals along with Wales, it had the lowest rates for pensioners for much of the period considered, however has subsequently risen dramatically from 8% in 2014-18 to 14% in 2015-19. In addition, whilst Scotland had the lowest rates of persistent poverty for all individuals, it has some of the highest for pensioners.

The percentage of pensioners in persistent poverty BHC in NI has remained constant at 9% for the last 4 years having fallen from a high of 14% in 2010-14. It progressed from being the most prevalent country for pensioner persistent poverty in 2010-14 to the least in 2015-19. Conversely, the RoI proceeded from being the least prevalent to most across the same period. Compared to the UK, pensioners in NI have experienced lower rates of persistent poverty since 2011-15 with the gap widening to three percentage points in 2015-19.

In 2015-19, 9% of pensioners were in persistent poverty BHC in NI, followed by 11% in Wales, 12% in Scotland and England, whilst in the RoI 14% were in persistent at risk of poverty.



Source: DWP, Income Dynamics & Eurostat, Survey on Income and Living Conditions.

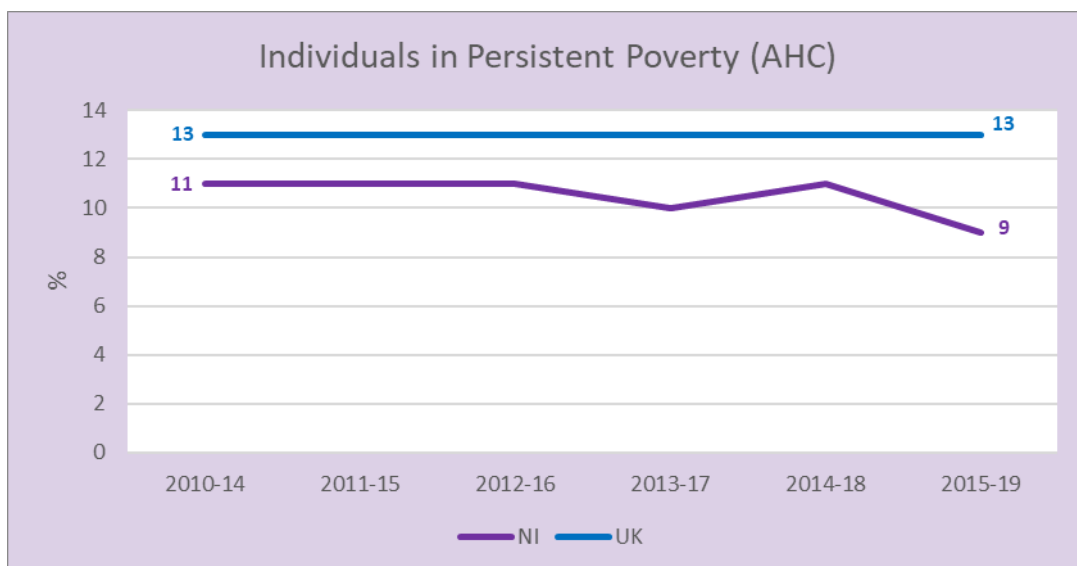
Note: Figures for England largely match those for the UK, therefore the UK's data line has in part been subsumed underneath England's.

9.3 Individuals in Persistent Poverty – After Housing Costs

The rates of individuals in persistent poverty AHC in Northern Ireland were consistently lower than those in the UK, with the gap widening following a recent fall in NI's rates.

The percentage of individuals in persistent poverty AHC is higher than that on a BHC basis in both the UK and NI, although to a greater extent in the UK by four percentage points compared to approximately two in NI. Persistent poverty AHC has consistently been more prevalent in the UK than NI, at 13% and 11% in 2010-14, respectively. This gap widened to four percentage points in 2015-19, due to the fall in rates in NI from 11% in the previous period to 9%.

