

## A National Statistics Publication for Scotland

### SCOTTISH HOUSEHOLDS BELOW AVERAGE INCOME, 2006/07

10 June 2008

#### POVERTY IN SCOTLAND

This publication presents annual estimates of the proportion and number of children, working age adults and pensioners living in low income households in Scotland. It presents progress towards UK and Scotland Government targets to reduce poverty.

All figures are derived from the Department for Work and Pensions' Family Resources Survey, Households Below Average Income datasets. The data being published for the first time here is from the Households Below Average Income 2006/07 dataset. The Department for Work and Pensions have published equivalent figures for the UK.

Progress towards the Scottish Government's target to reduce poverty is presented below. The following two pages focus on the UK Government Target to eradicate child poverty by 2020. Pages 4 and 5 present further information on the number and proportion of people in poverty in Scotland. The methodology and definitions of key concepts are explained on pages 6 to 8.

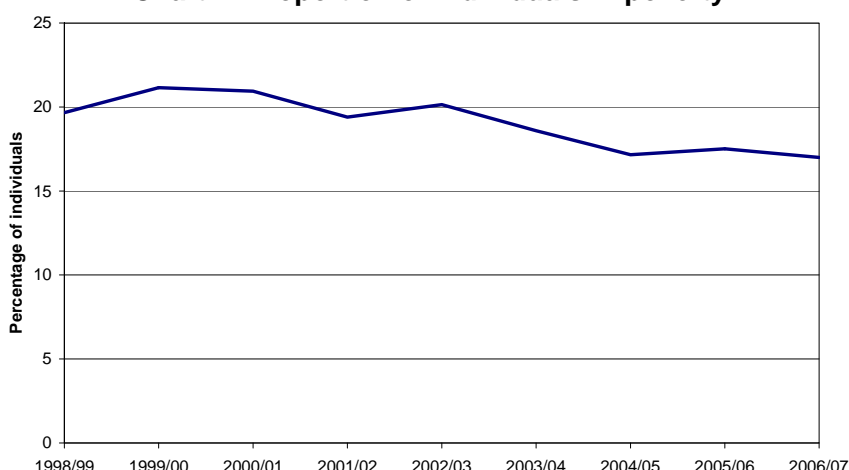
Further analysis of these low income poverty figures, and progress towards the Scottish Government Solidarity Target, will be published on the Income and Poverty website in June 2008.

#### Scottish Government National Indicator 14: Decrease the proportion of individuals living in relative low income poverty

**In 2006/07 there were 840,000 individuals living in relative low income poverty before housing costs. This represents 17% of the Scottish population.**

Of the 840,000 individuals living in relative low income poverty, 210,000 are children, 440,000 are working age adults and 180,000 are pensioners<sup>1</sup>.

Chart 1: Proportion of individuals in poverty



Relative poverty rates after housing costs are slightly higher (950,000 individuals or 19% of the population).

<sup>1</sup> All figures are rounded to the nearest 10,000 and for this reason the total number of individuals in low income poverty does not appear to equal the sum of children, working age adults and pensioners.

## Child Poverty

The child poverty measure forms the basis of the UK Government target to halve child poverty by 2010, from a 1998/99 baseline, and eradicate it by 2020. The measure consists of 3 tiers:

**Tier 1, Absolute low income:** Number and proportion of children in households whose equivalised income before housing costs is below 60% of inflation adjusted median<sup>2</sup> income in 1998/99. This is a measure of whether the poorest families are seeing their incomes rise in real terms.

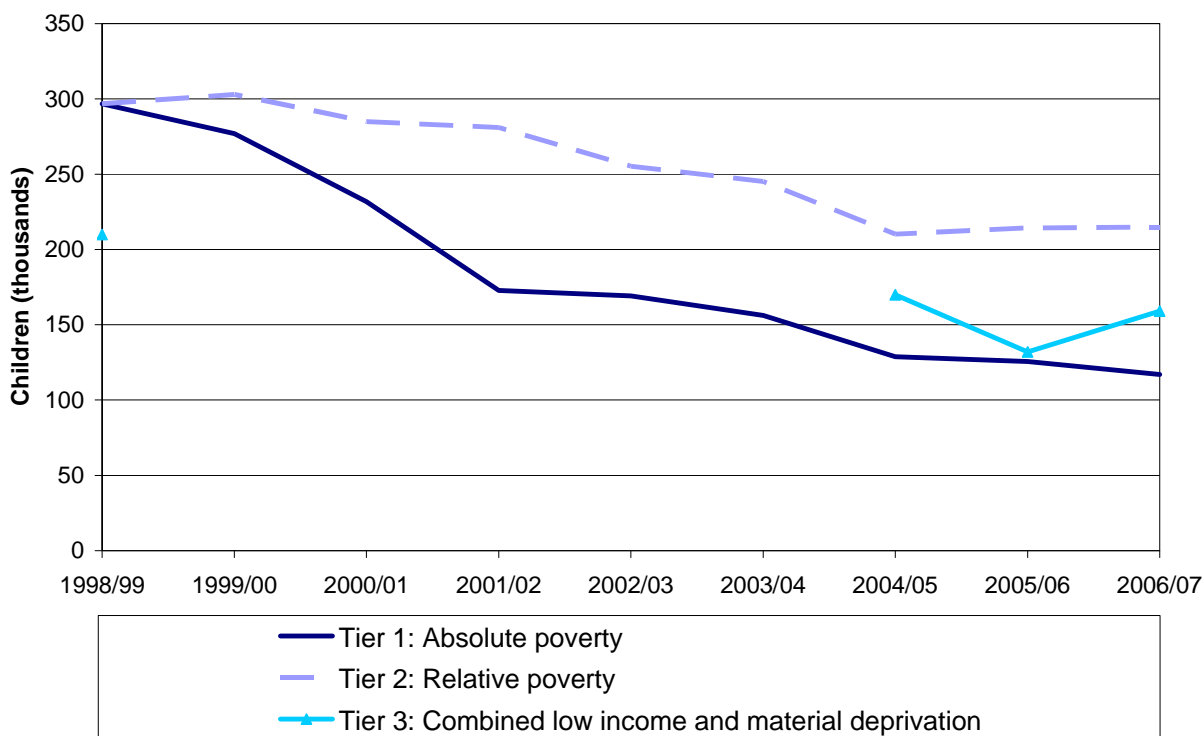
**Tier 2, Relative low income:** Number and proportion of children in households whose equivalised income before housing costs is below 60% of median<sup>2</sup> income in the same year. This is a measure of whether the poorest families are keeping pace with the growth of incomes in the economy as a whole.

