



DWP Surveys Branch Publications

Recent Developments & Future Plans

- Family Resources Survey (FRS) - **Justyna Owen**
- Households Below Average Income (HBAI) - **Neil Sorensen**
 - Brief mention of Pensioners' Incomes (PI) and Take-up Statistics
- Income Dynamics - **Helen Smith**



Department
for Work &
Pensions

Family Resources Survey

<https://www.gov.uk/government/statistics/family-resources-survey-financial-year-2019-to-2020>

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Justyna Owen
FRS Statistician
DWP



What is the **Family Resources Survey**?

- It's **big**: Face-to face interviews with around 20,000 private households.
- It's **nationwide**: All UK households stand a chance of being selected. So it's the whole UK population, not just DWP claimants.
- It's **detailed**: Information on concepts which are core to the DWP policy arena
 - *income*, from both work & earnings, pensions, or state benefit receipt, or other sources such as investments
 - *characteristics* such as demographics, tenure, disability, carers, and also education and child maintenance
 - *other facets* such as material deprivation, household food security, pension participation, wellbeing and happiness
- Interviews average last approx. an hour, but can be longer for some households. Our survey methodology document is published & gives far more detail.



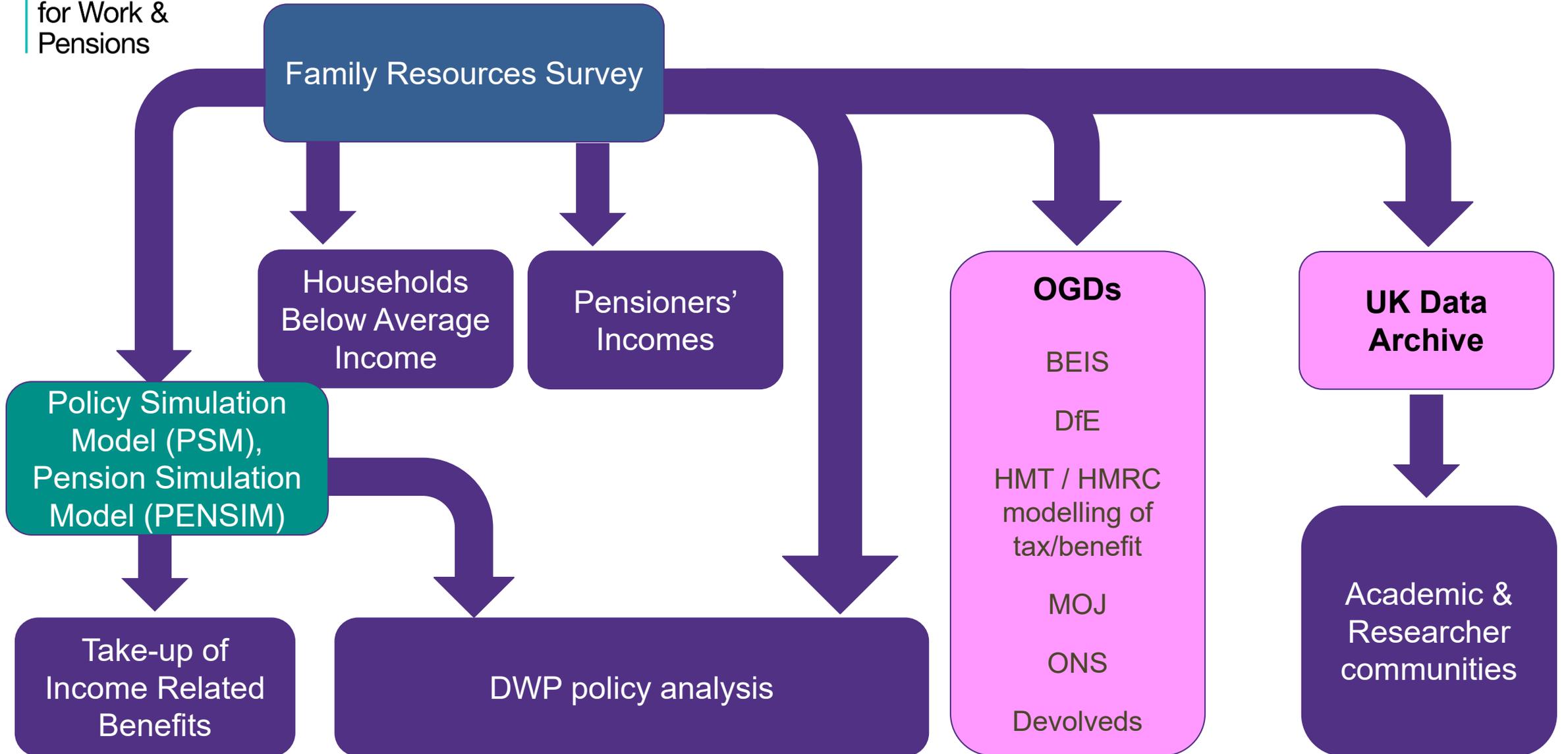
The FRS is a **National Statistic** produced under the Code of Practice for Statistics.

FRS is **long-running** ... for around 30 years now, with Northern Ireland added to the survey in 2002/03. It has been vital to the development, costing and evaluation of every major welfare reform over the last 30 years.