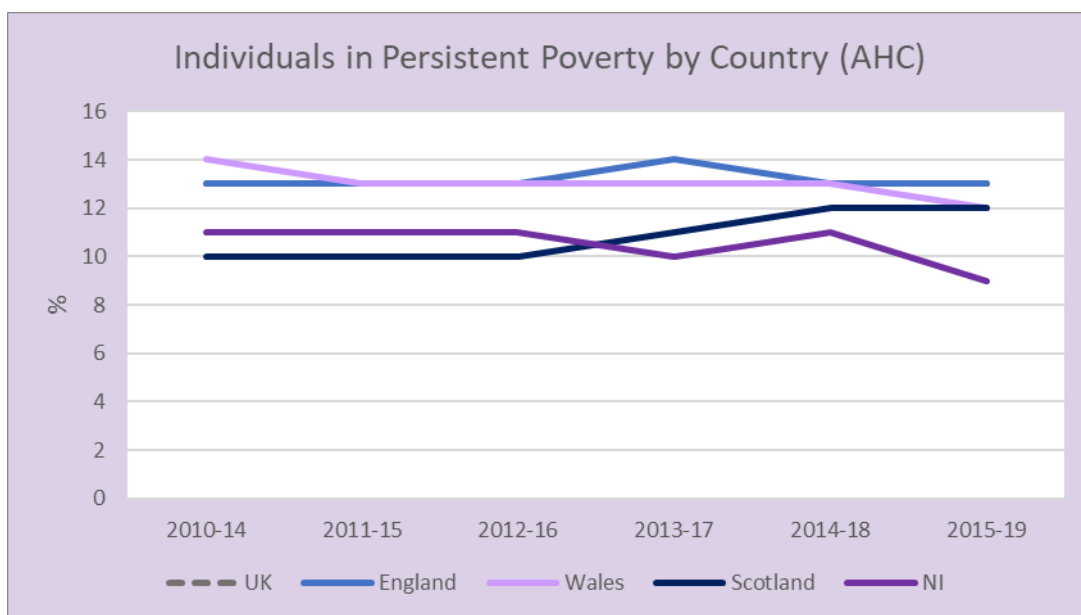
Comparisons with the RoI are not possible on an AHC basis.



Source: DWP, Income Dynamics.

The percentage of individuals in persistent poverty AHC is also higher than that on a BHC basis for each of the UK countries. Furthermore, the interaction of trends is somewhat different. Whilst rates in Wales remain higher than those in Scotland and NI, they were matched or overtaken by England despite England having similar rates to NI on a BHC basis.

During the period considered, Scotland is the only nation to have experienced an overall rise in persistent poverty whilst Wales and NI have witnessed a fall of two percentage points. In 2015-19, England had the highest rate of persistent poverty in the UK at 13%, followed by 12% in Wales and Scotland, while NI had the lowest at 9%.



Source: DWP, Income Dynamics.

Note: Figures for England match those for the UK exactly, therefore the UK's data line has been entirely subsumed underneath England's.

On an AHC basis, NI has observed some of the lowest rates of persistent poverty across the UK regions. In 2015-19, NI was least prevalent at 9% followed by 10% in the South East and East Midlands. This was also the case in 2013-17 when NI was joint lowest with the South East at 10%. Meanwhile, London has faced the highest levels of persistent poverty, ranging from 18% to 16% during the period.

Individuals in Persistent Poverty by Region (AHC)			
Region/Country	2013-17	2014-18	2015-19
UK	13	13	13
North East	16	14	15
North West	14	13	13
Yorkshire and the Humber	17	15	13
East Midlands	11	11	10
West Midlands	15	15	15
East	12	12	12
London	18	17	16
South East	10	10	10
South West	11	11	13
England	14	13	13
Wales	13	13	12
Scotland	11	12	12
NI	10	11	9

Source: DWP, *Income Dynamics*.

