Suffolk Poverty Data
15th June 2020

SODA
The SUFFOLK OFFICE
of DATA & ANALYTICS

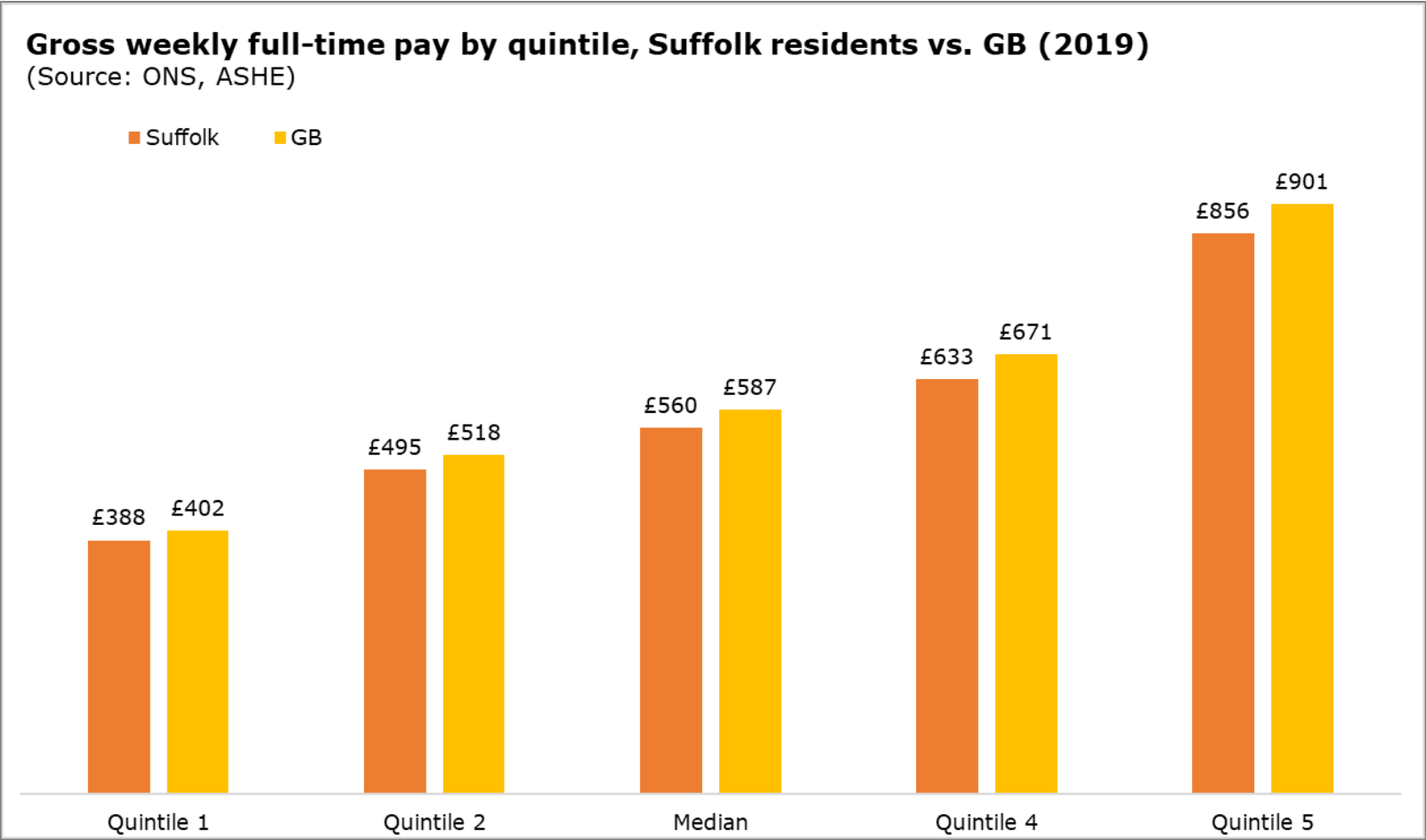Virtual collaboration - Real insight

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Methodology and Caveats

- This report is based on published data, such as from ONS. This data is not always timely or available at lower geographical levels. The data in this deck predates the outbreak of COVID in the UK and / or the start of the lockdown.

- Following the release of a new DWP/HMRC dataset, Children in low income families: local area statistics 2014/15 to 2018/19, which looks directly at most of the income sources reported for tax, tax credit and benefit purposes for individual families, we now have a much more coherent resource to analyse children in poverty.

- This data covers the whole population not just a sample (like surveys), and can therefore be considered at the very local level. Since these advantages create a stronger basis for estimating local child poverty than previously available, this new Children in Poverty Indicator has been used in this data report as it can be considered superior to the previous modelled estimates, though it is not without its limitations

  - The indicator has taken the number of children in Relative Low-Income Families and estimated the percentage of children within these categorisations against mid-year population estimates

  - Only under 16s for both the Relative Low-Income children and the population estimate have been used. Other poverty data does usually consider children up to the end of secondary school, however as population estimates are used to get the new poverty indicator, there is no way of ascertaining the 16+ population still in secondary education (as they would be classed as a child). This would in effect lead to an inaccurate indicator as not all 16-19 years olds should be considered.

  - The dataset uses BHC (Before Housing Costs) and therefore makes no allowance for the effect on disposable income of some household having to pay significantly more or less in housing costs. As such a certain degree of caution should be applied when using this data with a view of comparing it against different parts of the country. For example, London tends to have higher housing costs.

  - Figures do not include Northern Ireland and therefore Great Britain figures have been used for a National view rather than UK.

- There is no local data for other groups, therefore, we have applied national levels / numbers to Suffolk's population figures for 16-64s (working age) and pensioners (65+).

INCOME, SOCIAL SECURITY AND BUDGET NEEDS.

The median full-time pay across Suffolk was £27 lower per week than the GB average. However the gap between Suffolk and GB pay has decreased over the past 10 years (in 2009 Suffolk's pay was £37 lower).

Gross weekly full-time pay by quintile, Suffolk residents vs. GB (2019)
(Source: ONS, ASHE)

■ Suffolk   ■ GB

	Quintile 1	Quintile 2	Median	Quintile 4	Quintile 5
Suffolk	£388	£495	£560	£633	£856
GB	£402	£518	£587	£671	£901

Diff. Suffolk vs. GB pay:	£14	£23	£27	£38	£45

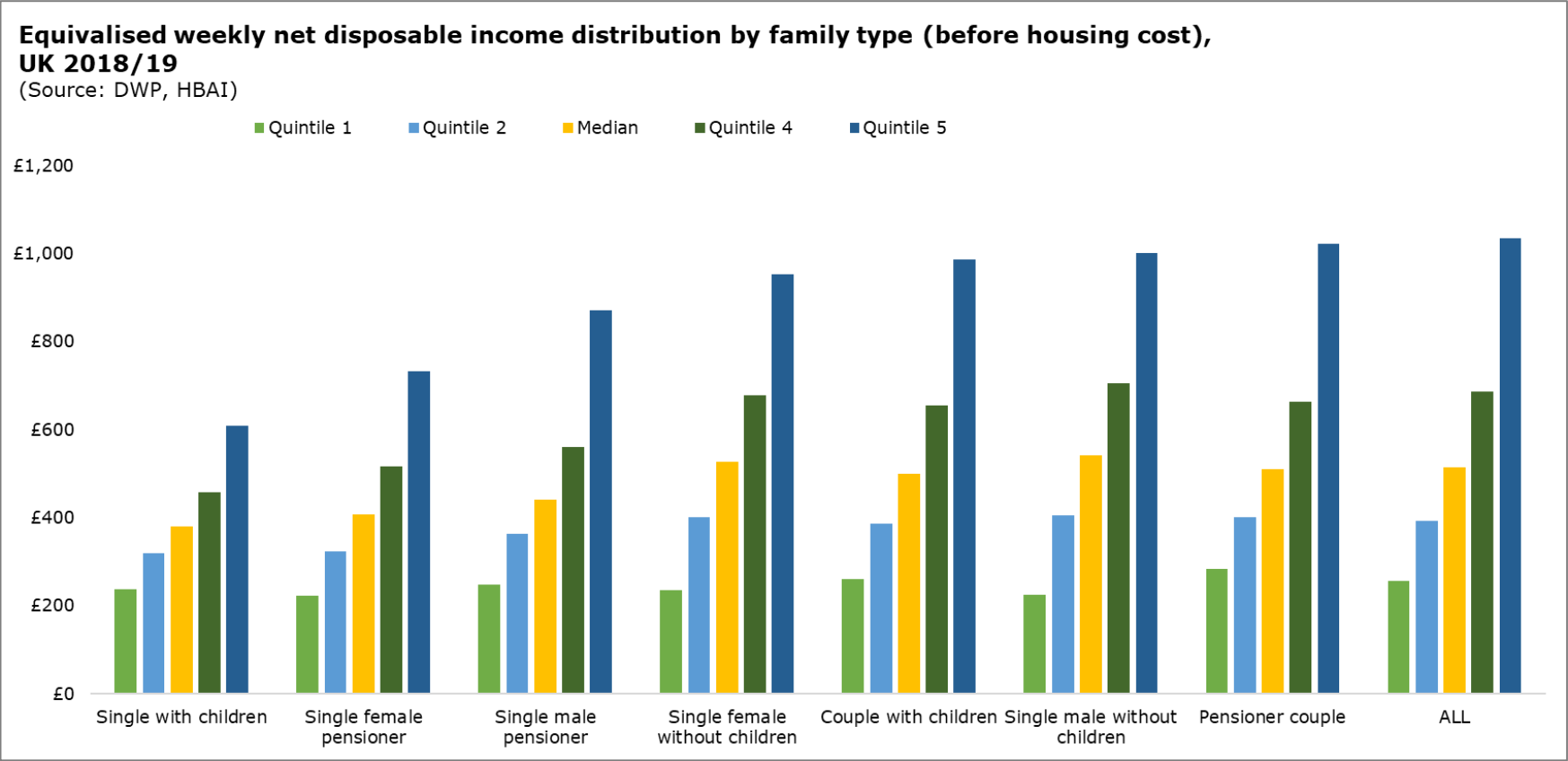# Income distribution has remained fairly consistent across the UK over the past 25 years.

- In 2019, 67% of lone parent HH fell into two lowest quintiles before housing costs this rises to 71% after housing costs.
- While 44% of HH containing couples with children were in the two lowest earning groups (BHC and AHC).

% income distribution – quintiles, UK 1994/95 – 2018/19
(Source: DWP, HBAI)

Legend:
- Bottom 20% of the income distribution
- Middle quintile
- Top 20% of the income distribution
- Second quintile
- Fourth quintile
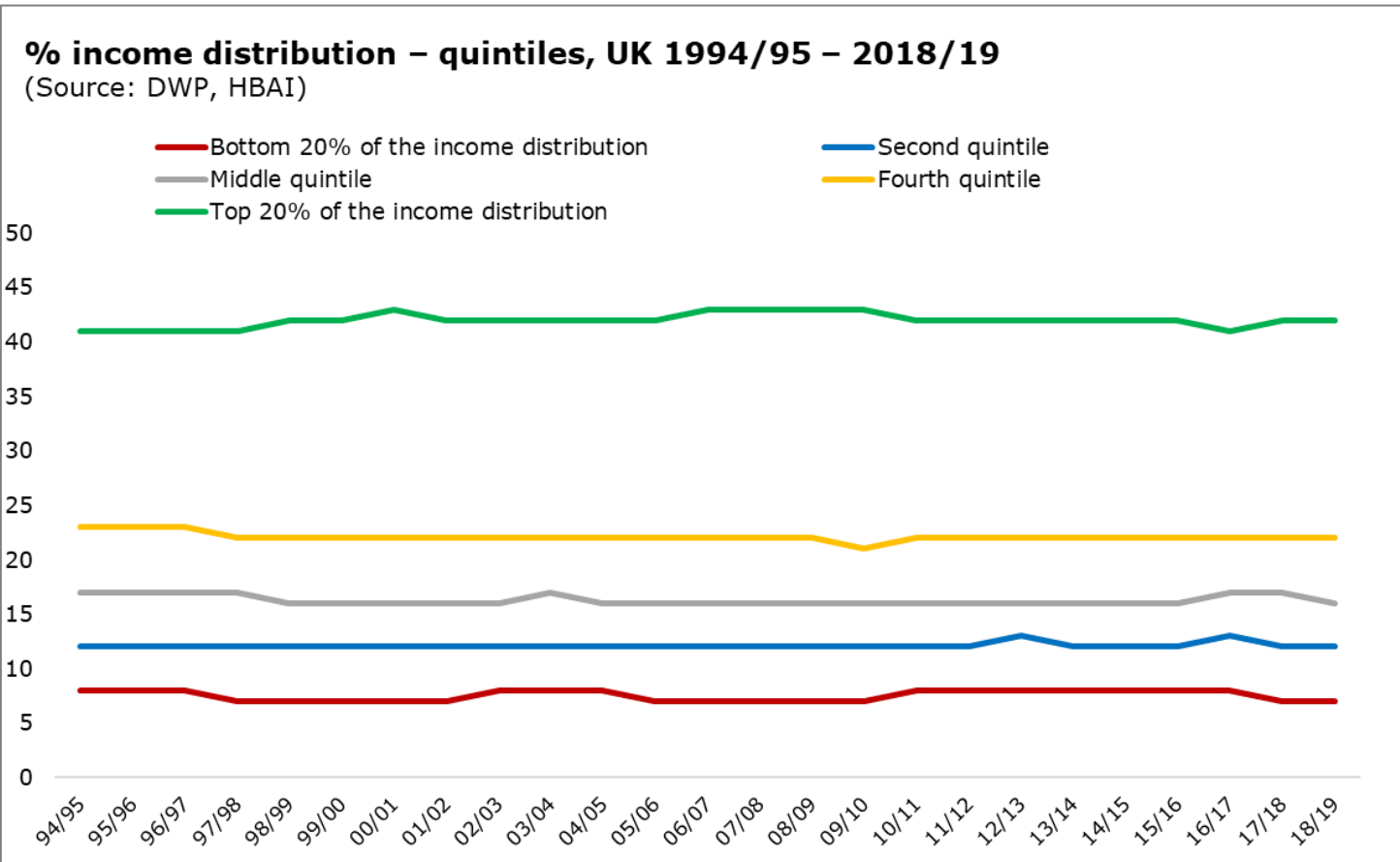
Quintile distribution of income BHC by family type
(UK, each row = 100%; Source: DWP, HBAI

	Quintile 1	Quintile 2	Median	Quintile 4	Quintile 5
Single with children	33%	34%	22%	8%	3%
Single pensioner - Female	32%	28%	21%	13%	7%
Single pensioner - Male	23%	29%	21%	14%	13%
Single without children - Male	22%	15%	21%	21%	21%
Couple with children	20%	22%	21%	19%	18%
Single without children - Female	20%	17%	22%	21%	19%
Pensioner couple	17%	22%	22%	20%	19%
Couple without children	12%	10%	15%	27%	35%

Quintile distribution of income AHC by family type
(UK, each row = 100%; Source: DWP, HBAI

	Quintile 1	Quintile 2	Median	Quintile 4	Quintile 5
Single with children	39%	32%	18%	8%	4%
Single pensioner - Female	19%	30%	22%	17%	11%
Single pensioner - Male	17%	28%	21%	16%	17%
Couple with children	22%	22%	21%	19%	17%
Single without children - Female	23%	19%	21%	20%	18%
Single without children - Male	25%	16%	19%	21%	19%
Pensioner couple	11%	21%	24%	22%	22%
Couple without children	12%	11%	16%	27%	34%

*Sources: DWP, Households Below Average Income, 2018/19*

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Within the national averages often stark differences amongst sub-groups are hidden: median pay for households with children is consistently lower, with lone parents being the lowest earners across the board. We expect that this national picture plays out across Suffolk too.