**Tier 3, Material deprivation and low income combined:** Number and proportion of children that are both materially deprived and are in households whose equivalised income before housing costs is less than 70% of the median<sup>2</sup> in the current year. This is to provide a wider measure of children's living standards.

For more information about equivalence scales, absolute and relative low income measures, and how material deprivation is calculated, please see 'Notes, definitions and further reading' on pages 6 to 8.

**In 2006/07 there were 120,000 children in Tier 1, 210,000 children in Tier 2 and 160,000 children in Tier 3.** Table 1 on the following page provides more detail.

**Chart 2: Child poverty in Scotland, 1998/99 – 2006/07**



<sup>2</sup> Since 2002/03 the Family Resources Survey has included Northern Ireland. As a result all relative low income figures from 2002/03 will be calculated using the UK median. Absolute measures utilise a base year prior to the inclusion of Northern Ireland and will therefore continue to use the GB median as the basis for the low income threshold.

**Table 1: Child poverty in Scotland, 1994/95 – 2006/07**

|                | Child poverty tier 1 |            | Child poverty tier 2 |            | Child poverty tier 3 |            |
|----------------|----------------------|------------|----------------------|------------|----------------------|------------|
|                | %                    | (000s)     | %                    | (000s)     | %                    | (000s)     |
| 1994/95        | 32                   | 350        | 28                   | 310        |                      |            |
| 1995/96        | 33                   | 370        | 27                   | 300        |                      |            |
| 1996/97        | 34                   | 370        | 31                   | 340        |                      |            |
| 1997/98        | 31                   | 340        | 30                   | 330        |                      |            |
| <b>1998/99</b> | <b>28</b>            | <b>300</b> | <b>28</b>            | <b>300</b> | <b>19</b>            | <b>210</b> |
| 1999/00        | 26                   | 280        | 28                   | 300        |                      |            |
| 2000/01        | 22                   | 230        | 27                   | 280        |                      |            |
| 2001/02        | 16                   | 170        | 27                   | 280        |                      |            |
| 2002/03        | 16                   | 170        | 25                   | 260        |                      |            |
| 2003/04        | 15                   | 160        | 24                   | 250        |                      |            |
| 2004/05        | 13                   | 130        | 21                   | 210        | 16                   | 170        |
| 2005/06        | 12                   | 130        | 21                   | 210        | 13                   | 130        |
| <b>2006/07</b> | <b>12</b>            | <b>120</b> | <b>21</b>            | <b>210</b> | <b>16</b>            | <b>160</b> |

Tier 1: ABSOLUTE (below 60% of GB median in 1998/99 adjusted for inflation) low income before housing costs.

Tier 2: RELATIVE (below 60% of UK median in the same year) low income before housing costs.

Tier 3: Relative low income (below 60% of UK median in the same year) and material deprivation combined.

Please see the notes on pages 6 to 8 for a full explanation of the methodologies used.

Note that the material deprivation suit of questions was not included in the Family Resources Survey before 2004/05. The 1998/99 figures for Combined Low Income and Material Deprivation were estimated assuming that the reduction in Tier 3 poverty between 1998/99 and 2005/06 was equivalent to the fall in Tier 2 poverty in the same time period.

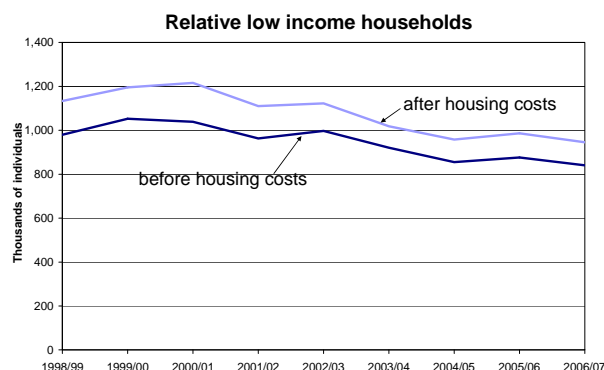
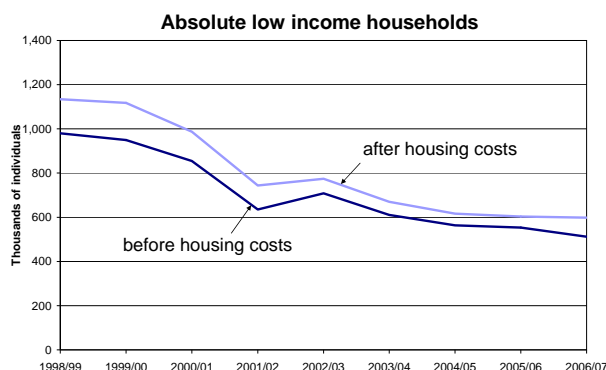
### The main points about child poverty in Scotland are:

- The proportion of children in **tier 1** has fallen from 28% in 1998/99 to 12% in 2006/07. This is a decrease of 61%<sup>3</sup>.
- Ten thousand fewer children were in tier 1 in 2006/07 than in 2005/06.
- The target to halve child poverty by 2010 has already been met for Tier 1 in Scotland.
- The proportion of children in **tier 2** has fallen from 28% in 1998/99 to 21% in 2006/07. This is a decrease of 28%.
- There was no change in the number of children in tier 2 between 2005/06 and 2006/07.
- In order to meet the target to halve child poverty by 2010 (from a 1998/99 baseline), 60,000 more children need to be lifted from Tier 2 in the next 3 years.
- The proportion of children in **tier 3** has fallen from an estimated 19% in 1998/99 to 16% in 2006/07. This is a decrease of 24%.
- Thirty thousand more children were in tier 3 in 2006/07 than in 2005/06. The fluctuation from 16% to 13% and back again in the past 3 years demonstrates the high variability of this measure: caution should be exercised when interpreting year on year changes.
- In order to meet the target to halve child poverty by 2010, 50,000 more children need to be lifted from Tier 3 in the next 3 years.

<sup>3</sup> Percentage changes are calculated on unrounded figures for greater accuracy.