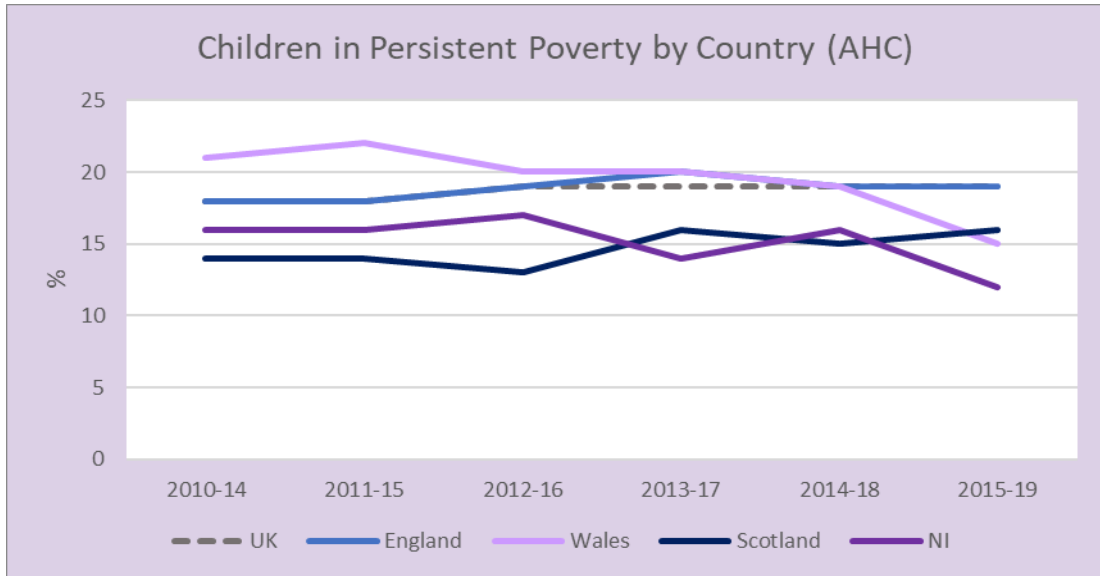
9.4 Persistent Poverty by Population Groups – After Housing Costs

The percentage of children in persistent poverty AHC in Northern Ireland, was consistently lower than the UK, and is generally on a downward trend. Furthermore, prevalence amongst children was higher compared to all individuals.

The percentage of children in persistent poverty AHC is higher compared to all individuals across each of the four nations, with this gap most prominent in Wales at nine percentage points in 2011-15. In the other countries, the gap averaged around five percentage points, although this has narrowed to three in Wales and NI in 2015-19.

Both Wales and NI have experienced a fall in the percentage of children in persistent poverty, however this was more marked in Wales falling from a high of 22% in 2011-15 to a low of 15% in 2015-19. Meanwhile rates in England have been stable whilst Scotland saw a rise from 13% in 2012-16 to 16% in 2015-19.

Wales was previously most prevalent for persistent poverty amongst children, although joint with England between 2013-17 and 2014-18, and finally falling below England for the first time in 2015-19, at which stage it was also lower than that in Scotland. However, at 12%, NI was least prevalent.