Equivalised weekly net disposable income distribution by family type (before housing cost), UK 2018/19
(Source: DWP, HBAI)

Legend: Quintile 1, Quintile 2, Median, Quintile 4, Quintile 5

Categories: Single with children, Single female pensioner, Single male pensioner, Single female without children, Couple with children, Single male without children, Pensioner couple, ALL

- Median pay for lone parent households is £134 below the weekly median UK average, this difference has grown over the past two years.

- Couples with children have £15 per week less than the average UK household.

- The difference between single parent households and couples without children is £308 per week; while couples with children earn £189 per week less than their childless counterparts.

- Differences within each of these types of households are even more pronounced:
  - Lone parents in the fifth quintile earn £371 more per week than those single parents in the poorest quintile
  - While the poorest couples with children earn £725 per week less than couples with children in the fifth quintile

- *Given the below national average incomes in Suffolk in general, we can assume that incomes for lone parents and couples with children in Suffolk is also lower than the picture presented on this page.*

Sources: DWP, Households Below Average Income, 2018/19

The welfare system in place at the time of the 2008 economic crash was more generous than in 2014/15. Welfare reforms nationally had the effect of making an income transfer from the poorer half of households (and some of the very richest) to most of the richer half, with no net effect on public finances.


Percentage change in household disposable income by income vingtile group due to policy changes (2010 to 2014/15; using CPI)
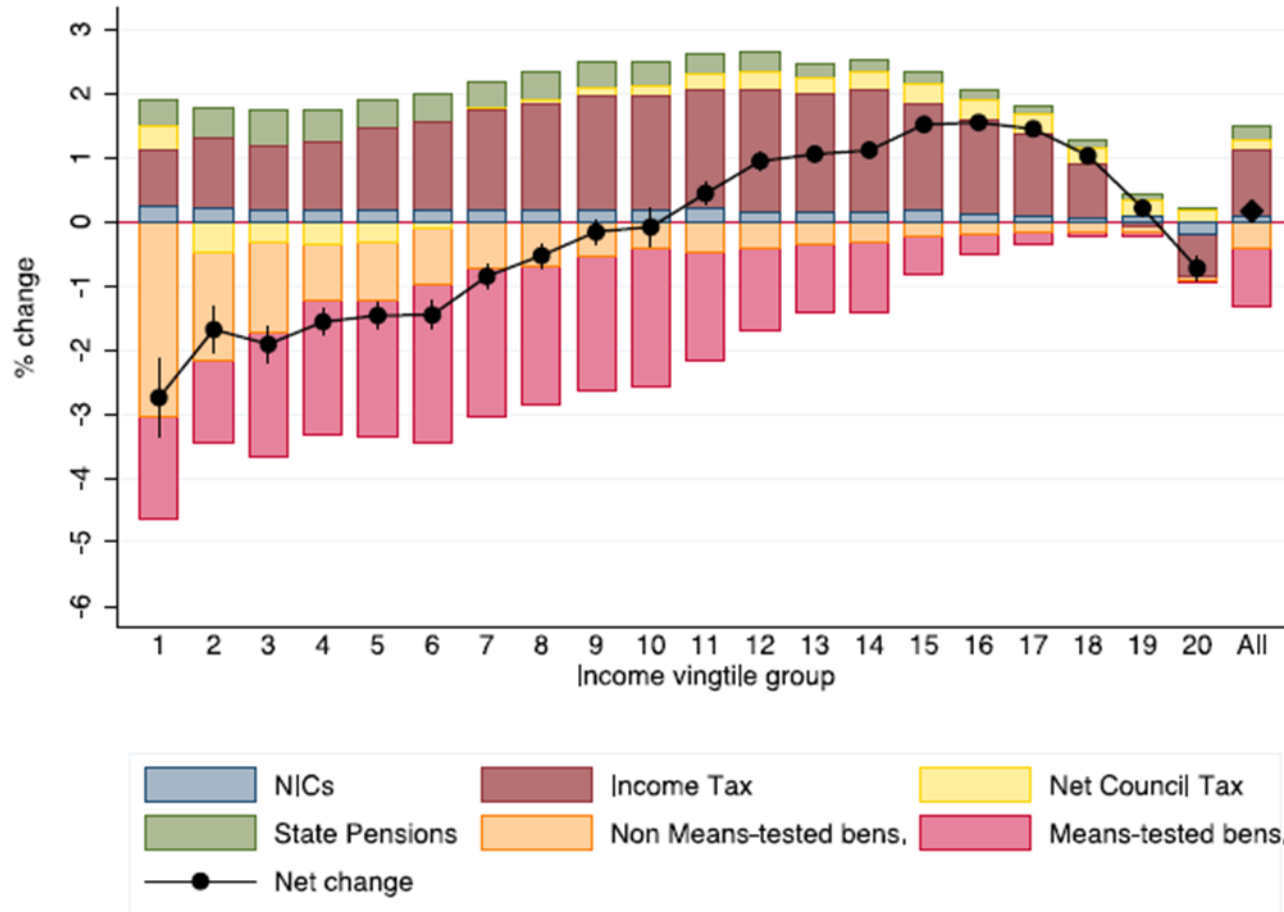
- Overall, the poorest twentieth lost nearly 3% of their incomes and the next five-twentieths approaching 2%

- Benefit reductions were greater for the bottom half than their gains from lower Income Tax

- With the exception of the top twentieth, the income groups in the top half of the distribution were net gainers

- As we have seen in the previous section, **households with children** over-index in the lowest income groups – and hence have been **disproportionally at the receiving end of this income transfer**

Source: Paola De Agostini, John Hills and Holly Sutherland, Were we really all in it together? The distributional effects of the UK Coalition government's tax-benefit policy changes. Nov

When the new welfare reforms were implemented (2010 – 14), national spending on pensioner benefits had risen continuously since 1996/97. Dependant on policy, this will continue to rise as the older proportion of the population increases, potentially squeezing spending on other groups including children and families.

Transfers related to children increased until 2010/11, but then fell. In 2017/18 less than 1.5% of DWP expenditure is for children
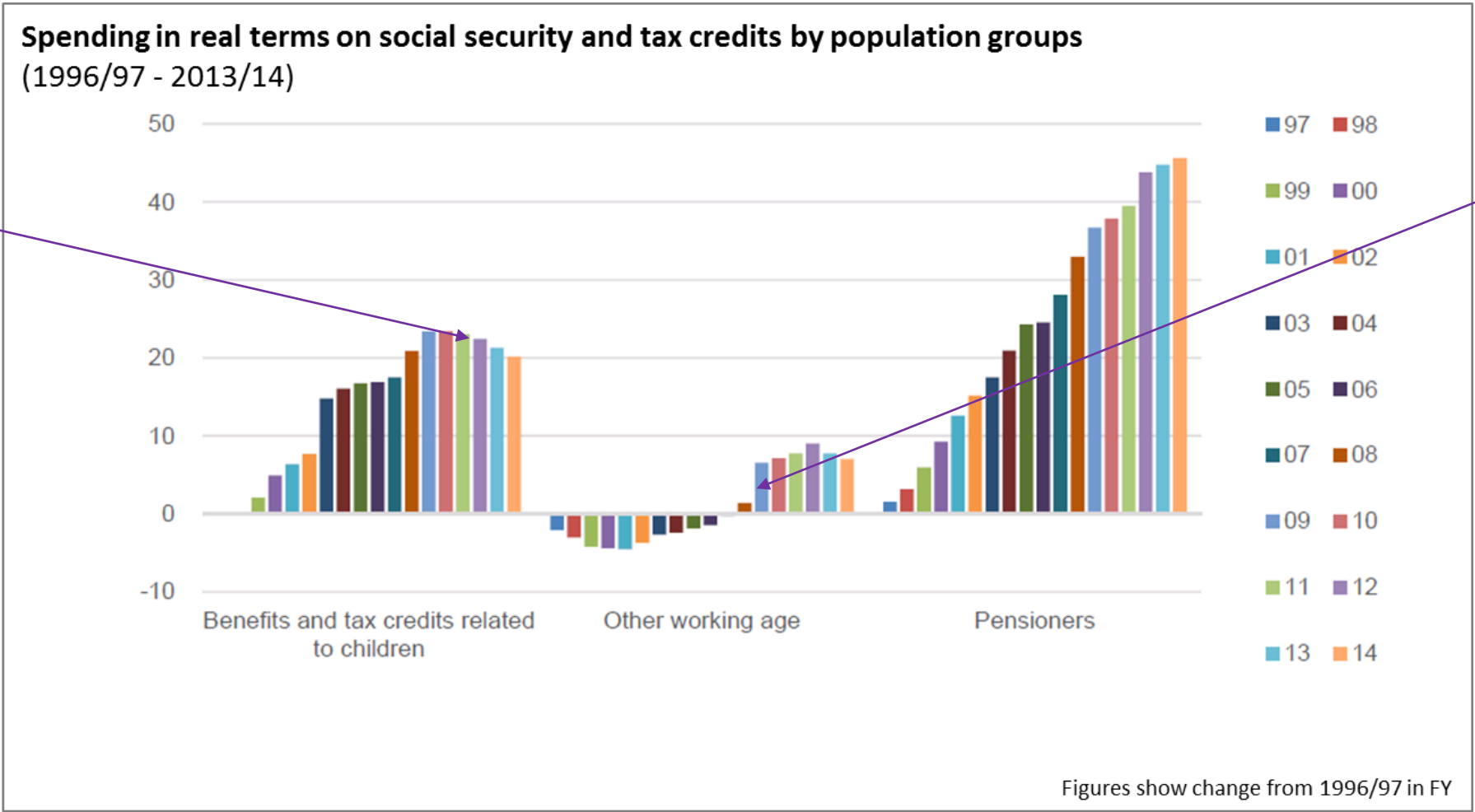
Spending on other working-age benefits and tax credits was lower in 2007/08 than in 1996/97, but then grew as the recession took hold. 31% of DWP expenditure on benefits and tax credits for 2017/18 is for people of working age

Spending in real terms on social security and tax credits by population groups
(1996/97 - 2013/14)

Benefits and tax credits related to children

Other working age

Pensioners

Legend: 97, 98, 99, 00, 01, 02, 03, 04, 05, 06, 07, 08, 09, 10, 11, 12, 13, 14

Figures show change from 1996/97 in FY

Sources: Ruth Lupton et. al., The Coalition's Social Policy Record: Policy, Spending and Outcomes 2010-2015. Jan 2015

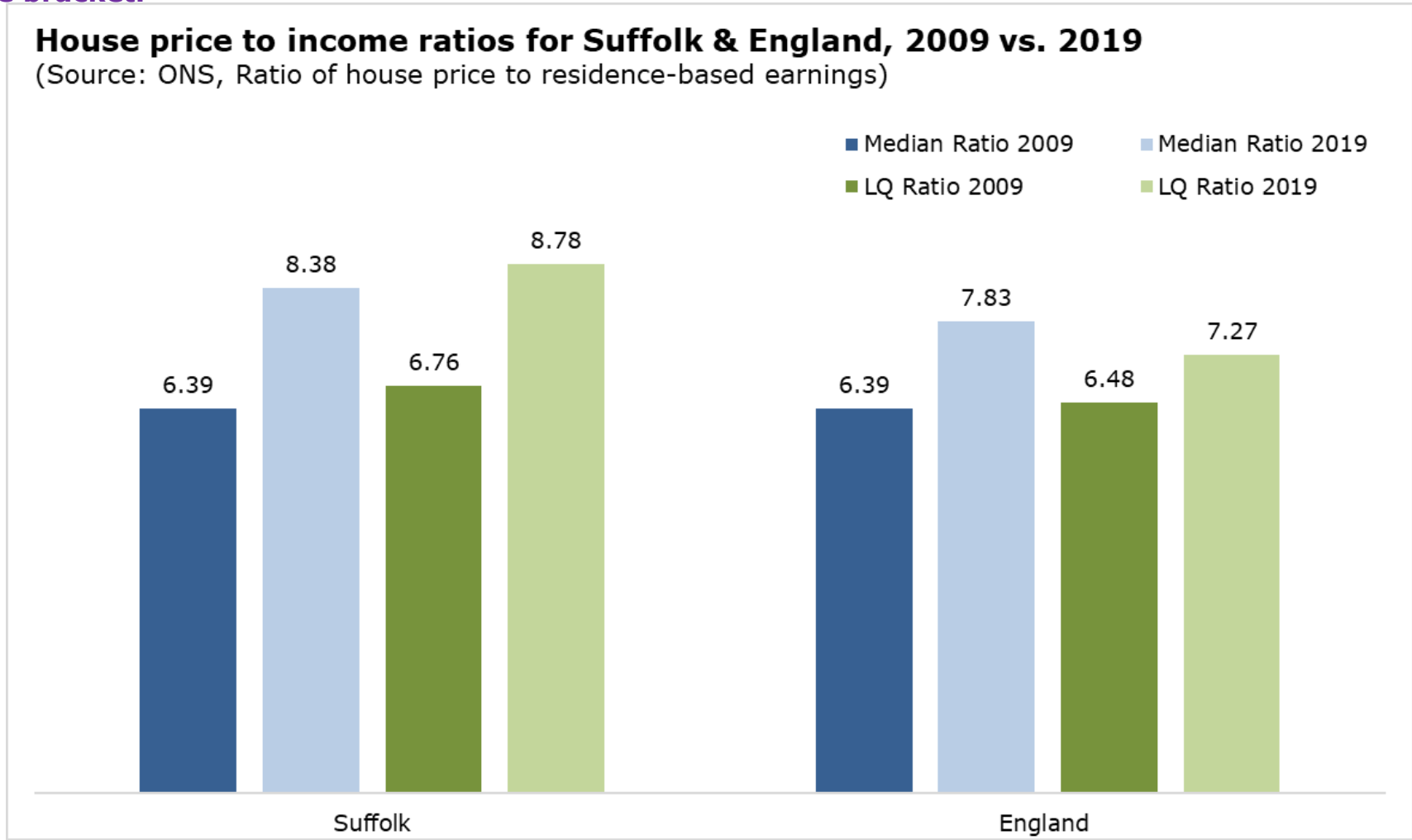**Social security matters:** for those in the lowest quintile of the income distribution, benefit payments make up on average 43% of gross income, while payments to HH with children in the lowest income quintile make up 33% of total income.

For example, for many, having an affordable and stable home is often dependent on the support they receive from the state.