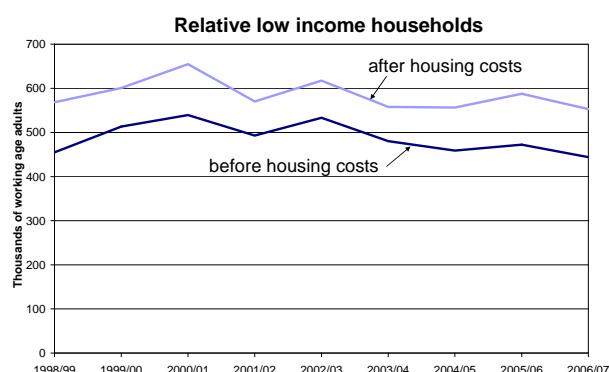
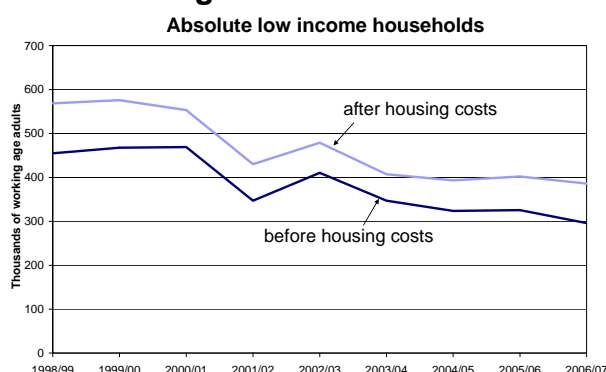
## All Individuals

- 10% of individuals are in **absolute** poverty **before housing costs** compared to 12% **after housing costs**.
- 17% of individuals are in **relative** poverty **before housing costs** compared to 19% **after housing costs**.



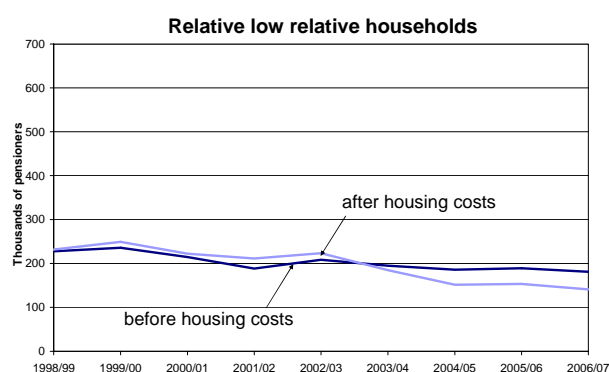
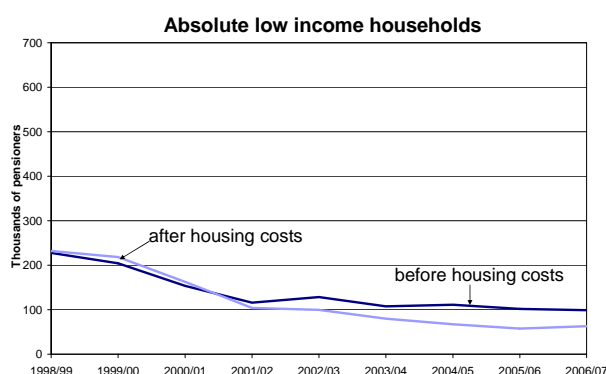
## Working Age Adults

- 10% of working age adults are in **absolute** poverty **before housing costs** compared to 12% **after housing costs**.
- 14% of working age adults are in **relative** poverty **before housing costs** compared to 18% **after housing costs**.



## Pensioners

- 11% of pensioners are in **absolute** poverty **before housing costs** compared to 7% **after housing costs**.
- 20% of pensioners are in **relative** poverty **before housing costs** compared to 15% **after housing costs**.



**Table 2: ABSOLUTE low income (below 60% of 1998/99 GB median adjusted for inflation) in Scottish households**

|                | All individuals      |            |                     |              | Children             |            |                     |            | Working Age Adults   |            |                     |            | Pensioners           |            |                     |            |
|----------------|----------------------|------------|---------------------|--------------|----------------------|------------|---------------------|------------|----------------------|------------|---------------------|------------|----------------------|------------|---------------------|------------|
|                | Before housing costs |            | After housing costs |              | Before housing costs |            | After housing costs |            | Before housing costs |            | After housing costs |            | Before housing costs |            | After housing costs |            |
|                | %                    | (000s)     | %                   | (000s)       | %                    | (000s)     | %                   | (000s)     | %                    | (000s)     | %                   | (000s)     | %                    | (000s)     | %                   | (000s)     |
| 1994/95        | 25                   | 1,240      | 28                  | 1,380        | 32                   | 350        | 34                  | 380        | 19                   | 590        | 22                  | 660        | 35                   | 300        | 39                  | 340        |
| 1995/96        | 25                   | 1,230      | 27                  | 1,340        | 33                   | 370        | 36                  | 400        | 18                   | 550        | 20                  | 610        | 37                   | 320        | 37                  | 330        |
| 1996/97        | 24                   | 1,220      | 27                  | 1,360        | 34                   | 370        | 36                  | 400        | 18                   | 540        | 21                  | 650        | 35                   | 310        | 36                  | 320        |
| 1997/98        | 21                   | 1,060      | 23                  | 1,170        | 31                   | 340        | 32                  | 350        | 16                   | 490        | 19                  | 560        | 26                   | 230        | 30                  | 260        |
| <b>1998/99</b> | <b>20</b>            | <b>980</b> | <b>23</b>           | <b>1,130</b> | <b>28</b>            | <b>300</b> | <b>31</b>           | <b>330</b> | <b>15</b>            | <b>450</b> | <b>19</b>           | <b>570</b> | <b>26</b>            | <b>230</b> | <b>27</b>           | <b>230</b> |
| 1999/00        | 19                   | 950        | 22                  | 1,120        | 26                   | 280        | 30                  | 320        | 15                   | 470        | 19                  | 580        | 23                   | 200        | 25                  | 220        |
| 2000/01        | 17                   | 850        | 20                  | 990          | 22                   | 230        | 25                  | 270        | 16                   | 470        | 18                  | 550        | 17                   | 150        | 18                  | 160        |
| 2001/02        | 13                   | 640        | 15                  | 740          | 16                   | 170        | 20                  | 210        | 11                   | 350        | 14                  | 430        | 13                   | 120        | 12                  | 100        |
| 2002/03        | 14                   | 710        | 16                  | 770          | 16                   | 170        | 19                  | 200        | 14                   | 410        | 16                  | 480        | 14                   | 130        | 11                  | 100        |
| 2003/04        | 12                   | 610        | 14                  | 670          | 15                   | 160        | 18                  | 180        | 11                   | 350        | 13                  | 410        | 12                   | 110        | 9                   | 80         |
| 2004/05        | 11                   | 560        | 12                  | 620          | 13                   | 130        | 15                  | 160        | 11                   | 320        | 13                  | 390        | 12                   | 110        | 7                   | 70         |
| 2005/06        | 11                   | 550        | 12                  | 600          | 12                   | 130        | 14                  | 140        | 11                   | 330        | 13                  | 400        | 11                   | 100        | 6                   | 60         |
| <b>2006/07</b> | <b>10</b>            | <b>510</b> | <b>12</b>           | <b>600</b>   | <b>12</b>            | <b>120</b> | <b>15</b>           | <b>150</b> | <b>10</b>            | <b>300</b> | <b>12</b>           | <b>390</b> | <b>11</b>            | <b>100</b> | <b>7</b>            | <b>60</b>  |