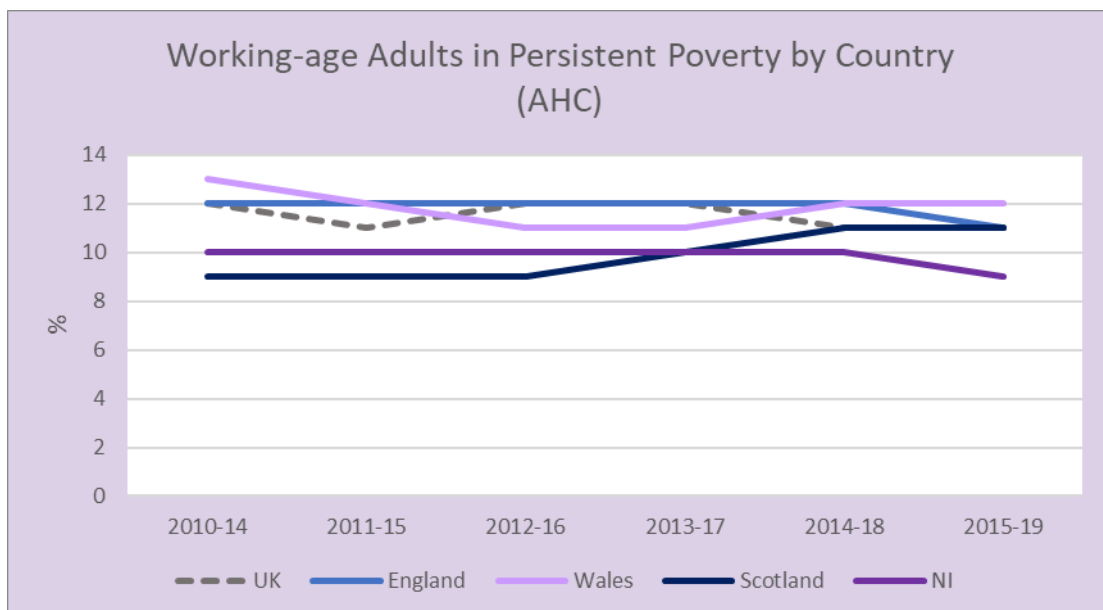
Source: DWP, Income Dynamics.

Note: Figures for England largely match those for the UK, therefore the UK's data line has in part been subsumed underneath England's.

The percentage of working-age adults in persistent poverty AHC in Northern Ireland was consistently lower than the UK, and broadly stable. Furthermore, they were slightly lower than the rates experienced by all individuals.

The proportion of working-age adults in persistent poverty AHC is approximately one percentage point lower than that for all individuals across each of the UK countries and the trends for working-age adults are similar to those for all individuals.

England and Wales have experienced the highest levels of persistent poverty amongst their working-age adults. Although Scotland previously had the lowest rates, they rose to match England in 2015-19. Meanwhile, prevalence has fallen slightly in NI and was lowest across the UK nations in 2015-19 at 9%, compared to 11% in England and Scotland and 12% in Wales.