And of course, parts of the FRS are used for several other statistical outputs: **Households Below Average Income**, the **Pensioners' Incomes Series**, and also **Income-Related Benefits: estimates of take-up**.



Where does the FRS go...?



Main Annual Publication

1. Main Stories

This report summarises the key findings from the FRS for the financial year 2019 to 2020, when over 19,000 households were interviewed.

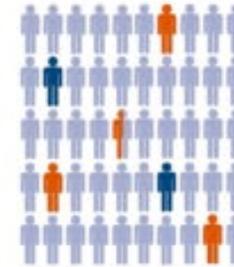
Data collection was suspended in mid-March 2020 in line with the national lockdown. At this point nearly a full year's worth of FRS interviews had taken place and there is no impact of COVID-19 upon these results. They form a pre-COVID-19 baseline picture of household incomes.

Income and State Support



Income from employment and self-employment made up 74p of every £1 of household income.

Care



Two in every 50 people were in receipt of care. More than three in every 50 people are providing informal care to someone else and a third of these are also in full-time employment.

Mostly but not wholly at family level

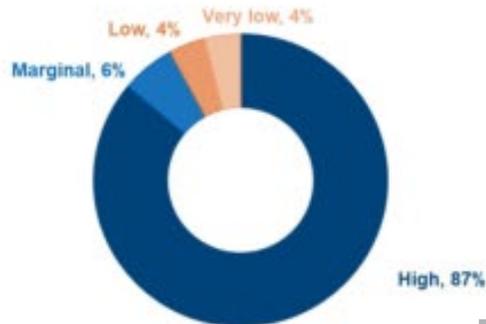
Self Employment

Net earnings for the full-time self-employed have increased faster than those of full-time employees. This has narrowed the pay differential, such that net earnings for the self-employed was only 15% lower than those of full-time employees; the smallest difference in the last ten years.

Focus on sources of income, especially benefits

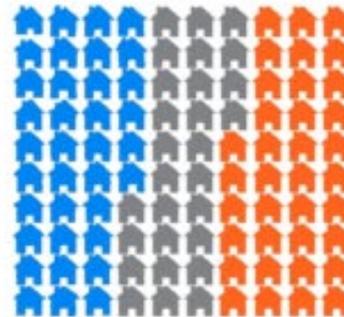
Many wider characteristics incl caring, disability and tenure

Household Food Security



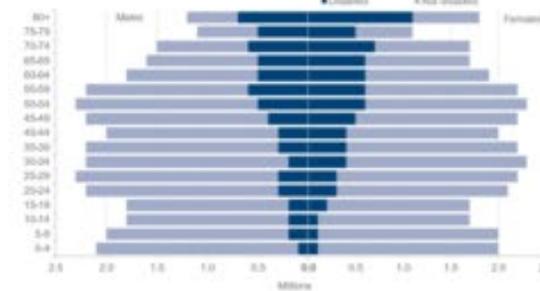
Most people lived in households with high household food security (87%) or marginal household food security (6%). A minority of households were food insecure, with low household food security (4%) or very low household food security (4%).

Tenure



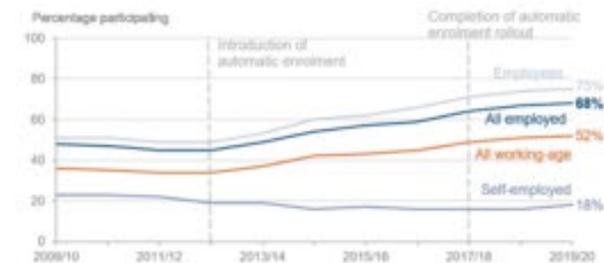
The percentage of households owning their property outright has increased gradually over the past decade, and is now 36%, equivalent to those in rented accommodation.

Disability



Most age groups have seen a higher proportion of females than males reporting that they are disabled. The exception are younger ages (15 and younger).

Pension Participation



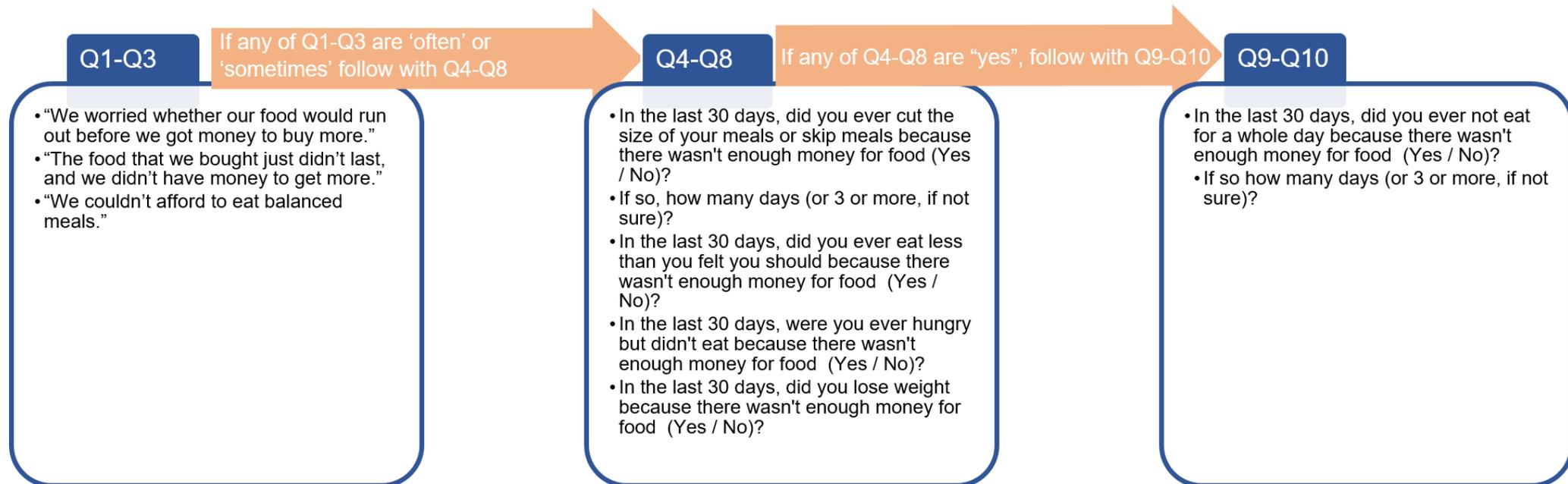
Pension scheme participation increased substantially, following the introduction of automatic enrolment for employees in 2012.