Note: Due to rounding, the estimates for children, working age adults and pensioners may not sum to the total for all individuals.

**Table 3: RELATIVE low income (below 60% of UK median in the same year) in Scottish households**

|                | All individuals      |            |                     |              | Children             |            |                     |            | Working Age Adults   |            |                     |            | Pensioners           |            |                     |            |
|----------------|----------------------|------------|---------------------|--------------|----------------------|------------|---------------------|------------|----------------------|------------|---------------------|------------|----------------------|------------|---------------------|------------|
|                | Before housing costs |            | After housing costs |              | Before housing costs |            | After housing costs |            | Before housing costs |            | After housing costs |            | Before housing costs |            | After housing costs |            |
|                | %                    | (000s)     | %                   | (000s)       | %                    | (000s)     | %                   | (000s)     | %                    | (000s)     | %                   | (000s)     | %                    | (000s)     | %                   | (000s)     |
| 1994/95        | 21                   | 1,040      | 23                  | 1,140        | 28                   | 310        | 30                  | 330        | 17                   | 510        | 18                  | 560        | 26                   | 220        | 29                  | 250        |
| 1995/96        | 20                   | 980        | 23                  | 1,160        | 27                   | 300        | 32                  | 360        | 14                   | 440        | 18                  | 540        | 28                   | 240        | 31                  | 270        |
| 1996/97        | 22                   | 1,090      | 25                  | 1,230        | 31                   | 340        | 33                  | 360        | 16                   | 490        | 19                  | 580        | 30                   | 260        | 33                  | 290        |
| 1997/98        | 20                   | 1,000      | 22                  | 1,120        | 30                   | 330        | 31                  | 330        | 16                   | 470        | 18                  | 540        | 24                   | 210        | 28                  | 250        |
| <b>1998/99</b> | <b>20</b>            | <b>980</b> | <b>23</b>           | <b>1,130</b> | <b>28</b>            | <b>300</b> | <b>31</b>           | <b>330</b> | <b>15</b>            | <b>450</b> | <b>19</b>           | <b>570</b> | <b>26</b>            | <b>230</b> | <b>27</b>           | <b>230</b> |
| 1999/00        | 21                   | 1,050      | 24                  | 1,200        | 28                   | 300        | 32                  | 350        | 17                   | 510        | 20                  | 600        | 27                   | 240        | 28                  | 250        |
| 2000/01        | 21                   | 1,040      | 24                  | 1,220        | 27                   | 280        | 32                  | 340        | 18                   | 540        | 22                  | 650        | 24                   | 210        | 25                  | 220        |
| 2001/02        | 19                   | 960        | 22                  | 1,110        | 27                   | 280        | 31                  | 330        | 16                   | 490        | 19                  | 570        | 21                   | 190        | 24                  | 210        |
| 2002/03        | 20                   | 1,000      | 23                  | 1,120        | 25                   | 260        | 27                  | 280        | 18                   | 530        | 20                  | 620        | 23                   | 210        | 25                  | 220        |
| 2003/04        | 19                   | 920        | 21                  | 1,020        | 24                   | 250        | 27                  | 280        | 16                   | 480        | 18                  | 560        | 22                   | 190        | 21                  | 180        |
| 2004/05        | 17                   | 860        | 19                  | 960          | 21                   | 210        | 25                  | 250        | 15                   | 460        | 18                  | 560        | 20                   | 190        | 16                  | 150        |
| 2005/06        | 18                   | 880        | 20                  | 990          | 21                   | 210        | 24                  | 250        | 15                   | 470        | 19                  | 590        | 20                   | 190        | 16                  | 150        |
| <b>2006/07</b> | <b>17</b>            | <b>840</b> | <b>19</b>           | <b>950</b>   | <b>21</b>            | <b>210</b> | <b>25</b>           | <b>250</b> | <b>14</b>            | <b>440</b> | <b>18</b>           | <b>550</b> | <b>20</b>            | <b>180</b> | <b>15</b>           | <b>140</b> |

Note: Due to rounding, the estimates for children, working age adults and pensioners may not sum to the total for all individuals.

## Notes, definitions and Further Reading

The Department for Work and Pensions' (DWP) Households Below Average Income data are published annually and are used to provide the official snapshot low income estimates for individuals, children, working age adults and pensioners for the UK. This publication notice provides the headline estimates for Scotland only. For the UK estimates (and some regional analysis) please see the DWP publication 'Households Below Average Income: An analysis of the income distribution 1994/95-2006/07' on the DWP website: <http://www.dwp.gov.uk/asd/hbai.asp>.

### Income definitions and measures

The income used in the 'low income' estimates is called 'net disposable household income'. It is simply income from all sources, for all members of the household but after deductions for income tax, National Insurance contributions, council tax, pension contributions and maintenance payments.