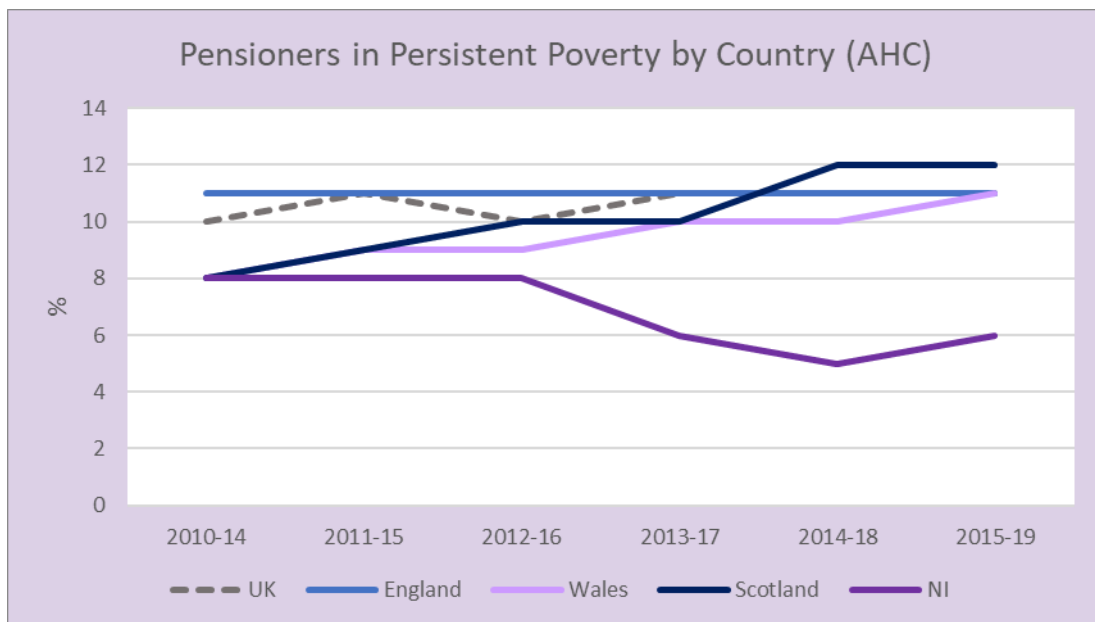


Source: DWP, Income Dynamics.

The percentage of pensioners in persistent poverty AHC in Northern Ireland was continuously lower than the UK, with this gap widening due to a marked decline in NI rates. In addition, prevalence amongst pensioners was lower compared to all individuals.

The proportion of pensioners in persistent poverty AHC is also lower than that for all individuals across each of the UK countries, although to a greater extent than that of working-age adults, at approximately three percentage points.

During the period considered, NI experienced the lowest levels of persistent poverty amongst pensioners AHC, falling to a low of 5% in 2014-18, at which stage the UK was suffering rates of 11%. Meanwhile, prevalence in Scotland and Wales have risen although England has remained constant at 11%. In 2015-19, Scotland was most prevalent at 12%, followed by 11% in both England and Wales, and 6% in NI.



Source: DWP, Income Dynamics.

A hand-drawn lightbulb on a chalkboard. The lightbulb is drawn with a circular outline and several curved lines radiating from it to represent light. Inside the lightbulb is a crumpled yellow paper ball. A hand is visible at the bottom, holding a white chalk stick, as if in the process of drawing the lightbulb. The background is a dark purple-blue color with faint, light-colored scribbles.

10. Conclusion

10. Conclusion

This report focuses on national and regional variations in poverty across the UK as well as the Republic of Ireland, however it should be noted that there may be further important sub-regional and local variances in rates of poverty. Furthermore, the figures presented are estimates as they are derived from survey data and therefore subject to sampling error.

10.1 Key Findings

Through an examination of the rates and distribution of poverty in Northern Ireland compared to UK countries and the Republic of Ireland, and how these have changed during the decade from 2010/11 to 2019/20, the following key findings emerged.

Overall Poverty Rates

Both the relative and absolute poverty rates in NI, on a before and after housing costs basis, have been on a downward trend and are currently at their lowest level in the last decade, with the exception of relative poverty BHC which was at its lowest in 2017/18.

Relative poverty rates BHC in NI were generally higher than those in the UK but this gap has narrowed in recent years. Furthermore, the rates appear to be lower in the RoI than NI. NI historically had the highest relative poverty rate BHC of the four nations and RoI, however by the end of the decade, the rate in NI was the same as that in Scotland and England, with only the RoI remaining lower.

When housing costs are taken into consideration, it alters the relationship between NI and the UK poverty rates. Owing to the comparatively lower housing costs in NI, relative poverty rates AHC were generally lower there than those in the UK, with this gap widening in the last five years. Wales continuously had the highest rate of poverty, followed by England, NI and Scotland.

Absolute poverty rates BHC in NI were previously higher than those in the UK, however following a marked downward trend in NI, they have been broadly equivalent for the last five years. Meanwhile the 'at risk of poverty' rate in the RoI has continually remained lower than NI. Whilst the absolute poverty rates BHC are on a downward trend for each of the areas, it was more much more marked in the RoI. NI suffered the highest poverty rate of the four nations and the RoI prior to matching Wales in 2013-16, and subsequently falling below Wales who since then continues to be the most prevalent for absolute poverty BHC.

During the last decade, absolute poverty rates AHC in NI have fallen considerably and are now lower than those in the UK. Wales has experienced some of the highest rates, although it has now fallen to match England. Scotland historically experienced the lowest absolute poverty rates AHC, however since 2015-18, NI has remained the lowest across the four nations.