Income sources as % of gross income by income quintiles, **all HH** (2019)
(Source: DWP, HBAI)

Income sources as % of gross income by income quintiles, **HH containing children** (2019)
(Source: DWP, HBAI)

Legend:
- State support received
- Miscellaneous
- Occupational pensions
- Investment
- Earnings

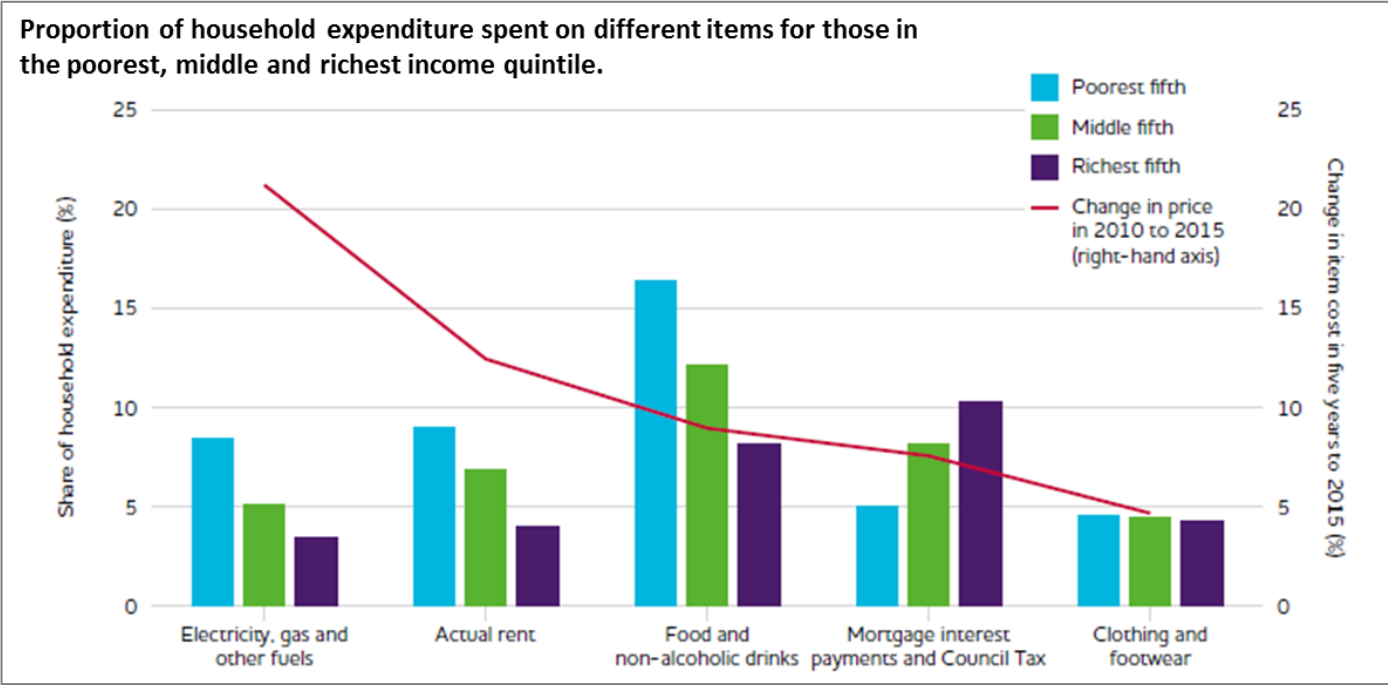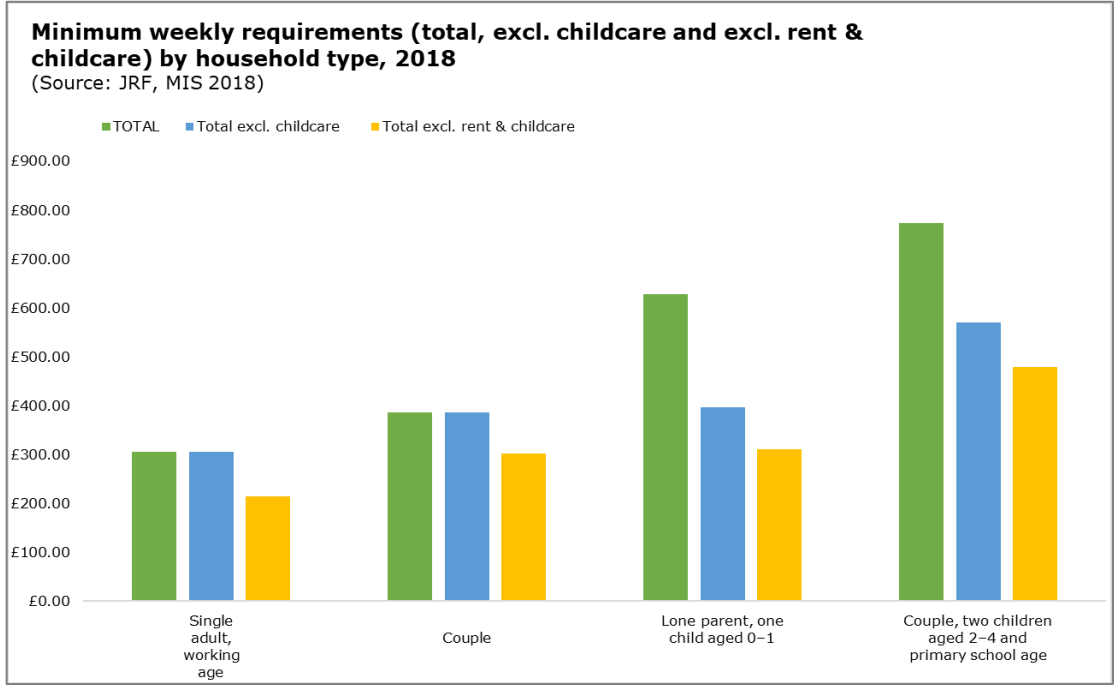*Sources: DWP, Households Below Average Income, 2018/19*
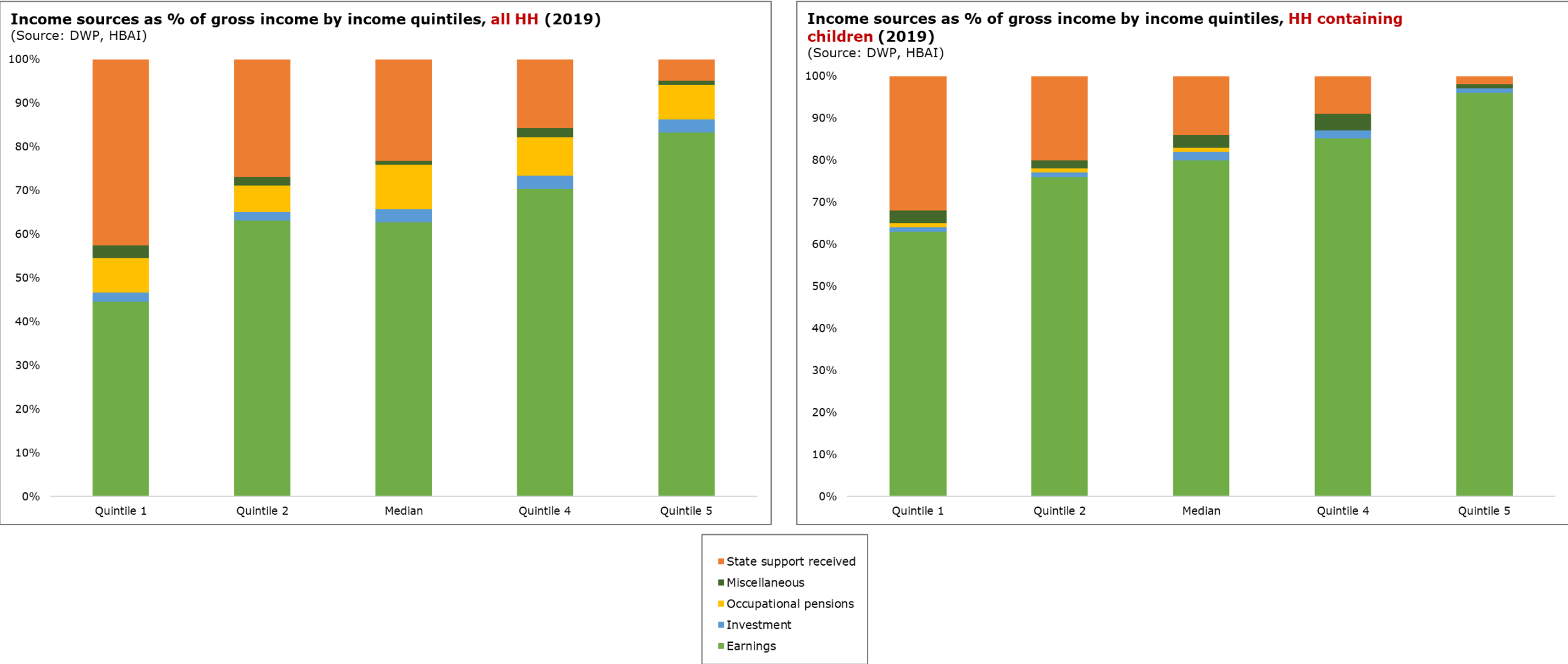
Housing affordability is particularly low for the lowest earners in Suffolk, due to a combination of low incomes and relatively high house prices and rents.

The lower quartile house price to lower quartile income ratios are worse than the median ratios in Suffolk. Which is in contrast to the national picture, where the lower quartile ratios are better than the median ratios. Therefore, housing in Suffolk is **least affordable for those residents in the lowest 25% income bracket.**

House price to income ratios for Suffolk & England, 2009 vs. 2019
(Source: ONS, Ratio of house price to residence-based earnings)

Legend:
- Median Ratio 2009
- Median Ratio 2019
- LQ Ratio 2009
- LQ Ratio 2019

Suffolk:
- 6.39
- 8.38
- 6.76
- 8.78

England:
- 6.39
- 7.83
- 6.48
- 7.27

Sources: ONS, Housing Statistics.

Every year since 2008 the Minimum Income Standard (MIS) has been calculated by the Joseph Rowntree Foundation to show the incomes different family types require to achieve a socially acceptable standard of living *(this is based on what members of the public think people need).*

Minimum weekly requirements (total, excl. childcare and excl. rent & childcare) by household type, 2018
(Source: JRF, MIS 2018)

TOTAL   Total excl. childcare   Total excl. rent & childcare

Proportion of household expenditure spent on different items for those in the poorest, middle and richest income quintile.

Poorest fifth
Middle fifth
Richest fifth
Change in price in 2010 to 2015 (right-hand axis)

Sources: JRF, MIS 2018; Adam Tinson et. al. Monitoring poverty and social exclusion 2016. JRF; 2016.

Between 2008 and 2018, Travel costs have risen considerably as a proportion of spend for couples with children, while social participation spend has proportionally declined.

Composition of MIS budgets, 2008 & 2018 (£pw & % of total) - single person

£ per week

- 2008: Other 45%, Social participation 26%, Travel 11%, Food 18%
- 2018: Other 40%, Social participation 22%, Travel 17%, Food 20%

Food   Travel   Social participation   Other

Note: eating out and takeaways included in social participation, but not other food.

Composition of MIS budgets, 2008 & 2018 (£pw & % of total) – couple with two children

£ per week

- 2008: Other 40%, Social participation 26%, Travel 9%, Food 25%
- 2018: Other 40%, Social participation 21%, Travel 18%, Food 21%

Food   Travel   Social participation   Other

Note: eating out and takeaways included in social participation, but not other food.
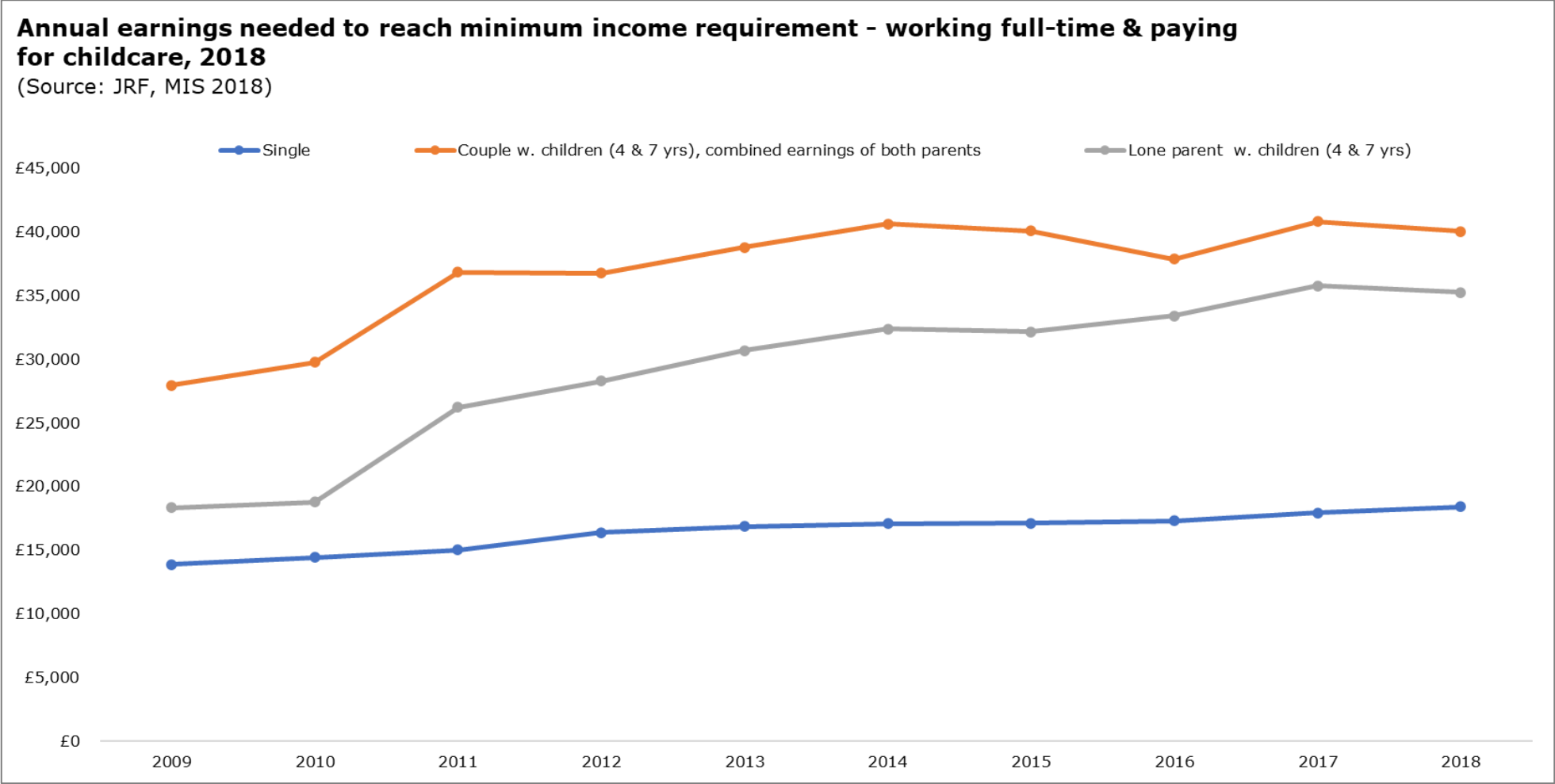
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Over time welfare benefit payments are covering less and less of the minimum required budget. For example, in 2008, 68% of the minimum budget of a lone parent was covered by benefits, in 2018 this had dropped to 60%. For couples with children the decline was 4% (62% vs. 58%) over the same time period.