### Equivalisation

In order for the net disposable household income to be used as a proxy for living standards it has to be adjusted. This adjustment is called 'equivalisation'. This equivalised income allows the comparison of living standards between households that vary in size and composition. This adjustment reflects the fact that a family of several people requires a higher income than a single person in order for both households to enjoy a comparable standard of living. The key assumption is that all individuals in the household benefit equally from the combined (equivalised) income of the household. There are several different equivalence scales which will result in slightly different estimates. The low income figures in this publication notice use the modified OECD equivalence scale in line with the rest of Europe.

### How is low income measured?

Individuals are defined as being in low income if their equivalised net disposable household income is below 60% of the median. The median is the income value which divides a population, when ranked by income, into two equal sized groups. Since the mean is influenced significantly by the highest incomes, median income thresholds are widely accepted as a better benchmark when considering a derived measure for low income. 60% of median is the most commonly used low income measure, however additional 50% and 70% of median figures are shown in Annex 1 to give an idea of the depth of low income. It should be noted that those households reporting the lowest incomes may not have the lowest living standards. The bottom ten per cent of the income distribution should not, therefore, be interpreted as having the bottom ten per cent of living standards. This will have relatively greater effect on results where incomes are compared against low thresholds of median, for example below 50% of median.

For a couple with no children, the median income before housing costs in 2006/07 was £377 per week, this is a real terms increase of £53 (16%) since 1998/99 (the inflation adjusted median income in 1998/99 was £324). After housing costs the increase is from £261 per week in 1998/99 (inflation adjusted) to £321 in 2006/07. This is an increase of 23% or £60.

Consequently, the 60% low income threshold, which is used to derive the low income household figures, has increased by £31 per week (before housing costs) in real terms, from £195 in 1998/99 (inflation adjusted) to £226 in 2006/07. After housing costs the 60% of median has increased by £37 per week in real terms, from £156 to £193.

## **How is material deprivation defined and measured?**

Since 2004/05 the Family Resources Survey has asked respondents whether they have 21 goods and services, both child and household items. If they do not have them, they are asked whether this is because they do not want them or because they cannot afford them. Material deprivation is defined on the basis of those items that cannot be afforded.

To determine the level of material deprivation a child experiences, a 'prevalence weighted' approach is used: for each item a child's family cannot afford they will be given a weight or score. This weight will be equivalent to the proportion of families who have this item. In this way, the higher the proportion that own that item, the more not having it suggests an inability to afford it and the greater weight it has in the measure.

The weighted scores for each item lacked through an inability to afford are summed and translated into a total material deprivation score which can range from 0 to 100. Children are materially deprived if they have a material deprivation score of 25 or more. Analysis conducted by Department for Work and Pensions has shown that this score is a good discriminator between those that are deprived and those that are not.

## **Before housing costs (BHC) and after housing costs (AHC)**

This publication provides low income estimates on a before housing costs basis and on an after housing costs basis. Since some people choose to spend more of their income on housing costs, an after housing costs measure would understate the relative standard of living of those individuals who were actually benefiting from a better quality of life by paying more for better accommodation. Conversely, any income measure which does not deduct housing costs (i.e. the before housing costs measure) will overstate the living standards of individuals whose housing costs are high relative to the quality of their accommodation.

## **Absolute and relative measures**

There are two further measures that are used to describe trends over time: absolute low income and relative low income. In essence, the absolute measures whether individuals in the lowest income households are seeing their incomes rise in real terms. The relative measures whether those in the lowest incomes are keeping up with the growth of the economy as a whole.

**Absolute low income:** individuals living in households whose equivalised income is below 60% of inflation adjusted median income in 1998/99. This is a measure of whether those in the lowest income households are seeing their incomes rise in real terms.

**Relative low income:** individuals living in households whose equivalised income is below 60% of median income in the same year. This is a measure of whether those in the lowest income households are keeping pace with the growth of incomes in the economy as a whole.

## **Use of GB and UK medians**

Since 2002/03 the Family Resources Survey has included Northern Ireland. As a result all relative low income figures from 2002/03 will be calculated using the UK median.

Absolute measures utilise a base year prior to the inclusion of Northern Ireland and will therefore continue to use the GB median as the basis for the low income threshold.

In practice the change from GB to UK median makes very little impact on the figures.



## **Other points to note**

The percentages show the proportion of the population that fall below the threshold in the year in question. Therefore, due to changing demographics, the same number of persons one year may represent a different proportion to the same number in a previous year.

The figures are estimates based on a sample survey – The Family Resources Survey - and are therefore subject to sampling variation. Caution should be exercised in the interpretation of small year-on-year fluctuations. Identification of trends must be based on data for several years. As the Scottish Government has funded a doubling of the Scottish sample since 2002/03, the Scottish figures from 2002/03 onwards should be less prone to fluctuation within key trends than those for earlier years. Details of the confidence intervals that surround the key estimates in this publication will be published on the Scottish government Income and Poverty website shortly.

## **Useful references**

### Scottish Government websites:

Income and Poverty statistics website:

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Social-Welfare/incomepoverty>

High Level Summary of Statistics (Chapter 12, Social and Welfare):

<http://www.scotland.gov.uk/Topics/Statistics/About/HighLevelTrends>

Scottish Government Economic Strategy and 2007 Spending Review:

<http://www.scotland.gov.uk/Topics/Economy/Scotlands-Economy>

Technical Notes for the 2007 Spending Review:

<http://www.scotland.gov.uk/Publications/2007/11/30090722/0>

For further information on all Scottish Government statistics:

<http://www.scotland.gov.uk/topics/statistics/>

### Department for Work and Pensions' websites:

Family Resources Survey, Department for Work and Pensions

<http://www.dwp.gov.uk/asd/frs>

Households Below Average Income,

Department for Work and Pensions (methodology and UK estimates):

<http://www.dwp.gov.uk/asd/hbai.asp>

Measuring child poverty, Department for Work and Pensions:

[www.dwp.gov.uk/consultations/consult/2003/childpov/final.pdf](http://www.dwp.gov.uk/consultations/consult/2003/childpov/final.pdf)

Opportunity for all, Department for Work and Pensions:

<http://www.dwp.gov.uk/ofa/>



## Annex 1 – Households below 50%, 60% and 70% of median income

These tables, in addition to the headline below 60% of median estimates, also show the numbers of children, working aged adults and pensioners in households whose equivalised income is below 50% and 70% of the median. These give an idea of the depth of low income. A 50% of median threshold is lower than a 60% and so represents the greatest depth of poverty.