What changes have we introduced?

Household Food Security

- Household Food Security was first introduced for survey year 2019-20. These questions are now in their third survey year.
- Ten **adult-facing** questions from the well-established US Department of Agriculture module, in use since 1997 were added to the FRS. Including these questions, which investigate difficulties in accessing adequate food - because of insufficient income or other resources - was seen as the most beneficial solution for future analysis.
- The measure isn't calculated for shared households.





What changes have we introduced? **Household Food Security**

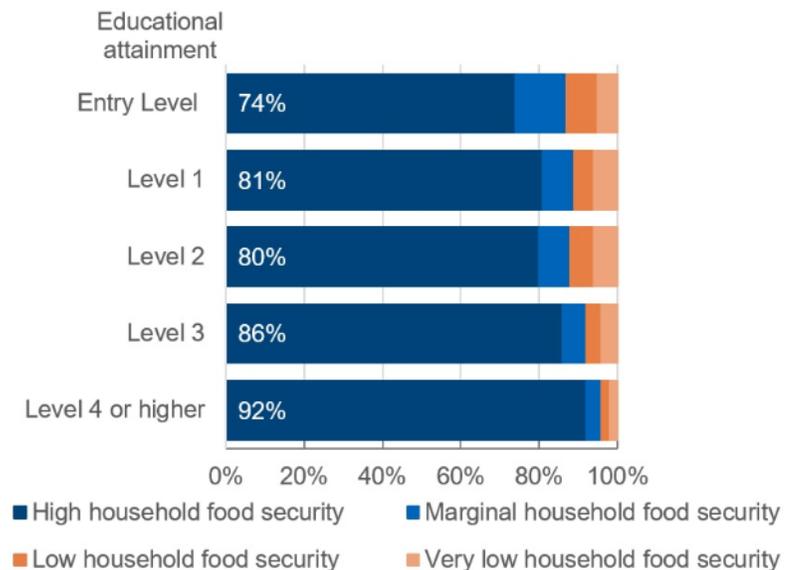
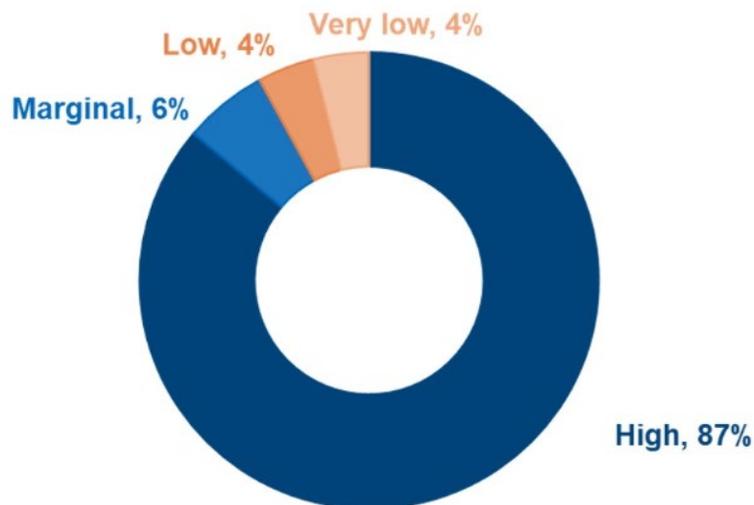
- Questions 1 -3 determine whether household had any concerns about food supplies in the last 30 days, answers range from “often true” to “never true”.
- Questions 4 – 10 look at these concerns in more detail. Answers range from “being worried about affording food” to “not eating for a whole day”.
- Each household answering the questions is awarded a score between 0 and 10 on the food security scale.
- Low and very low food security are known as “Food Insecure”.

Label	Status	Score	Definition
Food Secure	High	0	HH had no problems, or anxiety about, consistently accessing adequate food.
	Marginal	1,2	HH had problems at times, or anxiety about accessing adequate food, but the quality, variety and quantity of food intake were not substantially reduced.
Food Insecure	Low	3,4,5	HH reduced the quality, variety and desirability of their diets, but quantity of food intake and normal eating patterns were not substantially disrupted.
	Very Low	6,7,8,9,10	Eating patterns of one or more HH members were disrupted and food intake reduced because the HH lack money and other resources for food.