Benefits relative to MIS (i.e. Safety-net income as % of minimum income requirment), 2018
(Source: JRF, MIS 2018)

Legend: Single, working age — Couple, working age — Single pensioner — Couple pensioner — Lone parent w. children (4 & 7 yrs) — Couple w. children (4 & 7 yrs)
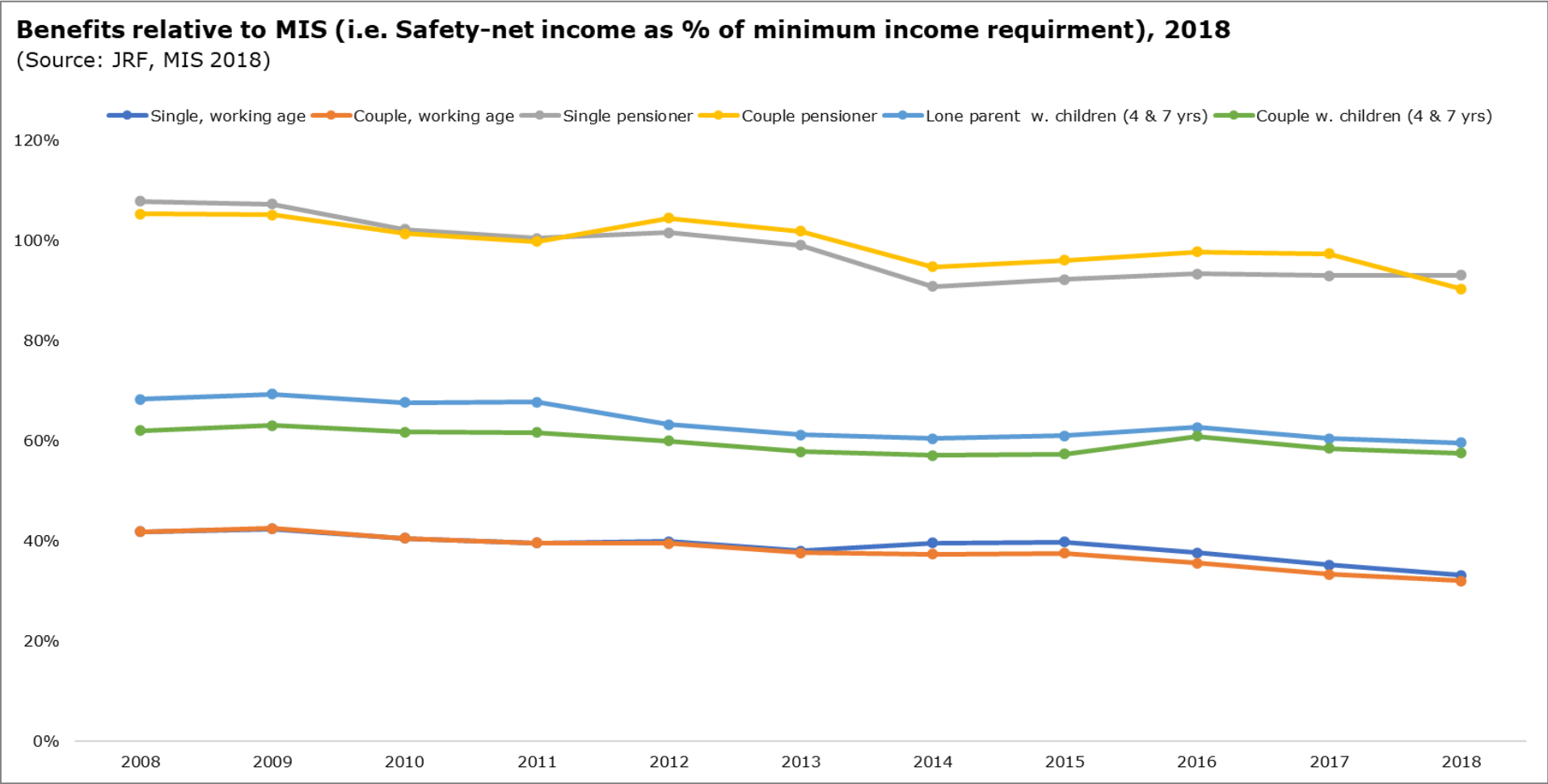
Annual earnings needed to cover the minimum income requirements have continually increased since 2008. For example, for lone parents earnings would have had to increase by 92% and for couples w. children by 43%.

In comparison, annual gross earnings only rose by 21% on average across the UK between 2008 and 2018.

Annual earnings needed to reach minimum income requirement - working full-time & paying for childcare, 2018
(Source: JRF, MIS 2018)

Legend: Single — Couple w. children (4 & 7 yrs), combined earnings of both parents — Lone parent w. children (4 & 7 yrs)
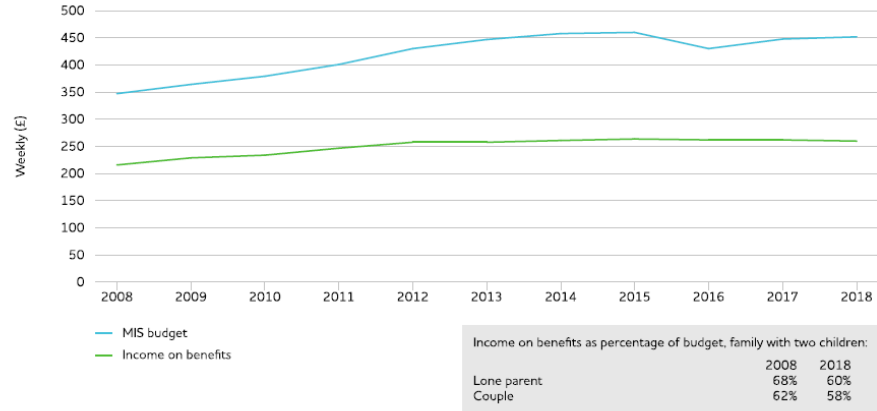
Figure 17: Disposable income for households on means-tested benefits compared to MIS budgets – single working-age adult on out-of-work benefits
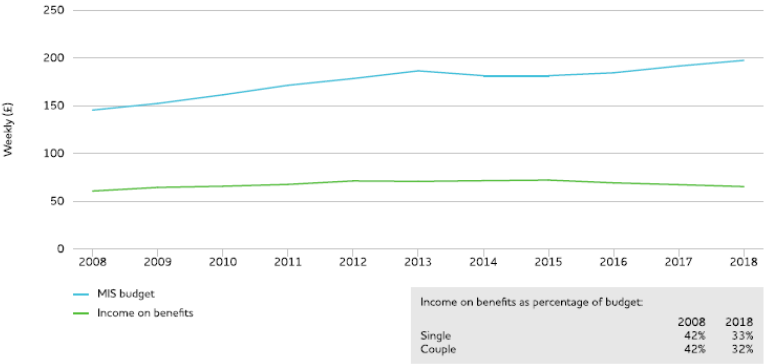
Income on benefits as percentage of budget:

	2008	2018
Single	42%	33%
Couple	42%	32%

Notes: budgets net of rent and Council Tax. Income comprises Income Support/Jobseekers' Allowance for working-age adults. For working-age cases, estimated contributions to Council Tax (since 2013) and rent (since 2016) are subtracted from benefit income, to reflect cuts that mean that these are not fully covered by Housing Benefit and Council Tax Support.
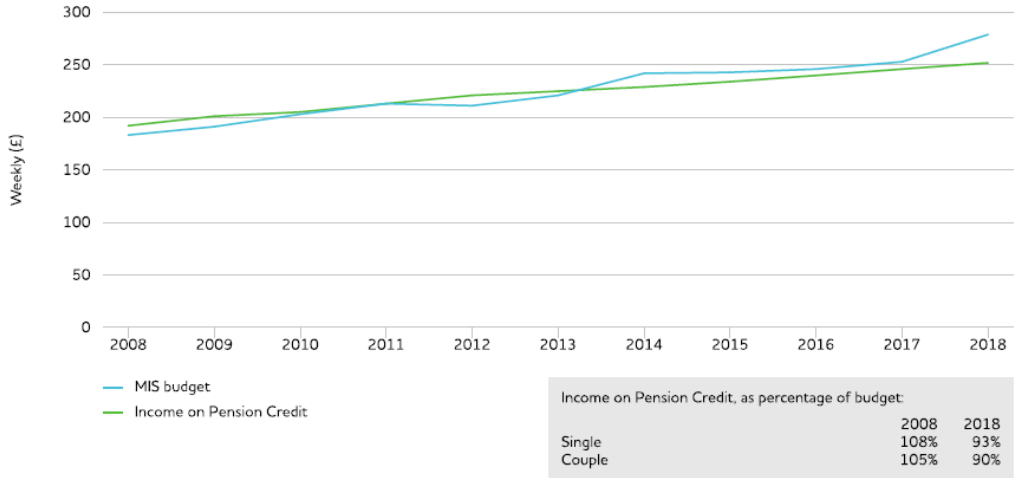
Further data is available in Table 4 in the Appendix.

Figure 19: Disposable income for households on means-tested benefits compared to MIS budgets – couple with children aged 4 and 7, on out-of-work benefits

Income on benefits as percentage of budget, family with two children:

	2008	2018
Lone parent	68%	60%
Couple	62%	58%

Notes: budgets net of rent, Council Tax and childcare. Income comprises Income Support/Jobseekers' Allowance plus Child Tax Credit and Child Benefit, minus an estimated contribution to Council Tax (since 2013). Universal Credit rates are the same as Income Support/Jobseekers' Allowance plus Child Tax Credit for out-of-work families.

Figure 18: Disposable income for households on means-tested benefits compared to MIS budgets – pensioner couple on Pension Credit

Income on Pension Credit, as percentage of budget:

	2008	2018
Single	108%	93%
Couple	105%	90%

Notes: budgets net of rent and Council Tax. Income comprises Pension Credit plus Winter Fuel Allowance for pensioners.

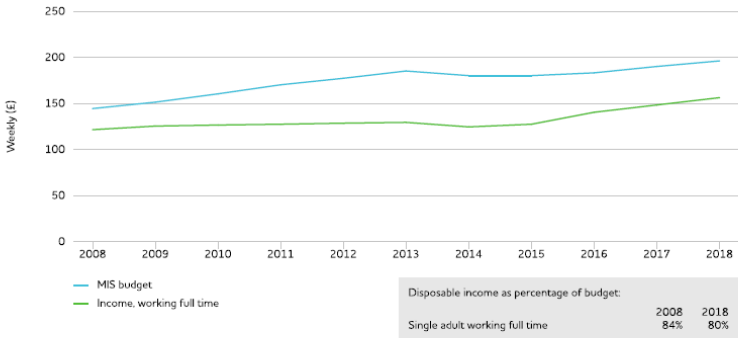Further data is available in Table 4 in the Appendix.

Figure 22: Disposable income of households with worker(s) on the NMW/NLW compared to MIS, 2008–2018 – lone parent with two children aged 4 and 7
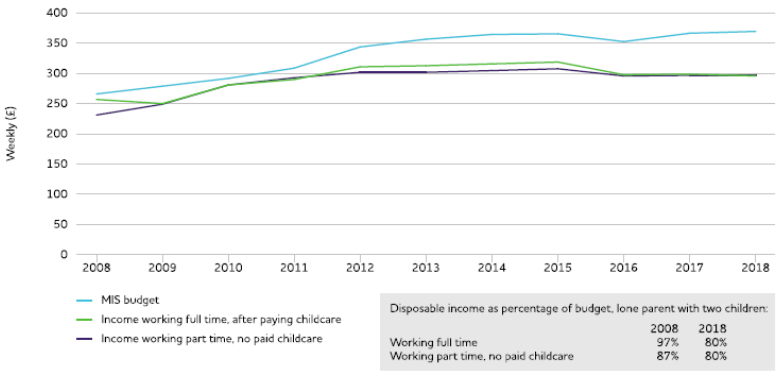
Disposable income as percentage of budget, lone parent with two children:

	2008	2018
Working full time	97%	80%
Working part time, no paid childcare	87%	80%

Legend:
- MIS budget
- Income working full time, after paying childcare
- Income working part time, no paid childcare

Notes: disposable income is calculated after subtracting rent, Council Tax and childcare costs, and compared to budgets excluding these costs. Tax credits paying up to 70% of childcare costs are included in income, meaning that someone paying £100 a week for childcare receives £70 to offset these costs, but their disposable income is £30 lower than it would be if they did not pay for childcare, but had the same earnings.

Further data is available in Tables 7 and 8 in the Appendix.

Figure 21: Disposable income of households with worker(s) on the NMW/NLW compared to MIS, 2008–2018 – couple with two children aged 4 and 7

Legend:
- MIS budget
- Income with both parents working full time, after paying for childcare
- Income with one parent working full time, one not working, no paid childcare

Disposable income as percentage of budget, couple with two children:

	2008	2018
Both parents working full time	93%	89%
One full time, one not working	73%	73%

Notes: disposable income is calculated after subtracting rent, Council Tax and childcare costs, and compared to budgets excluding these costs. Tax credits paying up to 70% of childcare costs are included in income, meaning that someone paying £100 a week for childcare receives £70 to offset these costs, but their disposable income is £30 lower than it would be if they did not pay for childcare, but had the same earnings.

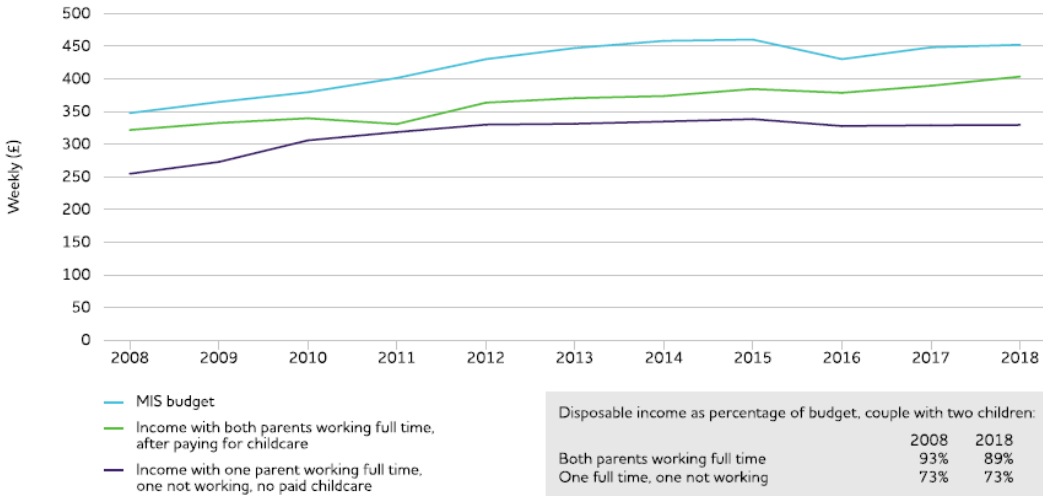Further data is available in Tables 6 and 7 in the Appendix.