**Table A1.1: CHILDREN in ABSOLUTE low income Scottish households**

|                | Below 50% of the median |            |                    |            | Below 60% of the median |            |                    |            | Below 70% of the median |            |                    |            |
|----------------|-------------------------|------------|--------------------|------------|-------------------------|------------|--------------------|------------|-------------------------|------------|--------------------|------------|
|                | Before                  |            | After              |            | Before                  |            | After              |            | Before                  |            | After              |            |
|                | housing costs<br>%      | (000s)     | housing costs<br>% | (000s)     | housing costs<br>%      | (000s)     | housing costs<br>% | (000s)     | housing costs<br>%      | (000s)     | housing costs<br>% | (000s)     |
| 1994/95        | 19                      | 210        | 25                 | 270        | 32                      | 350        | 34                 | 380        | 40                      | 440        | 41                 | 450        |
| 1995/96        | 19                      | 210        | 25                 | 280        | 33                      | 370        | 36                 | 400        | 44                      | 480        | 47                 | 520        |
| 1996/97        | 19                      | 210        | 27                 | 290        | 34                      | 370        | 36                 | 400        | 42                      | 460        | 45                 | 500        |
| 1997/98        | 19                      | 210        | 24                 | 260        | 31                      | 340        | 32                 | 350        | 40                      | 430        | 42                 | 460        |
| <b>1998/99</b> | <b>17</b>               | <b>180</b> | <b>23</b>          | <b>250</b> | <b>28</b>               | <b>300</b> | <b>31</b>          | <b>330</b> | <b>37</b>               | <b>400</b> | <b>38</b>          | <b>410</b> |
| 1999/00        | 13                      | 140        | 18                 | 190        | 26                      | 280        | 30                 | 320        | 35                      | 380        | 38                 | 400        |
| 2000/01        | 10                      | 110        | 13                 | 140        | 22                      | 230        | 25                 | 270        | 32                      | 340        | 34                 | 370        |
| 2001/02        | 8                       | 90         | 12                 | 120        | 16                      | 170        | 20                 | 210        | 31                      | 330        | 33                 | 350        |
| 2002/03        | 7                       | 70         | 10                 | 100        | 16                      | 170        | 19                 | 200        | 26                      | 270        | 26                 | 270        |
| 2003/04        | 6                       | 70         | 9                  | 90         | 15                      | 160        | 18                 | 180        | 25                      | 260        | 26                 | 270        |
| 2004/05        | 6                       | 60         | 9                  | 90         | 13                      | 130        | 15                 | 160        | 22                      | 220        | 23                 | 230        |
| 2005/06        | 6                       | 60         | 8                  | 80         | 12                      | 130        | 14                 | 140        | 22                      | 220        | 22                 | 220        |
| <b>2006/07</b> | <b>7</b>                | <b>70</b>  | <b>9</b>           | <b>90</b>  | <b>12</b>               | <b>120</b> | <b>15</b>          | <b>150</b> | <b>22</b>               | <b>220</b> | <b>22</b>          | <b>220</b> |

Note: Due to rounding, the estimates for children, working age adults and pensioners may not sum to the total for all individuals.

**Table A1.2: CHILDREN in RELATIVE low income Scottish households**

|                | Below 50% of the median |            |                    |            | Below 60% of the median |            |                    |            | Below 70% of the median |            |                    |            |
|----------------|-------------------------|------------|--------------------|------------|-------------------------|------------|--------------------|------------|-------------------------|------------|--------------------|------------|
|                | Before                  |            | After              |            | Before                  |            | After              |            | Before                  |            | After              |            |
|                | housing costs<br>%      | (000s)     | housing costs<br>% | (000s)     | housing costs<br>%      | (000s)     | housing costs<br>% | (000s)     | housing costs<br>%      | (000s)     | housing costs<br>% | (000s)     |
| 1994/95        | 12                      | 140        | 18                 | 200        | 28                      | 310        | 30                 | 330        | 36                      | 390        | 37                 | 410        |
| 1995/96        | 13                      | 140        | 19                 | 210        | 27                      | 300        | 32                 | 360        | 38                      | 420        | 40                 | 450        |
| 1996/97        | 17                      | 180        | 24                 | 270        | 31                      | 340        | 33                 | 360        | 39                      | 430        | 42                 | 460        |
| 1997/98        | 16                      | 180        | 22                 | 240        | 30                      | 330        | 31                 | 330        | 39                      | 430        | 41                 | 450        |
| <b>1998/99</b> | <b>17</b>               | <b>180</b> | <b>23</b>          | <b>250</b> | <b>28</b>               | <b>300</b> | <b>31</b>          | <b>330</b> | <b>37</b>               | <b>400</b> | <b>38</b>          | <b>410</b> |
| 1999/00        | 14                      | 160        | 22                 | 240        | 28                      | 300        | 32                 | 350        | 37                      | 390        | 39                 | 420        |
| 2000/01        | 12                      | 130        | 18                 | 190        | 27                      | 280        | 32                 | 340        | 37                      | 390        | 38                 | 400        |
| 2001/02        | 13                      | 130        | 17                 | 180        | 27                      | 280        | 31                 | 330        | 38                      | 400        | 40                 | 420        |
| 2002/03        | 13                      | 140        | 18                 | 190        | 25                      | 260        | 27                 | 280        | 36                      | 370        | 37                 | 390        |
| 2003/04        | 12                      | 120        | 17                 | 180        | 24                      | 250        | 27                 | 280        | 31                      | 320        | 33                 | 340        |
| 2004/05        | 10                      | 100        | 16                 | 160        | 21                      | 210        | 25                 | 250        | 31                      | 310        | 33                 | 330        |
| 2005/06        | 11                      | 110        | 15                 | 150        | 21                      | 210        | 24                 | 250        | 30                      | 300        | 31                 | 310        |
| <b>2006/07</b> | <b>11</b>               | <b>110</b> | <b>15</b>          | <b>150</b> | <b>21</b>               | <b>210</b> | <b>25</b>          | <b>250</b> | <b>32</b>               | <b>320</b> | <b>33</b>          | <b>330</b> |

Note: Due to rounding, the estimates for children, working age adults and pensioners may not sum to the total for all individuals.