What changes have we introduced? **Household Food Security**

- The results show that most households were food secure.
- Minority of households were food insecure.
- Main FRS Publication offers a detailed analysis of the results, with breakdowns by:
 - Total gross weekly income.
 - Age group of head of household.
 - Educational attainment of head of household.
 - Household composition.





Recent Developments: Use of Administrative Data in Benefit Editing

- With changes introduced by GDPR in 2018, the Department now has a firm legal basis to link all survey respondents to their administrative records.
- In 2019-20, 89% of all United Kingdom FRS respondents were matched to their administrative records.
- FRS now uses administrative data sources to compare survey answers to state benefit receipt and improve accuracy.
- Administrative data is currently being used to check the accuracy of the responses, **not to correct any benefit underreporting.**
- This is one of the first steps around FRS transformation and you'll hear more about this in a minute.



On-going Developments: COVID-19 Effects

- In **2020-21**, the following changes were implemented to capture COVID-19 effects:
 - Due to COVID-19, interviews in Survey year 2020-21 were conducted in telephone mode. This still continues while current restrictions are in place. The achieved sample size in 2020-21 is just over 10,000 households
 - Changes in employment status (e.g. furlough)
 - For those receiving furlough / paid leave, we also captured the proportion received relative to their usual pay.
 - Whether reasons given for deviations from usual pay were due to COVID-19
 - Self-Employment Income Support Scheme grants
 - Mortgage holidays for homeowner
 - Whether or not SSP or ESA is being claimed on the basis of COVID-19
 - NHS Test and Trace – whether respondent is self-isolating due to being contacted by NHS Test and Trace
- These questions are currently being asked for survey year **2021-22**, with the view of removal once COVID-19 related support schemes come to an end.



Upcoming Developments: FRS Sample Boost

- DWP is now taking forward plans for a significant boost to the FRS sample size with the aim to increase the achieved sample to 45,000 households annually from April 2022, with an initial boost from October 2021
 - Scotland target additional 1,000 households by 2022-23 (3,700 households total)
 - The sample in Wales will become a triple boosted sample (2,500 households in total)
 - There will be no change in NI where the sample is already three times pro rata.
 - North East region is due to be oversampled due to small population number.
-
- The plans for the boost and FRS Transformation (see next slide) are 2 significant developments will we are already taking forward and which help us meet the recommendations in the recent OSR income-based poverty statistics review.



Upcoming Developments: FRS Transformation - Integration of Survey and Administrative Data

- DWP is committed to transforming the FRS by integrating the full range of available admin sources. This is expected to realise significant benefits: eliminating the benefit reporting undercount; improving timeliness by reducing editing time and using more timely admin data.
- The FRS Transformation Project has been set up to progress work in this area with work starting in earnest with a team of analysts from late 2020.
- The work divides into a number of phases:
 - Refining/optimising the FRS-admin data lookup file (well advanced) with related research into non-response;
 - Proof of Concept – technical, conceptual, design issues, investigating all sources (well advanced);
 - Producing FRS test datasets fully integrating administrative data;
 - Development of an end to end transformation of FRS processes from data collection to publication.
- We will update users on progress.



Upcoming Developments: Other

- FRS develops every year.
- We continue to add questions to reflect departmental interest and topics of the moment.
- In survey year 2021-22 we have added several questions, including:
 - Questions on Food Bank use.
 - Digital literacy.
 - Questions specific to doctors' and dentists' private work.
 - Northern Ireland specific questions on income from home renewable energy systems.
 - Questions on debt.
- We are looking into releasing selected FRS data via StatXplore. This work is currently under development and timelines will be confirmed in due course.
- Information about greater use of administrative data and our response to the OSR Review of Poverty Statistics a little later in the presentation.



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Households Below Average Income (HBAI)

<https://www.gov.uk/government/collections/households-below-average-income-hbai--2>