Poverty Rates Amongst Working-age Adults

Relative poverty rates for working-age adults in NI are slightly lower than those for all individuals, and have generally been on a downward trend.

Relative poverty rates for working-age adults BHC in NI have traditionally been higher than those in the UK, but owing to a gradual downward trend, they were lower in 2019/20 for the first time in a decade. Comparing NI and the RoI, the relative poverty rate BHC has normally been higher in NI for working-age adults. NI is the only UK country to have experienced a downward trend in poverty rates for its working-age adults. Although NI's rates have fallen, those in England, Scotland and the RoI have continually remained lower during the last decade.

Relative poverty rates for working-age adults AHC in NI were generally lower than those in the UK with this gap widening in the last five years. Working-age adults in Wales have had the highest rates of relative poverty AHC, whilst those in Scotland and NI have experienced some of the lowest. When considering relative poverty rates AHC by region, NI had the lowest rates for working-age adults in each of the last three periods compared to any other region in the UK.

Poverty Rates Amongst Children

Relative poverty rates for children in NI are higher than those for all individuals, with this gap widening, on both a before and after costs basis.

Relative poverty rates for children BHC in NI, were generally higher than those in the UK, although the gap has narrowed in recent years and given way for NI to dip below the UK. The 'at risk of poverty' rates in the RoI have consistently been lower than the relative poverty rates experienced in NI with this gap widening in the last two years. Comparing each of the UK's four nations and the RoI, NI has continually suffered the highest, or joint highest, rate of child poverty across the time series with the exception of Wales in 2010-13. Meanwhile, Scotland generally experienced the lowest rate, although more recently the RoI has taken this position.

Relative poverty rates for children AHC in NI have fluctuated but remained consistently lower than those in the UK. Wales and England have been the most prevalent countries in the UK for child poverty AHC. Scotland experienced the lowest rates, although this was joint with NI on occasion. Relative poverty rates AHC for children in NI compare favourably with those in each of the English regions, being amongst the lowest during each of the periods considered.

Poverty Rates Amongst Pensioners

Relative poverty rates for pensioners BHC in NI were previously higher than those in the UK, however following a downward trend in NI, they have been lower since 2017/18. The RoI has experienced much lower rates of pensioner poverty for the full duration of the last decade, their highs were still less than the lows seen in NI or the UK. Comparing each of the UK's four nations and the RoI, NI is the only country to have experienced a marked downward trend in pensioner poverty rates BHC during the last decade, moving from having the highest rate of pensioner poverty across each of the UK nations to the lowest. When comparing relative poverty rates BHC for pensioners by

region, NI had some of the lowest rates across the UK regions, joint with the North East and South East in 2016-19 and 2017-20.

On an after housing costs basis, relative poverty rates for pensioners in NI are lower than those for all individuals, with gaps of between four to ten percentage points in the last decade. Relative poverty rates for pensioners AHC in NI were previously higher than those in the UK, however following a downward trend in NI, they have been lower since 2014/15, with the gap widening as the UK's rates rise. In line with the UK, England, Scotland and Wales have also experienced a gradual increase in pensioner poverty rates AHC. NI had some of the lowest rates across all UK regions, whilst pensioners in London were more than twice as likely as those in NI to be in relative poverty AHC in 2017-20.

Poverty Rates by Other Characteristics

Relative poverty rates BHC were historically higher for those families in NI where someone is disabled than those in the UK, however this has reversed in recent years. In NI, the percentage of individuals in relative poverty BHC were generally higher for individuals living in households where someone in the family is disabled compared to those in which no one is disabled, although this gap has once again narrowed to match in 2019/20, as was the case in 2011/12.