**Table A2.1: WORKING AGED ADULTS in ABSOLUTE low income Scottish households**

|                | Below 50% of the median |            |               |            | Below 60% of the median |            |               |            | Below 70% of the median |            |               |            |
|----------------|-------------------------|------------|---------------|------------|-------------------------|------------|---------------|------------|-------------------------|------------|---------------|------------|
|                | Before                  |            | After         |            | Before                  |            | After         |            | Before                  |            | After         |            |
|                | housing costs           |            | housing costs |            | housing costs           |            | housing costs |            | housing costs           |            | housing costs |            |
|                | %                       | (000s)     | %             | (000s)     | %                       | (000s)     | %             | (000s)     | %                       | (000s)     | %             | (000s)     |
| 1994/95        | 12                      | 370        | 15            | 470        | 19                      | 590        | 22            | 660        | 25                      | 770        | 27            | 830        |
| 1995/96        | 10                      | 310        | 14            | 430        | 18                      | 550        | 20            | 610        | 25                      | 750        | 28            | 850        |
| 1996/97        | 10                      | 300        | 15            | 450        | 18                      | 540        | 21            | 650        | 24                      | 740        | 27            | 810        |
| 1997/98        | 10                      | 300        | 13            | 400        | 16                      | 490        | 19            | 560        | 23                      | 690        | 24            | 740        |
| <b>1998/99</b> | <b>9</b>                | <b>270</b> | <b>14</b>     | <b>420</b> | <b>15</b>               | <b>450</b> | <b>19</b>     | <b>570</b> | <b>22</b>               | <b>680</b> | <b>24</b>     | <b>730</b> |
| 1999/00        | 8                       | 230        | 12            | 370        | 15                      | 470        | 19            | 580        | 22                      | 680        | 24            | 730        |
| 2000/01        | 9                       | 260        | 12            | 370        | 16                      | 470        | 18            | 550        | 21                      | 640        | 24            | 720        |
| 2001/02        | 7                       | 200        | 9             | 280        | 11                      | 350        | 14            | 430        | 18                      | 550        | 20            | 600        |
| 2002/03        | 7                       | 220        | 10            | 310        | 14                      | 410        | 16            | 480        | 19                      | 560        | 20            | 600        |
| 2003/04        | 6                       | 180        | 9             | 270        | 11                      | 350        | 13            | 410        | 17                      | 500        | 18            | 540        |
| 2004/05        | 6                       | 170        | 9             | 280        | 11                      | 320        | 13            | 390        | 16                      | 470        | 17            | 530        |
| 2005/06        | 6                       | 190        | 9             | 270        | 11                      | 330        | 13            | 400        | 16                      | 480        | 18            | 540        |
| <b>2006/07</b> | <b>6</b>                | <b>180</b> | <b>9</b>      | <b>270</b> | <b>10</b>               | <b>300</b> | <b>12</b>     | <b>390</b> | <b>14</b>               | <b>450</b> | <b>16</b>     | <b>490</b> |

Note: Due to rounding, the estimates for children, working age adults and pensioners may not sum to the total for all individuals.

**Table A2.2: WORKING AGED ADULTS in RELATIVE low income Scottish households**

|                | Below 50% of the median |            |               |            | Below 60% of the median |            |               |            | Below 70% of the median |            |               |            |
|----------------|-------------------------|------------|---------------|------------|-------------------------|------------|---------------|------------|-------------------------|------------|---------------|------------|
|                | Before                  |            | After         |            | Before                  |            | After         |            | Before                  |            | After         |            |
|                | housing costs           |            | housing costs |            | housing costs           |            | housing costs |            | housing costs           |            | housing costs |            |
|                | %                       | (000s)     | %             | (000s)     | %                       | (000s)     | %             | (000s)     | %                       | (000s)     | %             | (000s)     |
| 1994/95        | 9                       | 290        | 12            | 380        | 17                      | 510        | 18            | 560        | 22                      | 670        | 23            | 710        |
| 1995/96        | 7                       | 220        | 11            | 330        | 14                      | 440        | 18            | 540        | 21                      | 650        | 23            | 700        |
| 1996/97        | 9                       | 270        | 14            | 410        | 16                      | 490        | 19            | 580        | 23                      | 680        | 25            | 750        |
| 1997/98        | 9                       | 270        | 12            | 380        | 16                      | 470        | 18            | 540        | 22                      | 670        | 23            | 710        |
| <b>1998/99</b> | <b>9</b>                | <b>270</b> | <b>14</b>     | <b>420</b> | <b>15</b>               | <b>450</b> | <b>19</b>     | <b>570</b> | <b>22</b>               | <b>680</b> | <b>24</b>     | <b>730</b> |
| 1999/00        | 9                       | 270        | 14            | 420        | 17                      | 510        | 20            | 600        | 23                      | 710        | 25            | 760        |
| 2000/01        | 11                      | 320        | 15            | 450        | 18                      | 540        | 22            | 650        | 25                      | 740        | 27            | 800        |
| 2001/02        | 9                       | 280        | 13            | 400        | 16                      | 490        | 19            | 570        | 23                      | 680        | 25            | 750        |
| 2002/03        | 12                      | 350        | 15            | 460        | 18                      | 530        | 20            | 620        | 24                      | 720        | 26            | 780        |
| 2003/04        | 10                      | 290        | 13            | 400        | 16                      | 480        | 18            | 560        | 21                      | 630        | 23            | 690        |
| 2004/05        | 9                       | 270        | 13            | 400        | 15                      | 460        | 18            | 560        | 21                      | 650        | 23            | 710        |
| 2005/06        | 10                      | 300        | 14            | 410        | 15                      | 470        | 19            | 590        | 21                      | 650        | 24            | 730        |
| <b>2006/07</b> | <b>9</b>                | <b>270</b> | <b>13</b>     | <b>390</b> | <b>14</b>               | <b>440</b> | <b>18</b>     | <b>550</b> | <b>21</b>               | <b>660</b> | <b>24</b>     | <b>740</b> |

Note: Due to rounding, the estimates for children, working age adults and pensioners may not sum to the total for all individuals.