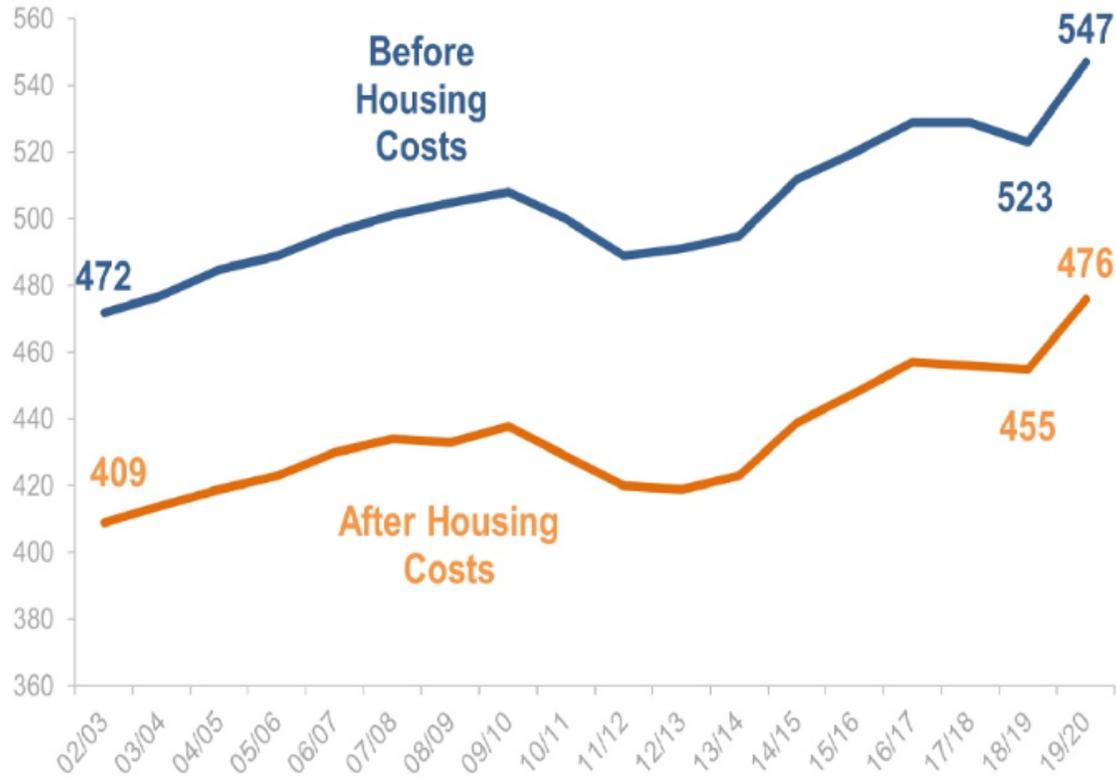
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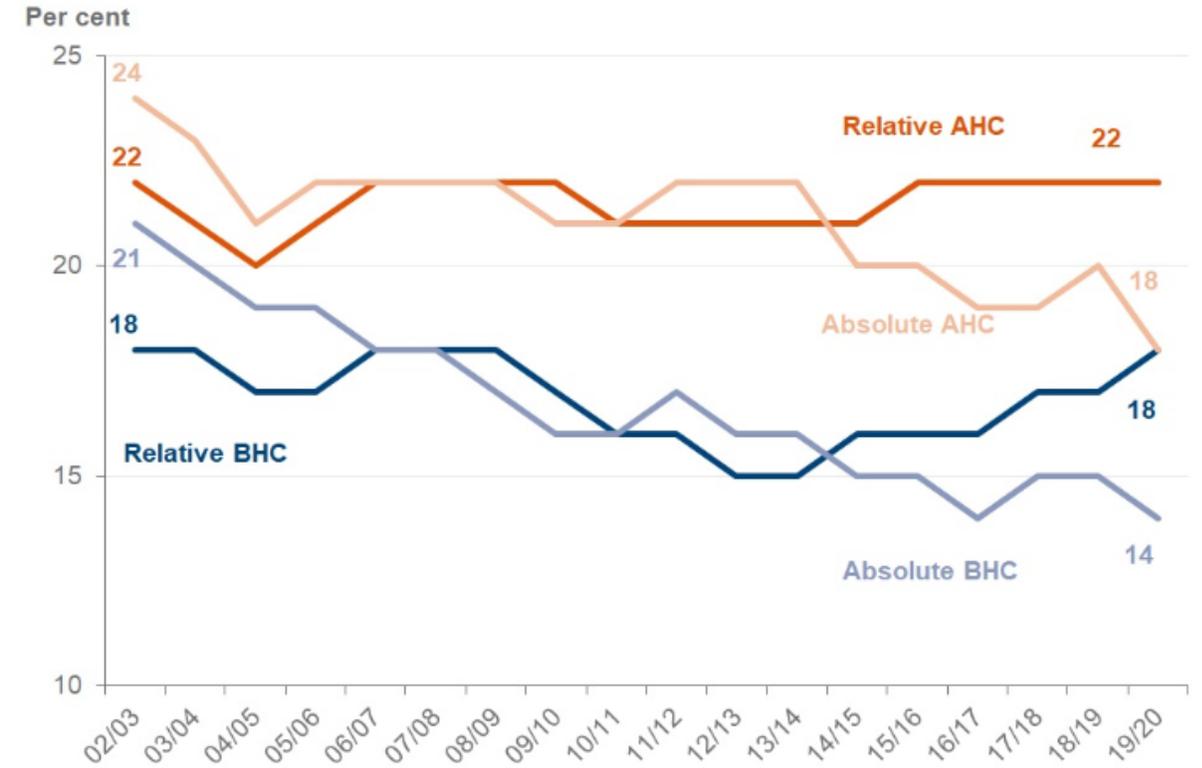
Neil Sorensen
Statistician, HBAI, DWP

Household Income

Household Income – Median increase to £547 (BHC)* and £476 (AHC)* in FYE 2020



Low Income Measures – Relative BHC rose in FYE 2020, while both absolute measures fell



Between FYE 2019 and FYE 2020, average (median) household net disposable income BHC and AHC increased significantly in real terms (i.e. taking account of inflation). Since their lows in FYE 2012, incomes BHC* and AHC* have both increased by £55-60 per week.