Figure 20: Disposable income of households with worker(s) on the NMW/NLW compared to MIS, 2008–2018 – single adult without children

Legend:
- MIS budget
- Income, working full time

Disposable income as percentage of budget:

	2008	2018
Single adult working full time	84%	80%

Notes: disposable income is calculated after subtracting rent, Council Tax and childcare costs, and compared to budgets excluding these costs. Tax credits paying up to 70% of childcare costs are included in income, meaning that someone paying £100 a week for childcare receives £70 to offset these costs, but their disposable income is £30 lower than it would be if they did not pay for childcare, but had the same earnings.

Further data is available in Tables 6 and 7 in the Appendix.

Source: JRF, MIS 2018

In 2018/19 156,081 three-day emergency food supplies were given by the Trussell Trust to people in crisis in the East of England

Main reasons for referral between April 2018 – March 2019 into Trussell Trust:
- 33.1% due to low income (80% of these referrals were for people receiving benefits and not earning)
- 20.3% due to delays in benefits being paid
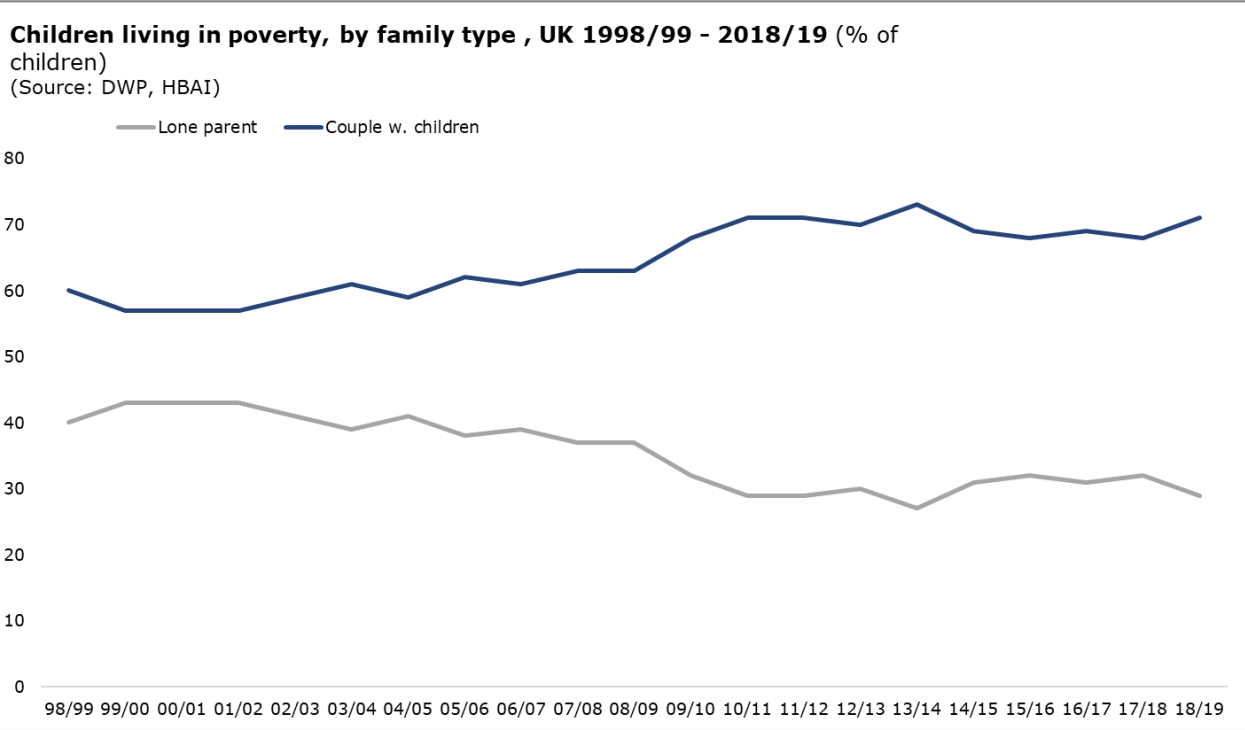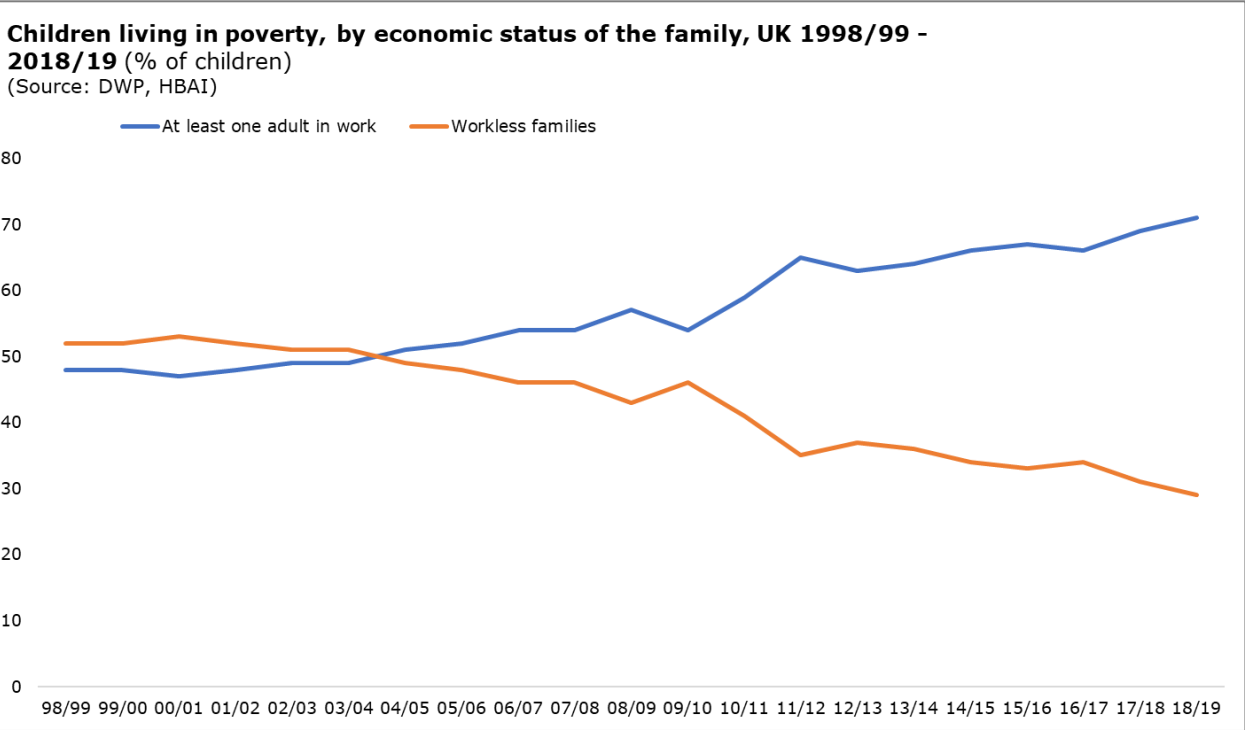- 17.3% due to changes in benefits

Trussell Trust Food bank Statistics – Regional Breakdown, 2018/19

REGION	ADULTS	CHILDREN	TOTAL	% Total
TOTAL	**1,006,050**	**577,618**	**1,583,668**	**100.0%**
North West	139,703	83,019	222,722	14.1%
Scotland	141,195	69,410	210,605	13.3%
London	106,737	59,775	166,512	10.5%
East	96,037	60,044	156,081	9.9%
South East	93,417	55,223	148,640	9.4%
West Midlands	91,212	51,022	142,234	9.0%
South West	83,281	49,229	132,510	8.4%
Wales	72,580	40,793	113,373	7.2%
Yorkshire & Humberside	57,252	32,589	89,841	5.7%
North East	55,713	32,995	88,708	5.6%
East Midlands	47,331	28,328	75,659	4.8%
Northern Ireland	21,592	15,191	36,783	2.3%

A longer-terms study by the Heriot-Watt University found that the key characteristics of food bank users are: problems with benefits; adverse life experiences such as eviction, ill health and divorce; the exhaustion of formal and informal support such as family and friends.
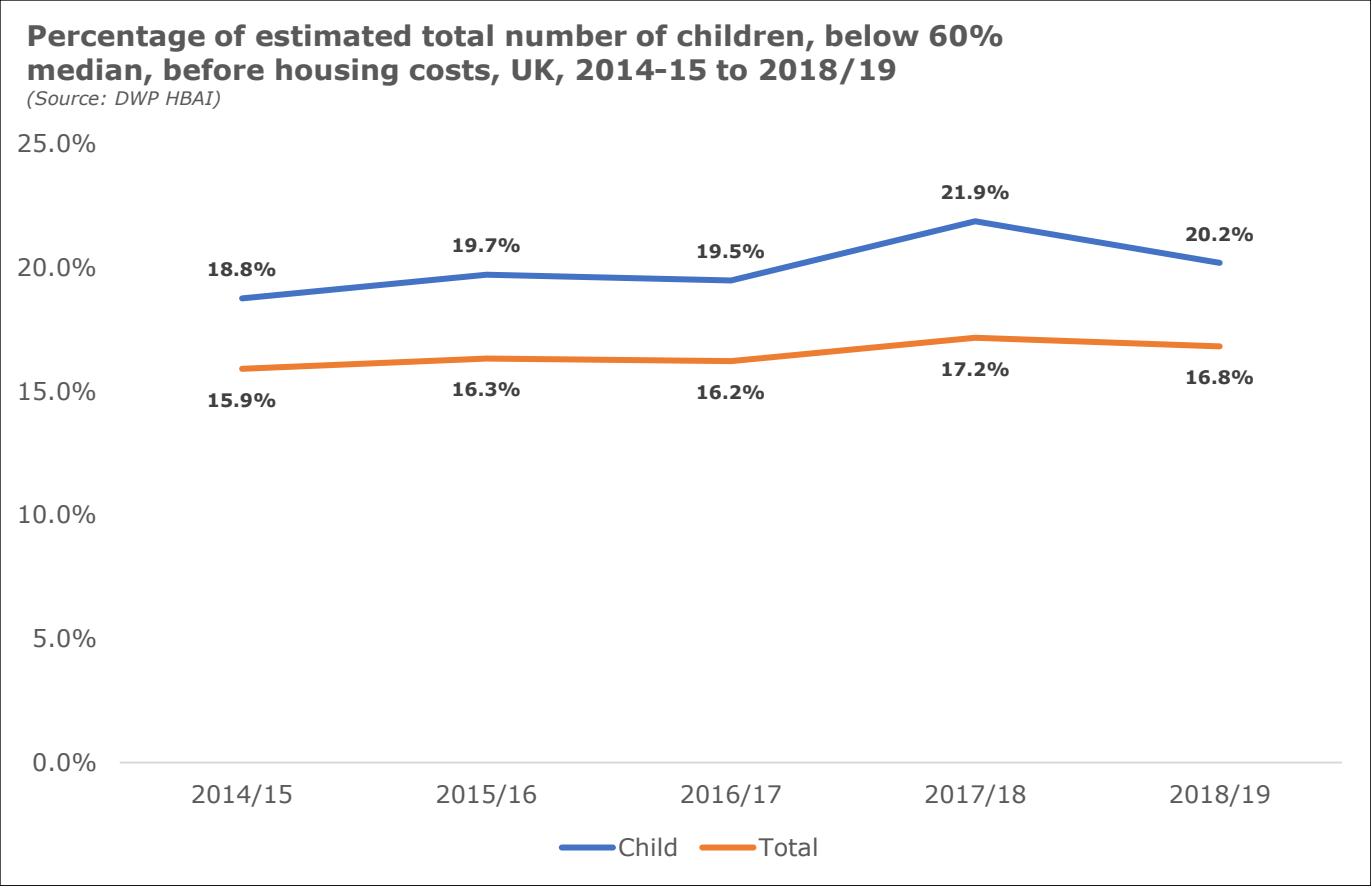
CHILD POVERTY

In recent years children have become more than twice as likely to be poor than pensioners – a trend that is set to increase, as the majority of financial losses from welfare reform are falling on households with dependent children.

Children living in poverty, by economic status of the family, UK 1998/99 – 2018/19 (% of children)
(Source: DWP, HBAI)

— At least one adult in work   — Workless families

Children living in poverty, by family type , UK 1998/99 - 2018/19 (% of children)
(Source: DWP, HBAI)

— Lone parent   — Couple w. children

- Proportionally, the number of children in working HH that live in poverty has steadily increased since 2000/01 – with 71% of children in poverty in 2018/19 living in working HH. In terms of absolute numbers, the number of children in working HH in poverty has risen by 33% over the past 4 years.
- With the introduction of welfare reforms, the long-term trend of reducing lone parent HH poverty halted, though declined again in 2018/19. In terms of absolute numbers, lone parent HH in poverty have increased by 43% over the past four years (compared to 21% change for children living in HH with couples.)

Sources: C Beatty and S Fothergill (2016) The uneven impact of welfare reform, CRESR, Sheffield Hallam University; DWP, Households Below Average Income 2018

Across the **UK**, 20% of Children are in Relative Low Income Poverty, compared to a whole population average of 17%.

In 2018/19, relative child poverty was down slightly from the previous year before housing costs and at a similar level after housing costs.