Relative poverty rates BHC for working-age adults are much higher for those in workless compared to working households. In NI over the last 10 years, the percentage of working-age adults in relative poverty BHC in working households has remained stable whilst those in workless households have fallen since 2014/15. Poverty rates for both working and workless households are generally higher in NI than the UK.

Relative poverty rates BHC for individuals living in lone parent families are much higher than for all individuals in any family type. The rates in NI were generally higher than those in the UK, although the gap has narrowed in recent years. The corresponding 'at risk of poverty' rates in the RoI have regularly been higher than those in NI, although NI has continually experienced the highest rates within the UK nations.

Material Deprivation

The rates of children in combined low income BHC and material deprivation in NI have generally been lower than those in the UK during the last decade, and are largely on a downward trend despite a brief spike in 2014/15. Rates in NI and the RoI have followed a similar trend during the last 10 years.

During the first half of the last decade, a higher proportion of pensioners were in material deprivation in NI than the UK. However, following a more pronounced fall in the rates in NI, they briefly dipped below those in the UK. Pensioner deprivation has generally been highest in the RoI.

Persistent Poverty

The rates of individuals in persistent poverty BHC in NI have been broadly stable and generally consistent with those in the UK at 9%. The corresponding rates in the RoI, have been up to three

percentage points higher than NI and the UK. The rates of children and working-age adults in persistent poverty BHC in NI were largely similar to those in the UK, however for pensioners they have generally been lower in NI than the UK, due to a fall in NI's rates.

The rates of individuals in persistent poverty AHC in NI were consistently lower than those in the UK, with the gap widening following a recent decline in NI's rates. NI has also experienced some of the lowest rates of persistent poverty AHC within the UK regions. Across each of the three population groups, rates in NI have been lower than those in the UK, particularly for pensioners.

10.2 Inferences

This study aimed to provide an indication of the extent to which UK poverty research is relevant to NI and an insight into any key differences in poverty in NI.

Poverty rates in NI are broadly similar to those in the UK, albeit slightly lower in recent years across the majority of measures. For each of the measures, the maximum gap between UK and NI rates across the decade, range from one to eight percentage points. The largest gaps of eight percentage points were seen in relative child poverty AHC and relative pensioner poverty BHC. Meanwhile, persistent poverty rates BHC were closely aligned in NI and the UK, with a maximum gap of only one or two percentage points overall and across the population groups.

Furthermore, the NI and UK trends are broadly similar across the decade, although whilst many of the measures have been on a gradual downward trend in NI, they have been fairly stable in the UK. Although, for those measures in NI which despite oscillating, have returned to a level similar to that experienced at the start of the decade, including children in relative poverty BHC and AHC, the corresponding rates have risen slightly in the UK. However, some differences in the trends could result from NI poverty estimates being subject to greater sampling variability than estimates for the UK as a whole, due to smaller sample sizes.

The main differences between NI and the UK arise when considering pensioner poverty. Relative poverty rates for pensioners have been falling in NI on both a before and after housing costs basis, however they have been rising in the UK. This group has also witnessed some of the largest gaps between the NI and UK rates, with NI being eight percentage points higher than the UK BHC in 2011/12 and NI was six percentage points lower than the UK AHC in 2018/19. Furthermore, whilst persistent poverty BHC was broadly similar in NI and the UK across each of the population groups, it was lower for pensioners in NI. Likewise, on an AHC basis, whilst persistent poverty was continuously lower in NI than the UK for each of the population groups, this was to a greater degree for pensioners.

The characteristics rendering some groups more likely than others to be in poverty also appear to be consistent across NI and the UK, including for example, lone parents and those in workless households.

On the basis that poverty rates in NI and the UK are at a similar level, broadly following the same trend and affecting the same cohorts, it is therefore reasonable to conclude that, for the most part, poverty literature pertaining to the UK is also relevant to NI. Given the abundance of literature on poverty in the UK, this will undoubtedly be a welcomed finding. However, literature with a focus on poverty in NI is still preferable, particularly to explore any nuances and local issues.

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