Table 9.3a: Number of children in relative low income by household food security status, United Kingdom^{1,2,3,4,5}

Household food security status	Income thresholds - Below median						Number of children (millions)
	Before housing costs (BHC)			After housing costs (AHC)			All children
	50%	60%	70%	50%	60%	70%	
High	1.2	1.9	3.0	1.8	2.6	3.5	11.0
Marginal	0.2	0.4	0.6	0.4	0.6	0.7	1.2
Low	0.3	0.5	0.6	0.4	0.6	0.7	1.0
Very low	0.2	0.4	0.5	0.4	0.5	0.6	0.8
Food secure	1.4	2.4	3.6	2.1	3.2	4.2	12.2
Food insecure	0.5	0.8	1.2	0.8	1.1	1.3	1.7
All children	1.8	3.2	4.7	2.9	4.3	5.5	14.0

Table 9.3b: Composition of children in relative low income by household food security status, United Kingdom^{1,2,3,4,5}

Household food security status	Income thresholds - Below median						Percentage of children
	Before housing costs (BHC)			After housing costs (AHC)			All children
	50%	60%	70%	50%	60%	70%	
High	64	61	63	61	61	64	79
Marginal	10	13	12	12	14	13	8
Low	15	14	13	14	14	12	7
Very low	11	12	12	12	12	11	6
Food secure	74	74	75	74	74	77	87
Food insecure	26	26	25	26	26	23	13
All children (millions)	1.8	3.2	4.7	2.9	4.3	5.5	14.0

New for HBAI 2019/20 – Household Food Security



HBAI – What do we publish?

1. Publication:
Off-the-peg Excel tables

2. Stat-Xplore:
User defined tables

3. UK Data Archive:
End User License and Saferoom versions



HBAI – Future Plans

1. QA of 2020-21 FRS/HBAI Data. Both QUANTITY and QUALITY of data
2. Same issue for 2021-22, although QUANTITY should be fine
3. Responding to Office for Statistics Regulation (OSR) Review of Poverty Statistics recommendations:
 - Development plans re Matdep and the SMC methodology
 - Better user guidance
 - Greater use of admin data
4. Ref forthcoming DWP Statistical Work Programme and GSS Income & Earnings Coherence Group Work Plan for updates on development plans



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Beyond HBAI

Other DWP FRS-based Statistics



National Statistics

Pensioners' Incomes Series: financial year 2019 to 2020

Published 25 March 2021

Contents

1. [Main story](#)
2. [What you need to know](#)
3. [Overall Income Trends](#)
4. [Regional Differences](#)
5. [Sources of pensioner incomes](#)
6. [Distribution of pensioners' incomes](#)
7. [Pensioners' incomes within the overall income distribution](#)
8. [About these statistics](#)
9. [Contacts](#)

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This report examines how much income pensioners get each week and where they get that income from. It looks at how their incomes have changed over time and variations in income between different types of pensioners.

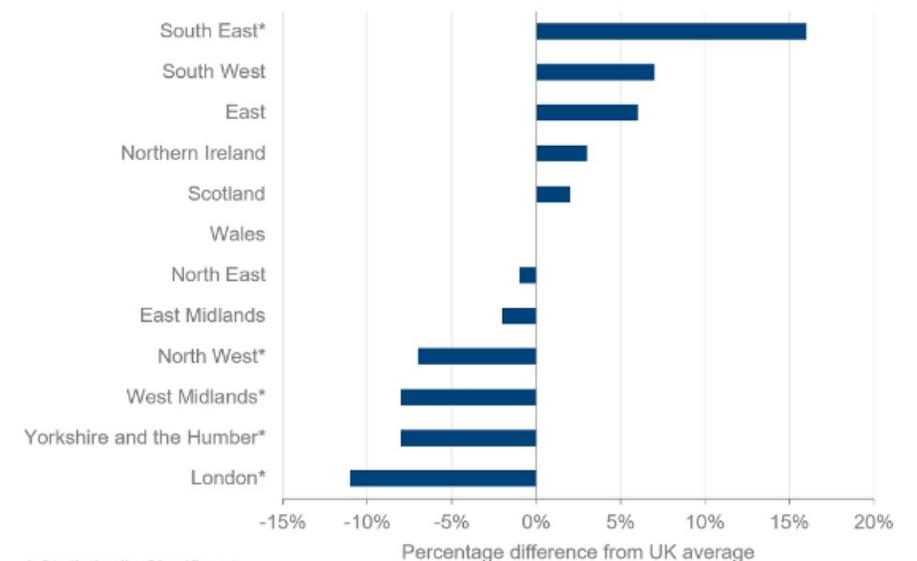
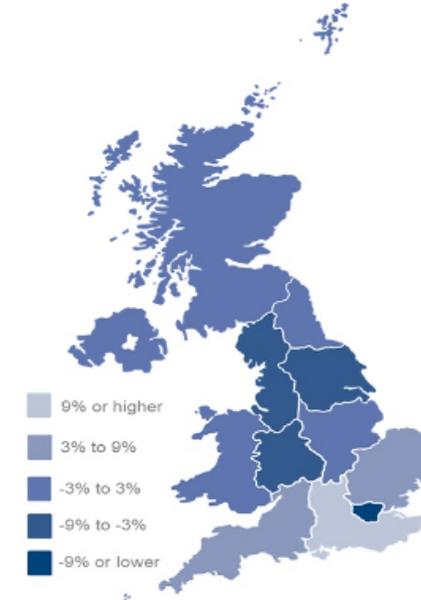
The population age distribution has changed a lot since the start of this series in financial year ending 1995 (FYE 1995) and pensioners now make up a larger proportion of the overall population.