Percentage of estimated total number of children, below 60% median, before housing costs, UK, 2014-15 to 2018/19
(Source: DWP HBAI)

Poverty - children 2018/2019	Relative poverty		Absolute poverty	
	number (millions)	%	number (millions)	%
Before housing costs	2.8	20%	2.4	17%
After housing costs	4.2	30%	3.7	26%

Source: DWP, Households Below Average Income, 2018/2019

17% of Suffolk's children were in poverty in 2018/19, which is below **Great Britain** average, but above the regional one…

Between 2014/15 and 2018/19, child poverty in Suffolk has grown by 26%, which is above the national and regional averages (both 18%).
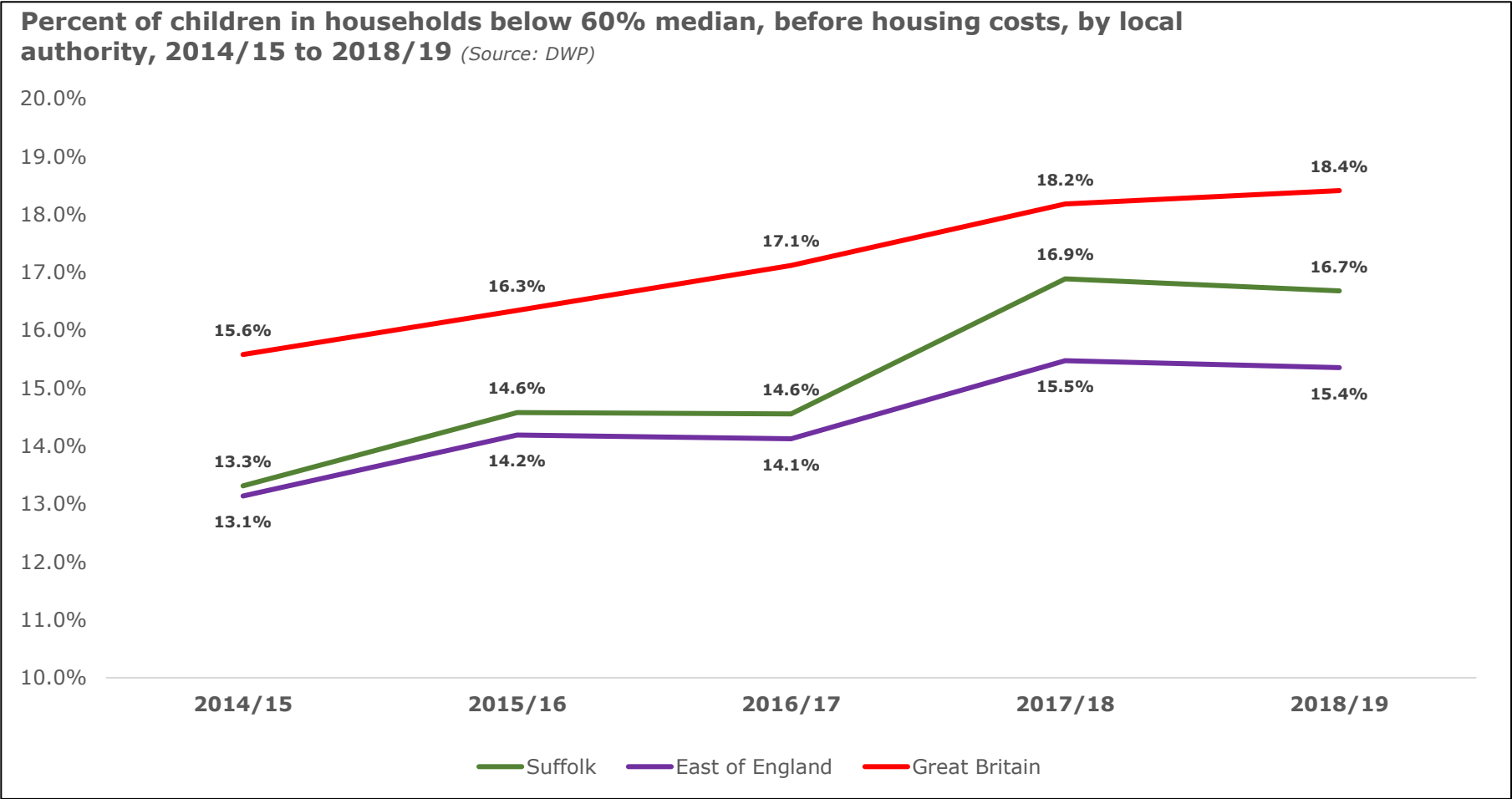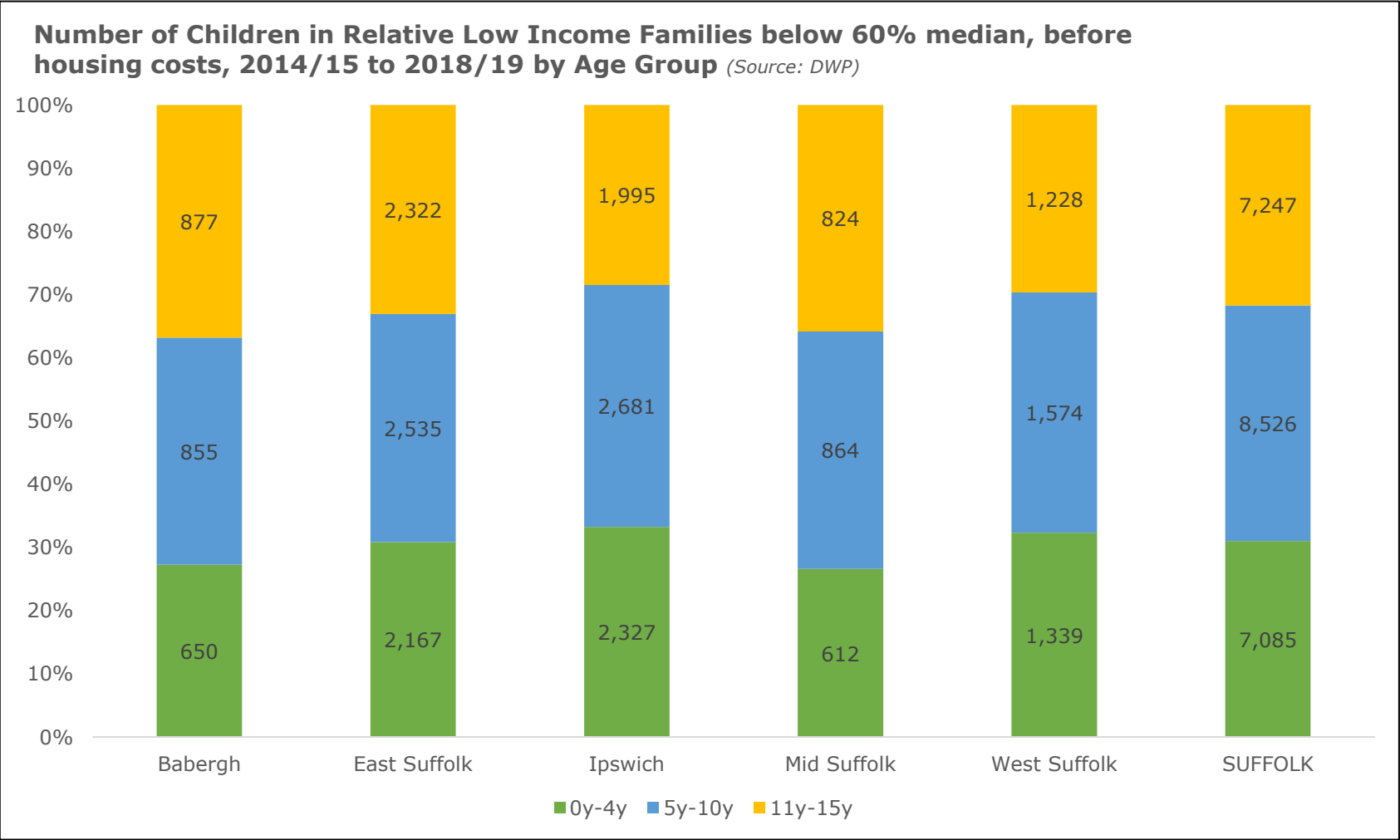
Percent of children in households below 60% median, before housing costs, by local authority, 2014/15 to 2018/19 *(Source: DWP)*

Legend: Suffolk, East of England, Great Britain

However, between 2014/15 and 2018/19, only West Suffolk's child poverty has grown at a slower rate than the national average.

- Within Suffolk, Ipswich has the highest child poverty levels: these are consistently over the national, regional and local averages. While the other districts are either in line or below Suffolk's averages, with West Suffolk having the lowest proportion of children in poverty.
- Due to the differences in size and make-up of each area's population, the actual numbers of children in poverty vary too.

Percent of children in households below 60% median, before housing costs, by local authority, 2014/15 to 2018/19 (Source: DWP)

	% change 2014/15 vs. 2018/19
Ipswich	36.4%
Suffolk	25.6%
Babergh	24.2%
East Suffolk	23.7%
Mid Suffolk	20.9%
GB	17.9%
West Suffolk	14.2%

Ipswich: 18.4% → 20.7% → 20.8% → 25.6% → 25.1%

East Suffolk: 13.5% → 14.7% → 14.8% → 17.2% → 16.7%

Babergh: 12.4% → 13.6% → 12.7% → 15.0% → 15.4%

Mid Suffolk: 11.0% → 12.0% → 11.8% → 13.4% → 13.3%

West Suffolk: 10.6% → 11.1% → 11.4% → 12.1% → 12.1%

Years: 2014/15, 2015/16, 2016/17, 2017/18, 2018/19

Legend: ////// SUFFOLK — Babergh — East Suffolk — Ipswich — Mid Suffolk — West Suffolk

	No of children in poverty, 2018/19
East Suffolk	7,024
Ipswich	7,008
West Suffolk	4,150
Babergh	2,381
Mid Suffolk	2,295
Suffolk	22,858

Source: DWP/HMRC - Children in low income families: local area statistics 2014/15 to 2018/19. Accessed on 08th June 2020

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37% of Suffolk's children in poverty are between 5 and 10 years old, 32% are 11-15 and 31% 0-4.

Number of Children in Relative Low Income Families below 60% median, before housing costs, 2014/15 to 2018/19 by Age Group *(Source: DWP)*

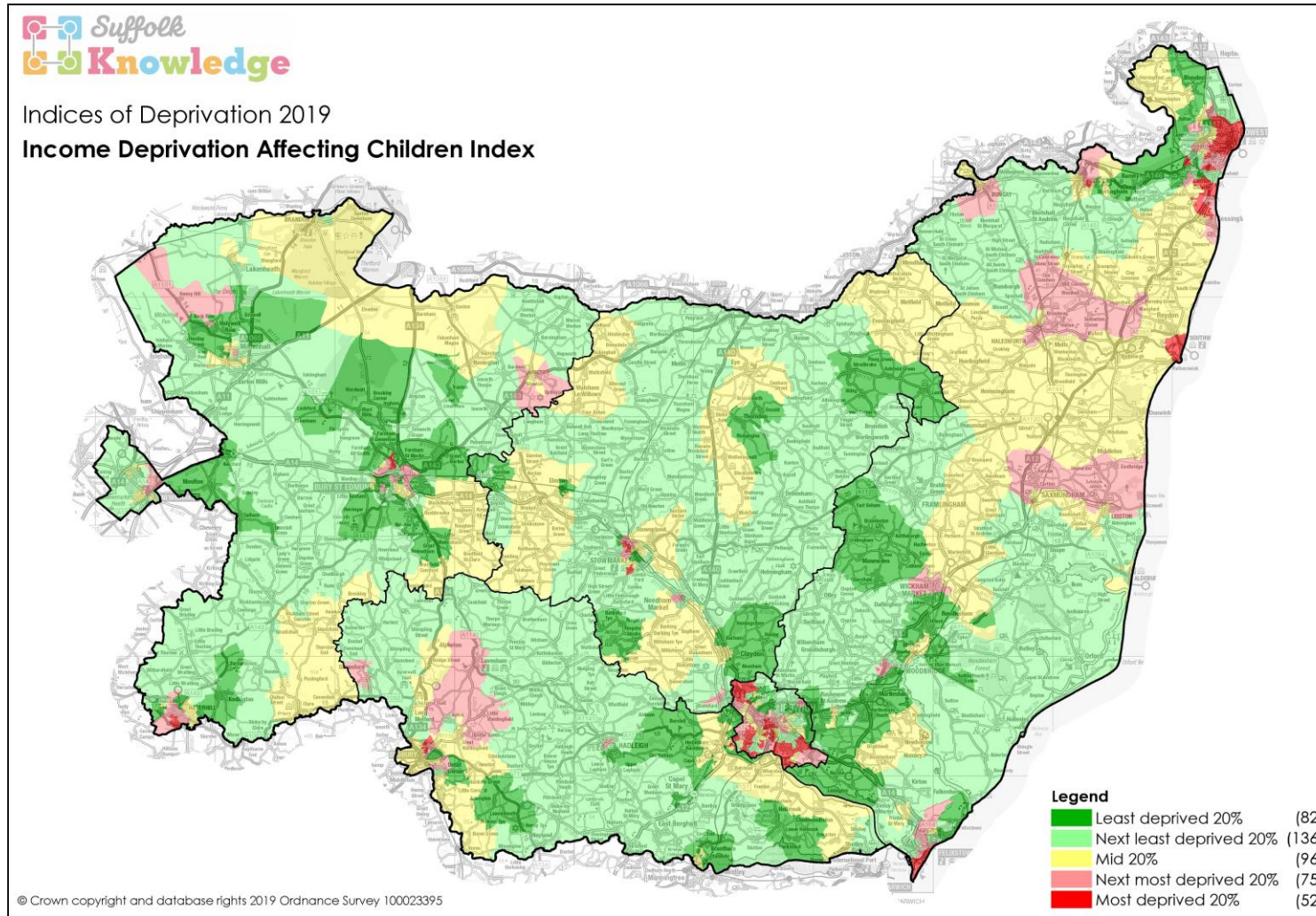| Area	0y-4y	5y-10y	11y-15y
Babergh	650	855	877
East Suffolk	2,167	2,535	2,322
Ipswich	2,327	2,681	1,995
Mid Suffolk	612	864	824
West Suffolk	1,339	1,574	1,228
SUFFOLK	7,085	8,526	7,247

Legend: ■ 0y-4y ■ 5y-10y ■ 11y-15y

The 5-10 year old groups in Ipswich and West Suffolk are proportionally slightly bigger than the Suffolk average (38%), while the 11-15 group for these areas are somewhat smaller (29% & 30%).

Source: DWP/HMRC - Children in low income families: local area statistics 2014/15 to 2018/19. Accessed on 08th June 2020

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Across the **UK**, 611,777 children were in combined severe low income and child material deprivation in 2018/19. This represent a change of +23% between 2014/15 and 2018/19. In comparison, the number of children not in combined low income and child material deprivation has only increased by 3%.