**Table A3.1: PENSIONERS in ABSOLUTE low income Scottish households**

|                | Below 50% of the median             |           |                                    |           | Below 60% of the median             |            |                                    |            | Below 70% of the median             |            |                                    |            |
|----------------|-------------------------------------|-----------|------------------------------------|-----------|-------------------------------------|------------|------------------------------------|------------|-------------------------------------|------------|------------------------------------|------------|
|                | Before<br>housing costs<br>% (000s) |           | After<br>housing costs<br>% (000s) |           | Before<br>housing costs<br>% (000s) |            | After<br>housing costs<br>% (000s) |            | Before<br>housing costs<br>% (000s) |            | After<br>housing costs<br>% (000s) |            |
| 1994/95        | 17                                  | 140       | 17                                 | 140       | 35                                  | 300        | 39                                 | 340        | 50                                  | 440        | 48                                 | 410        |
| 1995/96        | 16                                  | 140       | 17                                 | 150       | 37                                  | 320        | 37                                 | 330        | 49                                  | 430        | 49                                 | 420        |
| 1996/97        | 15                                  | 130       | 16                                 | 140       | 35                                  | 310        | 36                                 | 320        | 49                                  | 430        | 47                                 | 400        |
| 1997/98        | 13                                  | 110       | 14                                 | 120       | 26                                  | 230        | 30                                 | 260        | 40                                  | 350        | 39                                 | 340        |
| <b>1998/99</b> | <b>10</b>                           | <b>90</b> | <b>11</b>                          | <b>90</b> | <b>26</b>                           | <b>230</b> | <b>27</b>                          | <b>230</b> | <b>41</b>                           | <b>360</b> | <b>39</b>                          | <b>340</b> |
| 1999/00        | 13                                  | 110       | 12                                 | 100       | 23                                  | 200        | 25                                 | 220        | 38                                  | 340        | 36                                 | 320        |
| 2000/01        | 7                                   | 60        | 5                                  | 50        | 17                                  | 150        | 18                                 | 160        | 32                                  | 280        | 29                                 | 250        |
| 2001/02        | 5                                   | 50        | 5                                  | 40        | 13                                  | 120        | 12                                 | 100        | 27                                  | 240        | 26                                 | 230        |
| 2002/03        | 6                                   | 50        | 5                                  | 40        | 14                                  | 130        | 11                                 | 100        | 26                                  | 240        | 23                                 | 200        |
| 2003/04        | 5                                   | 40        | 5                                  | 40        | 12                                  | 110        | 9                                  | 80         | 24                                  | 210        | 18                                 | 160        |
| 2004/05        | 4                                   | 40        | 3                                  | 30        | 12                                  | 110        | 7                                  | 70         | 21                                  | 200        | 14                                 | 130        |
| 2005/06        | 5                                   | 50        | 3                                  | 30        | 11                                  | 100        | 6                                  | 60         | 21                                  | 190        | 12                                 | 120        |
| <b>2006/07</b> | <b>5</b>                            | <b>50</b> | <b>4</b>                           | <b>40</b> | <b>11</b>                           | <b>100</b> | <b>7</b>                           | <b>60</b>  | <b>20</b>                           | <b>180</b> | <b>12</b>                          | <b>110</b> |

Note: Due to rounding, the estimates for children, working age adults and pensioners may not sum to the total for all individuals.

**Table A3.2: PENSIONERS in RELATIVE low income Scottish households**

|                | Below 50% of the median             |           |                                    |           | Below 60% of the median             |            |                                    |            | Below 70% of the median             |            |                                    |            |
|----------------|-------------------------------------|-----------|------------------------------------|-----------|-------------------------------------|------------|------------------------------------|------------|-------------------------------------|------------|------------------------------------|------------|
|                | Before<br>housing costs<br>% (000s) |           | After<br>housing costs<br>% (000s) |           | Before<br>housing costs<br>% (000s) |            | After<br>housing costs<br>% (000s) |            | Before<br>housing costs<br>% (000s) |            | After<br>housing costs<br>% (000s) |            |
| 1994/95        | 12                                  | 100       | 9                                  | 70        | 26                                  | 220        | 29                                 | 250        | 45                                  | 390        | 43                                 | 370        |
| 1995/96        | 12                                  | 110       | 8                                  | 70        | 28                                  | 240        | 31                                 | 270        | 44                                  | 380        | 42                                 | 360        |
| 1996/97        | 13                                  | 120       | 12                                 | 100       | 30                                  | 260        | 33                                 | 290        | 47                                  | 410        | 44                                 | 380        |
| 1997/98        | 12                                  | 110       | 12                                 | 110       | 24                                  | 210        | 28                                 | 250        | 38                                  | 330        | 37                                 | 330        |
| <b>1998/99</b> | <b>10</b>                           | <b>90</b> | <b>11</b>                          | <b>90</b> | <b>26</b>                           | <b>230</b> | <b>27</b>                          | <b>230</b> | <b>41</b>                           | <b>360</b> | <b>39</b>                          | <b>340</b> |
| 1999/00        | 14                                  | 120       | 14                                 | 120       | 27                                  | 240        | 28                                 | 250        | 40                                  | 350        | 39                                 | 340        |
| 2000/01        | 9                                   | 80        | 10                                 | 90        | 24                                  | 210        | 25                                 | 220        | 37                                  | 330        | 34                                 | 300        |
| 2001/02        | 9                                   | 80        | 8                                  | 70        | 21                                  | 190        | 24                                 | 210        | 38                                  | 340        | 35                                 | 310        |
| 2002/03        | 11                                  | 100       | 10                                 | 90        | 23                                  | 210        | 25                                 | 220        | 39                                  | 350        | 36                                 | 320        |
| 2003/04        | 10                                  | 90        | 9                                  | 80        | 22                                  | 190        | 21                                 | 180        | 37                                  | 330        | 34                                 | 300        |
| 2004/05        | 10                                  | 100       | 7                                  | 70        | 20                                  | 190        | 16                                 | 150        | 34                                  | 310        | 29                                 | 270        |
| 2005/06        | 9                                   | 90        | 7                                  | 60        | 20                                  | 190        | 16                                 | 150        | 35                                  | 320        | 29                                 | 270        |
| <b>2006/07</b> | <b>9</b>                            | <b>90</b> | <b>7</b>                           | <b>70</b> | <b>20</b>                           | <b>180</b> | <b>15</b>                          | <b>140</b> | <b>34</b>                           | <b>310</b> | <b>30</b>                          | <b>270</b> |

Note: Due to rounding, the estimates for children, working age adults and pensioners may not sum to the total for all individuals.

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