Changes in the economy and to the benefit system mean that the amount and components of pensioners' average weekly incomes have changed over time. These statistics look at these changes.

1. Main story

Pensioners' incomes have been stable for ten years.

Average weekly income (AHC) of pensioner couples by region or country, relative to the UK average, financial year ending 2018 to 2020



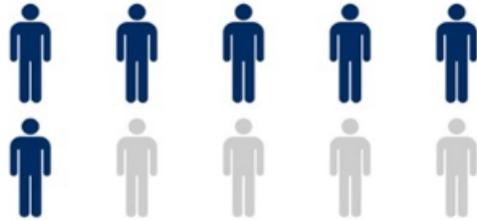
1. Estimates of Take-up by Caseload and Expenditure

Pension Credit

The estimates show that:

- caseload – 6 out of 10 of those entitled to Pension Credit claimed the benefit
- expenditure – 76% of the total amount of Pension Credit that could have been claimed was claimed

Overall Pension Credit caseload and expenditure figures for financial year ending 2019



6 out of 10 of those entitled to Pension Credit claimed the benefit



76% of the total amount of Pension Credit that could have been claimed was claimed

NEWS

'I never dreamed I was entitled to benefits'

By Kevin Peachey
Personal finance correspondent, BBC News

5 days ago



GETTY IMAGES

The charity said that 920,000 pensioner households were missing out on Pension Credit payments worth up to £1.6bn a year. On average, they could get £32 a week, or more than £1,600 a year.

Age UK and the Department for Work and Pensions (DWP) is urging people to claim, pointing out that it can open the door to other benefits, including extra



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Income Dynamics

<https://www.gov.uk/government/collections/income-dynamics-statistics>

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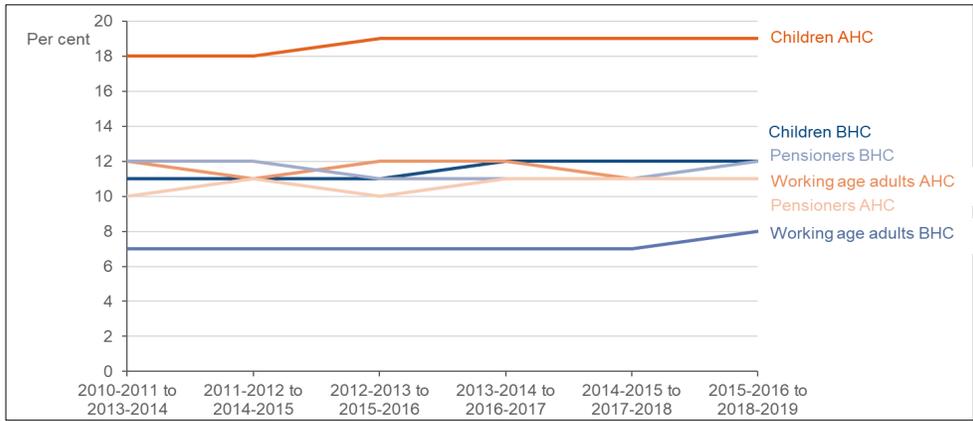
Helen Smith
Social Researcher
DWP

Income Dynamics: key findings 2010-2019

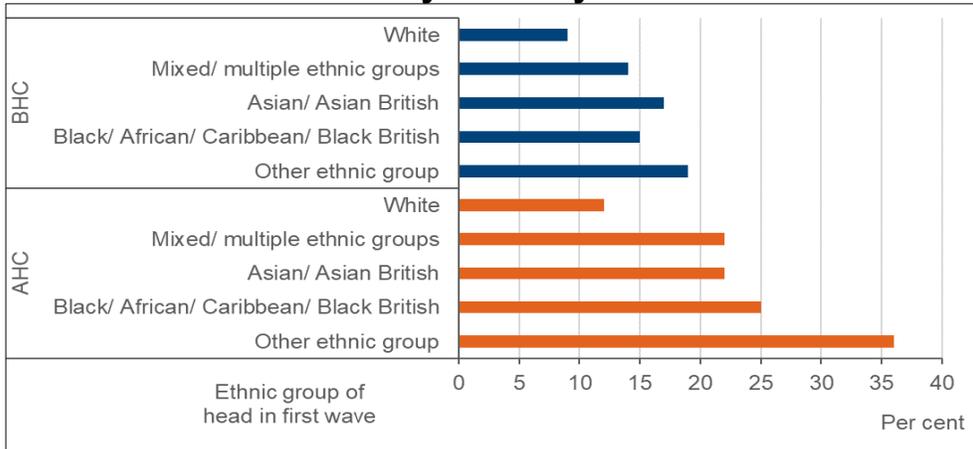
Income Dynamics (ID) uses the longitudinal survey, Understanding Society, managed by the University of Essex, to present findings on persistent low income and movements within the income distribution.