Description	2014/15	2015/16	2016/17	2017/18	2018/19
Not in combined low income and child material deprivation	13,002,132	13,052,164	13,083,442	13,138,494	13,364,805
In combined severe low income and child material deprivation	497,724	523,032	576,889	662,952	611,777
% in combined severe low income and child material deprivation	3.8%	4.0%	4.4%	5.0%	4.6%

Source: DWP - Households Below Average Income. Accessed 15th June 2020

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Across Suffolk, 22 LSOAs have an **Income Deprivation Affecting Children Index** (IDACI) of 1 (where 1 is most deprived 10% of LSOA), the vast majority of these are located in East Suffolk or Ipswich

Indices of Deprivation 2019
Income Deprivation Affecting Children Index

Legend
- Least deprived 20% (82)
- Next least deprived 20% (136)
- Mid 20% (96)
- Next most deprived 20% (75)
- Most deprived 20% (52)

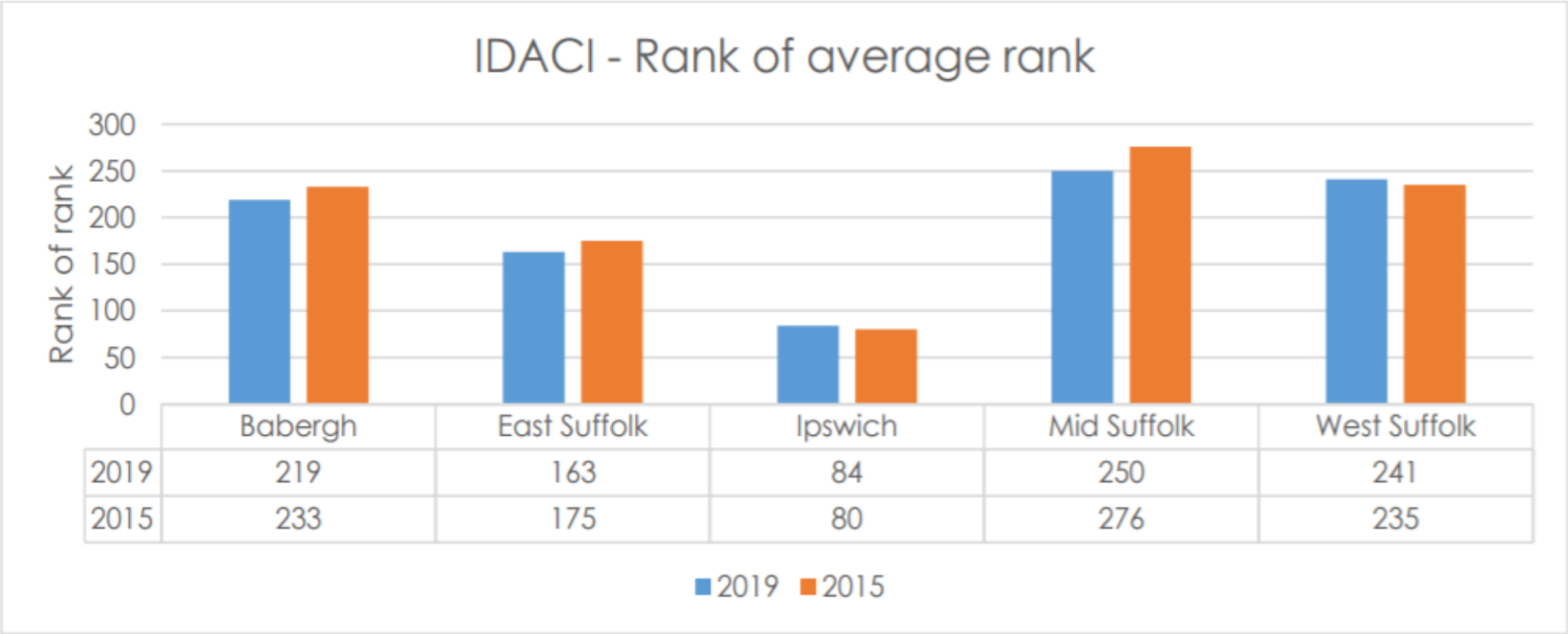© Crown copyright and database rights 2019 Ordnance Survey 100023395

The **IDACI** measures the proportion of all children aged 0 to 15 living in income deprived families. Family is used here to indicate a 'benefit unit', that is the claimant, any partner and any dependent children for whom Child Benefit is received.

Source: Office for National Statistics. www.gov.uk/government/statistics/english-indices-of-deprivation-2019 . Accessed on 10th June 2020
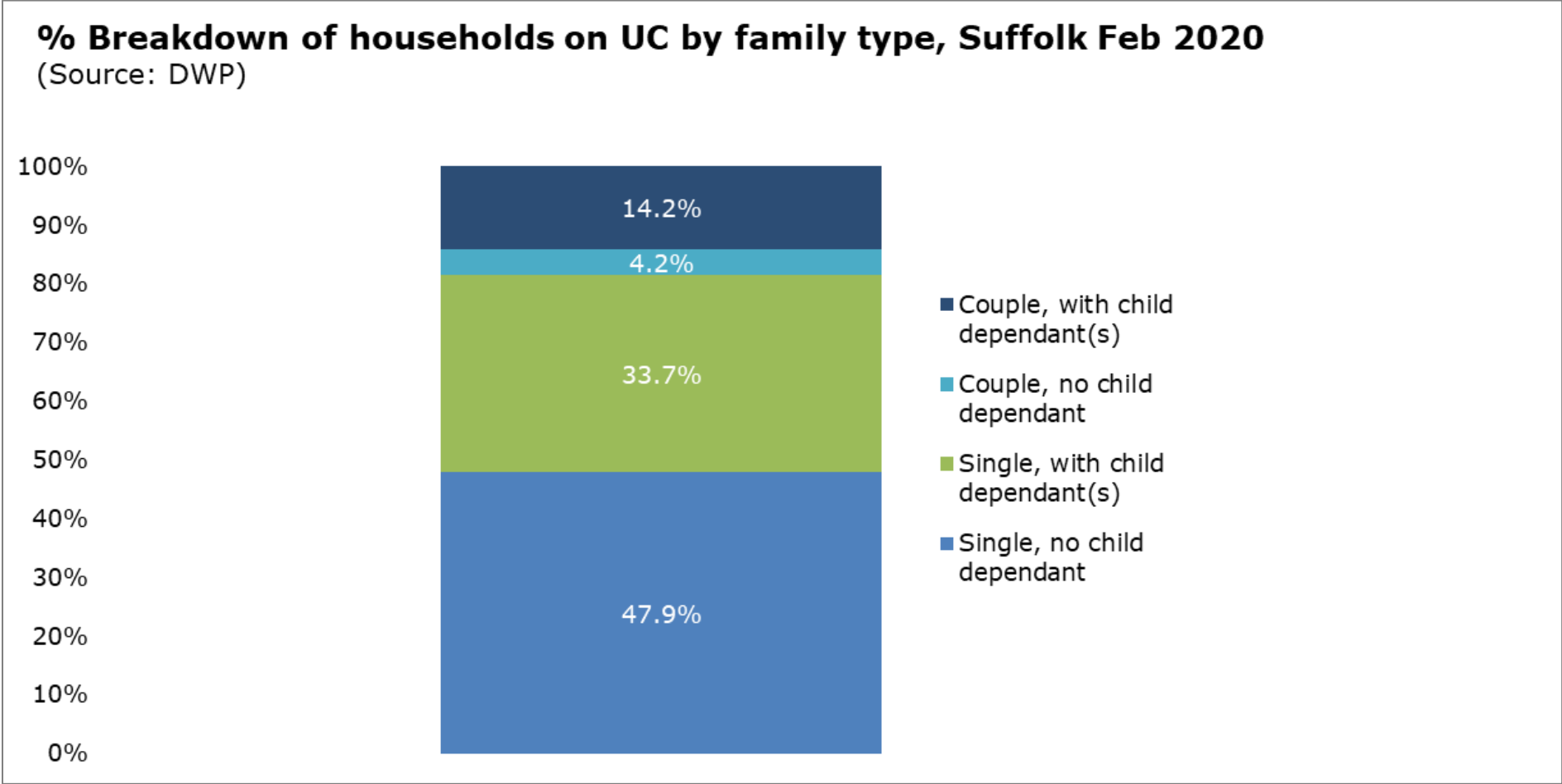
In this domain, three Suffolk local authorities have become relatively more deprived between 2015 and 2019.

The largest increase in relative deprivation is 26 places in Mid Suffolk, making it the 250th most deprived authority in England, although it still ranks less deprived than all other Suffolk authorities.

Ipswich and East Suffolk are ranked in the top 200 local authorities in England in terms of overall IDACI deprivation, with Ipswich remaining the most deprived area in the county.

IDACI - Rank of average rank

	Babergh	East Suffolk	Ipswich	Mid Suffolk	West Suffolk
2019	219	163	84	250	241
2015	233	175	80	276	235

■ 2019 ■ 2015

In February 2020, 48% of Suffolk households claiming Universal Credit included dependent children (34% were lone parents).

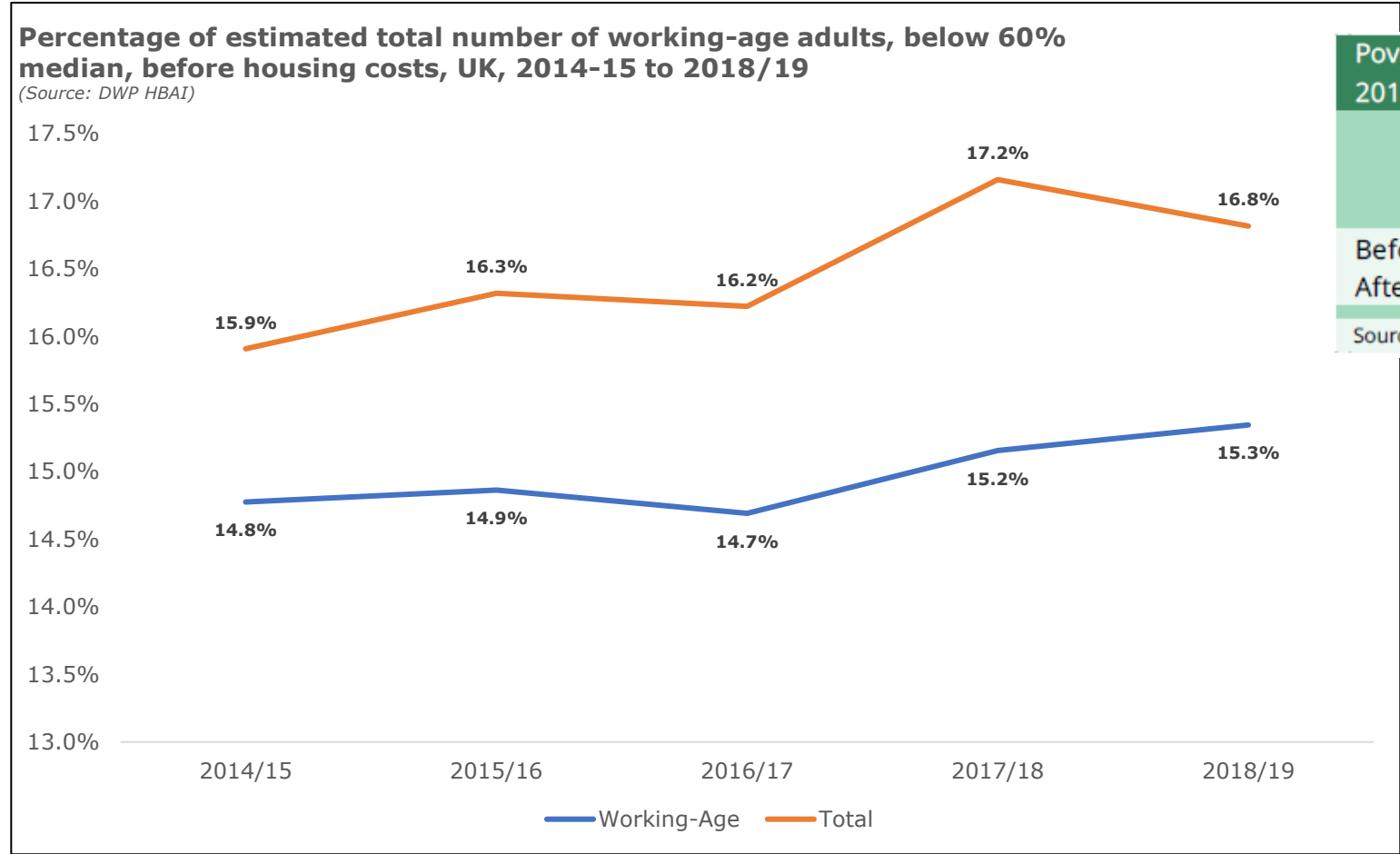**% Breakdown of households on UC by family type, Suffolk Feb 2020**
(Source: DWP)

- Couple, with child dependant(s)
- Couple, no child dependant
- Single, with child dependant(s)
- Single, no child dependant

14.2%
4.2%
33.7%
47.9%

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WORKING AGE POVERTY

Across the **UK**, 15% of Working Age Adults were in Relative Low-Income Poverty in 2018/19.

Relative poverty among working age adults has grown by 3% over the past 4 years, compared to 6% growth of total poverty levels.

The likelihood of being in low income varies by family status - 17% of adults with dependent children ("working-age parents") were in relative low income BHC.
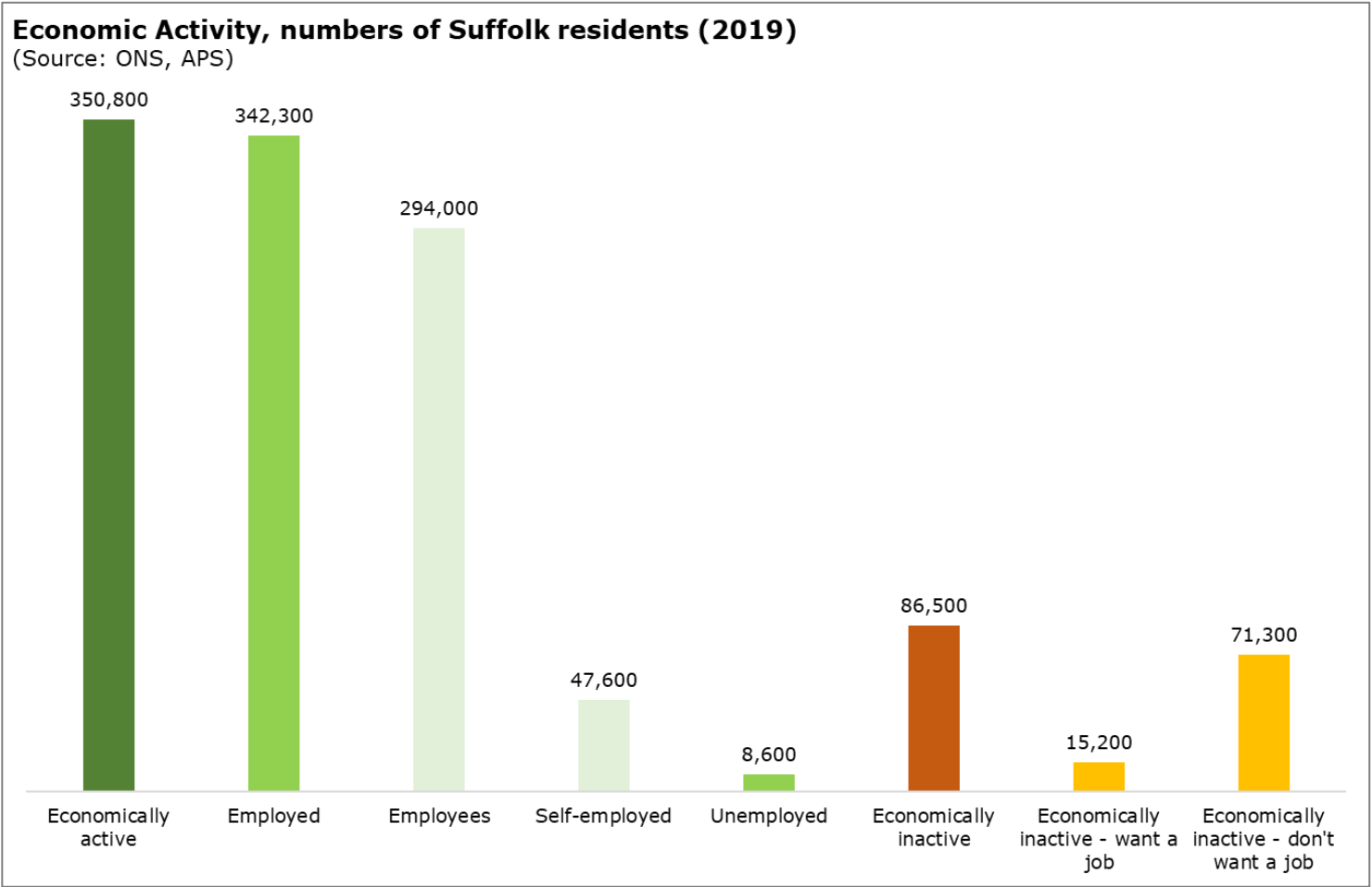
Percentage of estimated total number of working-age adults, below 60% median, before housing costs, UK, 2014-15 to 2018/19
(Source: DWP HBAI)