Persistent low income: in relative low income for at least three out of four consecutive annual interviews. Rates provided for children, working-age adults and pensioners, with further breakdowns.

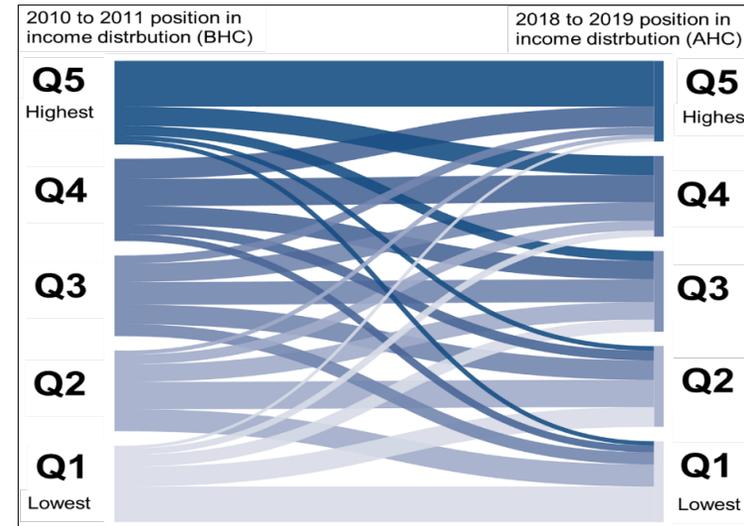
Persistent low income trend: children, working-age adults and pensioners



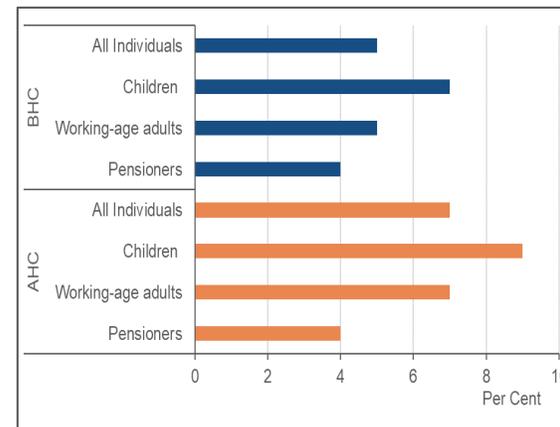
Persistent low income by ethnicity



Analysis of income distribution movements includes analysis across the duration of the survey as well as entries into and exits from low income.



Movements across income quintiles BHC, 2010-11 to 2018-19



Rates of entry into low income, 2017-18 to 2018-19

Income Dynamics 2010-2019: events associated with low income entry and exit

Aim is to explore and provide insight into the relationship between low income entry or exit and changes in:

- Different income sources – e.g. earnings or benefits
- Household employment – e.g. change in number of workers or a change in the hours they work
- Household composition – e.g. additional child in the household; becoming a single parent

2017-18 to 2018-19	Event	Prevalence (%)	Entry / exit rate (%)	Share of entries / exits (%)
Low income entry	 Earnings	9	22	31
	Benefit income	18	15	40
Low income exit	 Earnings	20	50	34
	Benefit income	28	49	45

- **Prevalence** – how common an event is among the population at risk of either entering or exiting low income: 9% of those who were not in low income in the first wave experienced a fall in earnings; and 20% of those who were in low income experienced a rise in earnings.
- **Rate of entry or exit** if experienced event: 22% of those who were not in low income in 2017-18 and who experienced a decrease in earnings, entered low income in 2018-19; and 50% of those who were in low income in 2017-18 and experienced an increase in earnings, exited low income in 2018-19.
- **Share of entries or exits:** what percentage of all those who entered or exited low income experienced each event: 31% of all those who entered low income experienced a fall in earnings; 34% of all those who exited low income experienced a rise in earnings.

Key findings: events associated with low income entry and exit

- Employment (where household size stays the same)

2017-18 to 2018-19	Event	Prevalence (%)	Entry / exit rate (%)	Share of entries / exits (%)
Low income entry	 No. workers	9	11	16
	 No. full time workers	10	14	20
Low income exit	 No. workers	12	53	21
	 No. full time workers	11	57	20

- Role of other factors varies e.g. some factors not prevalent but important for households that experience them

2017-18 to 2018-19	Event	Prevalence (%)	Entry / exit rate (%)	Share of entries / exits (%)
Low income entry	Becoming a lone parent	1	35	3
Low income exit	Decrease in no. children	5	47	8



Income Dynamics: next steps

- We will be looking to incorporate Wave 11 of *Understanding Society* data for our next publication:
 - Fieldwork for Wave 11 covered January 2019 to December 2020.
 - Response rates have held up well during the pandemic.
 - Longitudinal survey with high levels of respondent engagement.
- Office for Statistics Regulation *Review of Income-based poverty statistics*:
 - in response to OSR findings and recommendations on accessibility, we are reviewing all our published material, especially our user guidance.
 - noting the OSR recommendation about improving granularity on ethnicity data, we are commencing feasibility work exploring how we might go about incorporating the USoc Immigrant and Ethnic Minority Boost sample.



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Q & A Session

We welcome your views, so do feel free to get in touch now during the Q&A or via the e-mails provided below.

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Thank you