Poverty - working age adults 2018/2019	Relative poverty		Absolute poverty	
	number (millions)	%	number (millions)	%
Before housing costs	6.1	15	5.5	14
After housing costs	8.4	21	7.6	19

Source: DWP, Households Below Average Income, 2018/2019

Applying national poverty levels to Suffolk's population numbers would mean that there were 68,155 16-64-year olds in relative poverty before housing costs in 2018/19 in Suffolk.
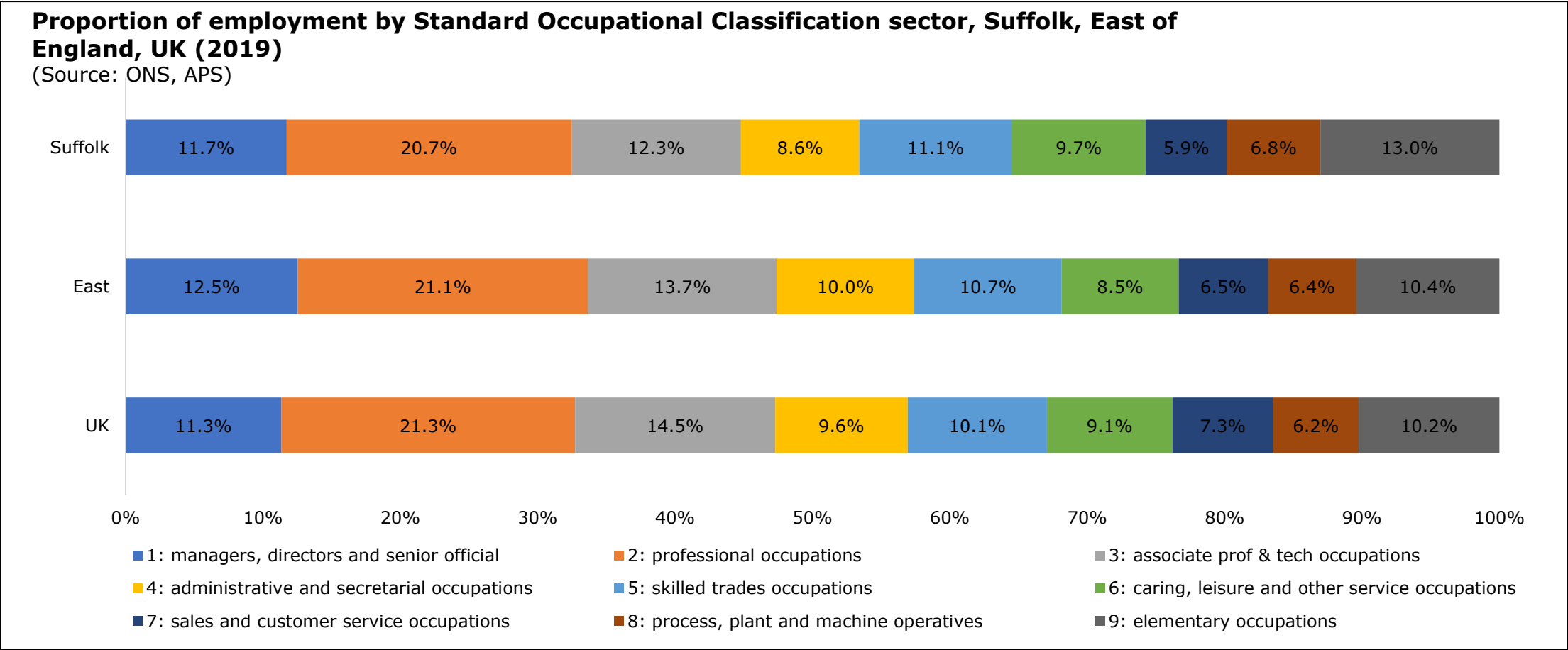
In 2019, Suffolk's employment rate among 16-64 year olds stood at 78%, which is in line with regional rates but higher than the national rate (76% across England).

- Unemployment has fallen over the past few years, from 4.3% in 2017, to 3.8% in 2018 and to 2.4% in 2019. This equates to 8,600 16-64 year olds being unemployed in 2019.

  - Across England, unemployment dropped from 4.5% in 2017 to 4% in 2019.

- Across Suffolk, there were almost 15,200 people, who were inactive but wanted a job in 2019. Again this number has declined over time (21k in 2017).

- In 2018, 32,900 (14%) of Suffolk's Households were workless – 8,800 of these included dependent children.

Economic Activity, numbers of Suffolk residents (2019)
(Source: ONS, APS)

Category	Number
Economically active	350,800
Employed	342,300
Employees	294,000
Self-employed	47,600
Unemployed	8,600
Economically inactive	86,500
Economically inactive - want a job	15,200
Economically inactive - don't want a job	71,300

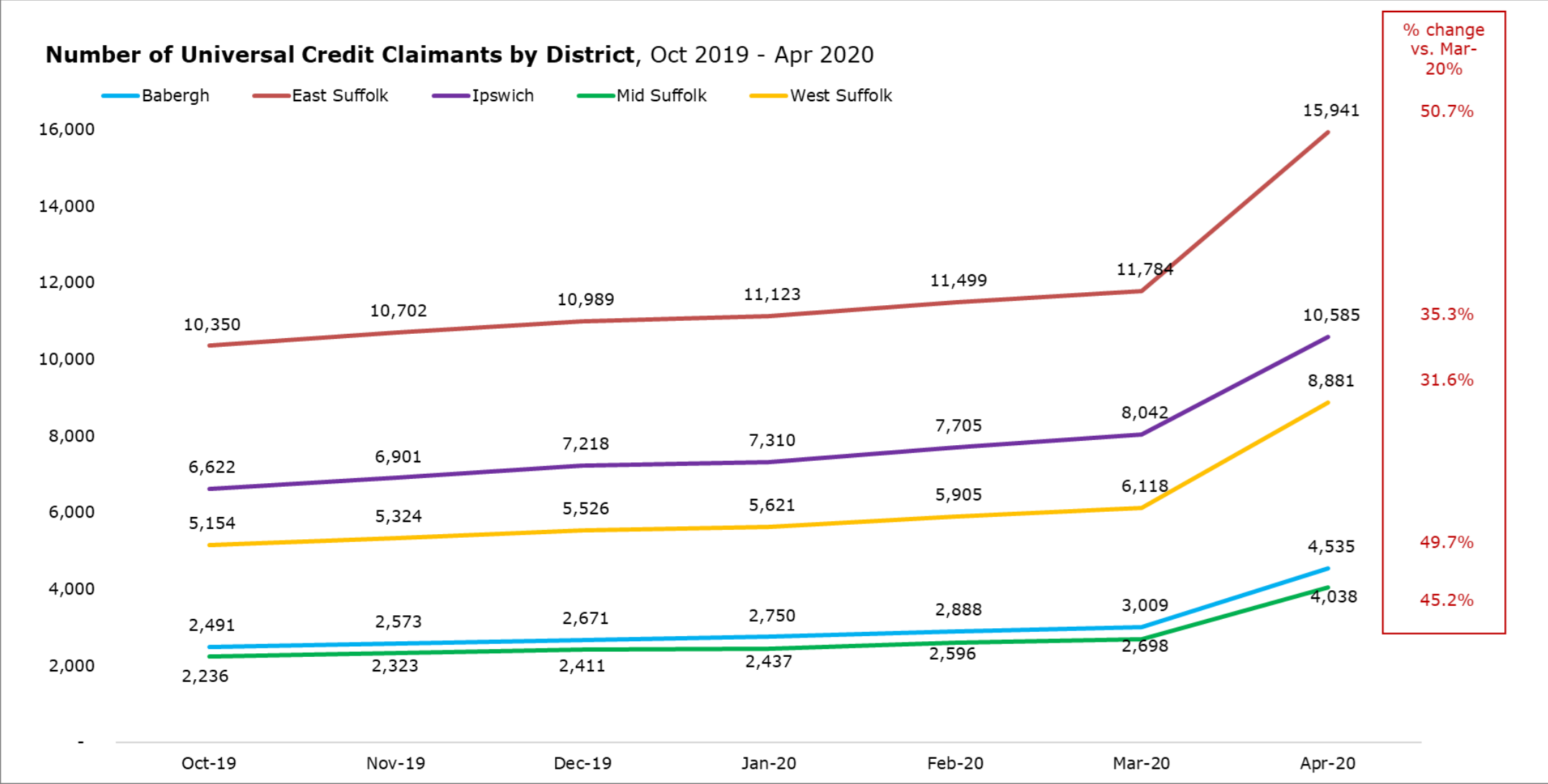*Sources: ONS, Annual Population Survey.*

Employment in Suffolk was more concentrated in lower-skilled occupations (13%) than in the East of England and the UK (both 10%).

The proportion of Suffolk residents working in professional occupations has risen from 15% (see [State of Suffolk Report 2019](#)) to 21%, further in line with regional and national averages.

Proportion of employment by Standard Occupational Classification sector, Suffolk, East of England, UK (2019)
(Source: ONS, APS)

	1	2	3	4	5	6	7	8	9
Suffolk	11.7%	20.7%	12.3%	8.6%	11.1%	9.7%	5.9%	6.8%	13.0%
East	12.5%	21.1%	13.7%	10.0%	10.7%	8.5%	6.5%	6.4%	10.4%
UK	11.3%	21.3%	14.5%	9.6%	10.1%	9.1%	7.3%	6.2%	10.2%

- 1: managers, directors and senior official
- 2: professional occupations
- 3: associate prof & tech occupations
- 4: administrative and secretarial occupations
- 5: skilled trades occupations
- 6: caring, leisure and other service occupations
- 7: sales and customer service occupations
- 8: process, plant and machine operatives
- 9: elementary occupations

Source: Office for National Statistics. (Year to Dec 2019). Annual Population Survey. Accessed on 09th June 2020

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Between March and April 2020, numbers of Universal Credit claimants in Suffolk rose significantly by 39% (+12,329 people).

The biggest increases were in East Suffolk (+51%) and Babergh (+50%).

Number of Universal Credit Claimants by District, Oct 2019 - Apr 2020

— Babergh   — East Suffolk   — Ipswich   — Mid Suffolk   — West Suffolk

% change vs. Mar-20%

District	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	% change
East Suffolk	10,350	10,702	10,989	11,123	11,499	11,784	15,941	50.7%
Ipswich	6,622	6,901	7,218	7,310	7,705	8,042	10,585	35.3%
West Suffolk	5,154	5,324	5,526	5,621	5,905	6,118	8,881	31.6%
Babergh	2,491	2,573	2,671	2,750	2,888	3,009	4,535	49.7%
Mid Suffolk	2,236	2,323	2,411	2,437	2,596	2,698	4,038	45.2%

Source: DWP

In May 2020, 15.4% of UC claimants were between 25 and 29 years old, while 15.1% were between 30 and 34, making up the two largest groups across Suffolk.

Number and % breakdown of UC Claimants by Age Group and by District (May 2020)
(Source: DWP)
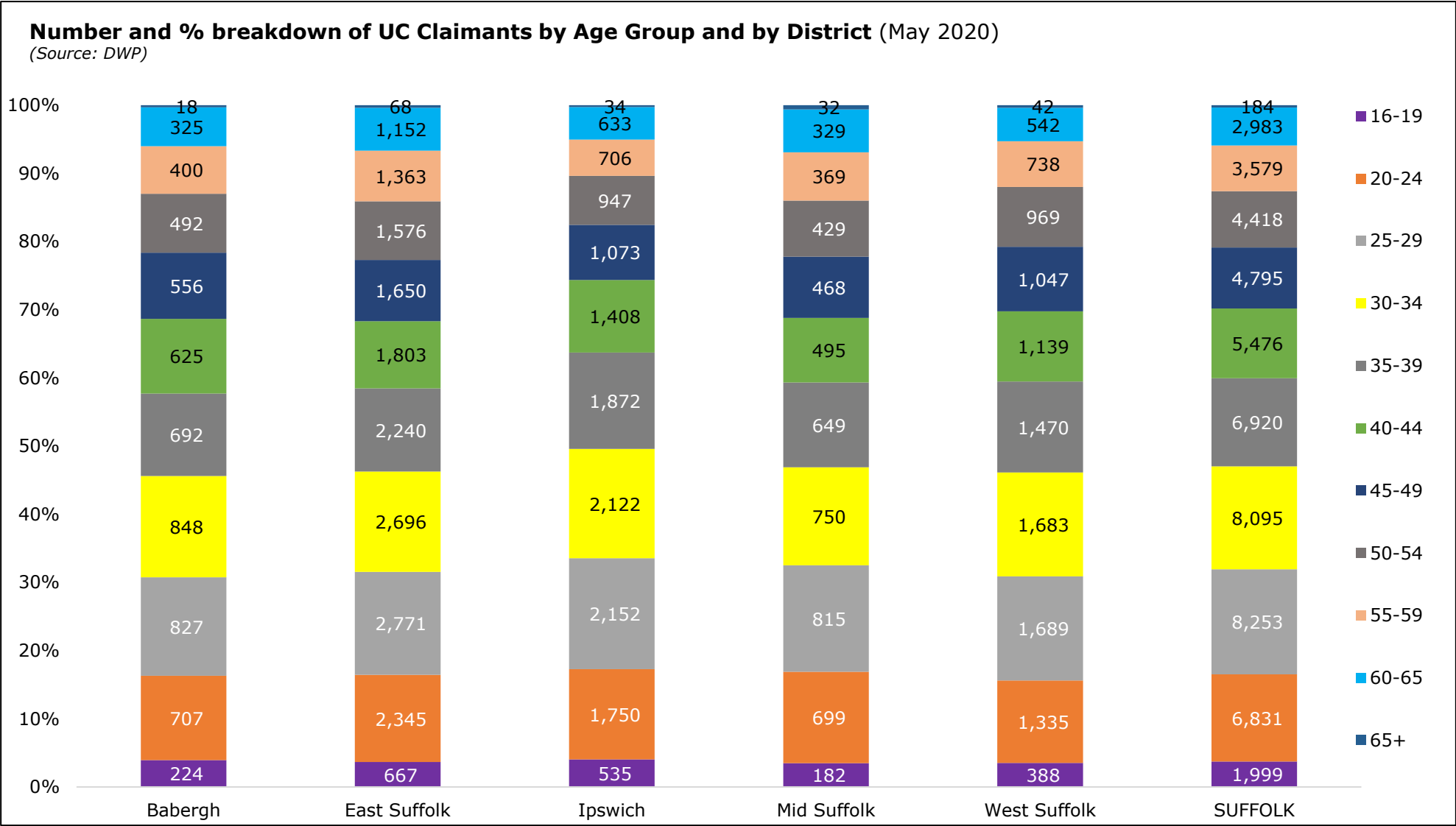
Across Suffolk, the split of UC claimants by gender was roughly 52% females vs 48% male in May 2020. Though in Babergh and Mid Suffolk, females made up around 54% of claimants.

Significantly, over April and May, the split between female and male claimants has been changing: the average claimant split was female 58% vs male 42% in the six months to April 2020.

Number and % breakdown of UC Claimants by Gender and by District (May 2020)
(Source: DWP)
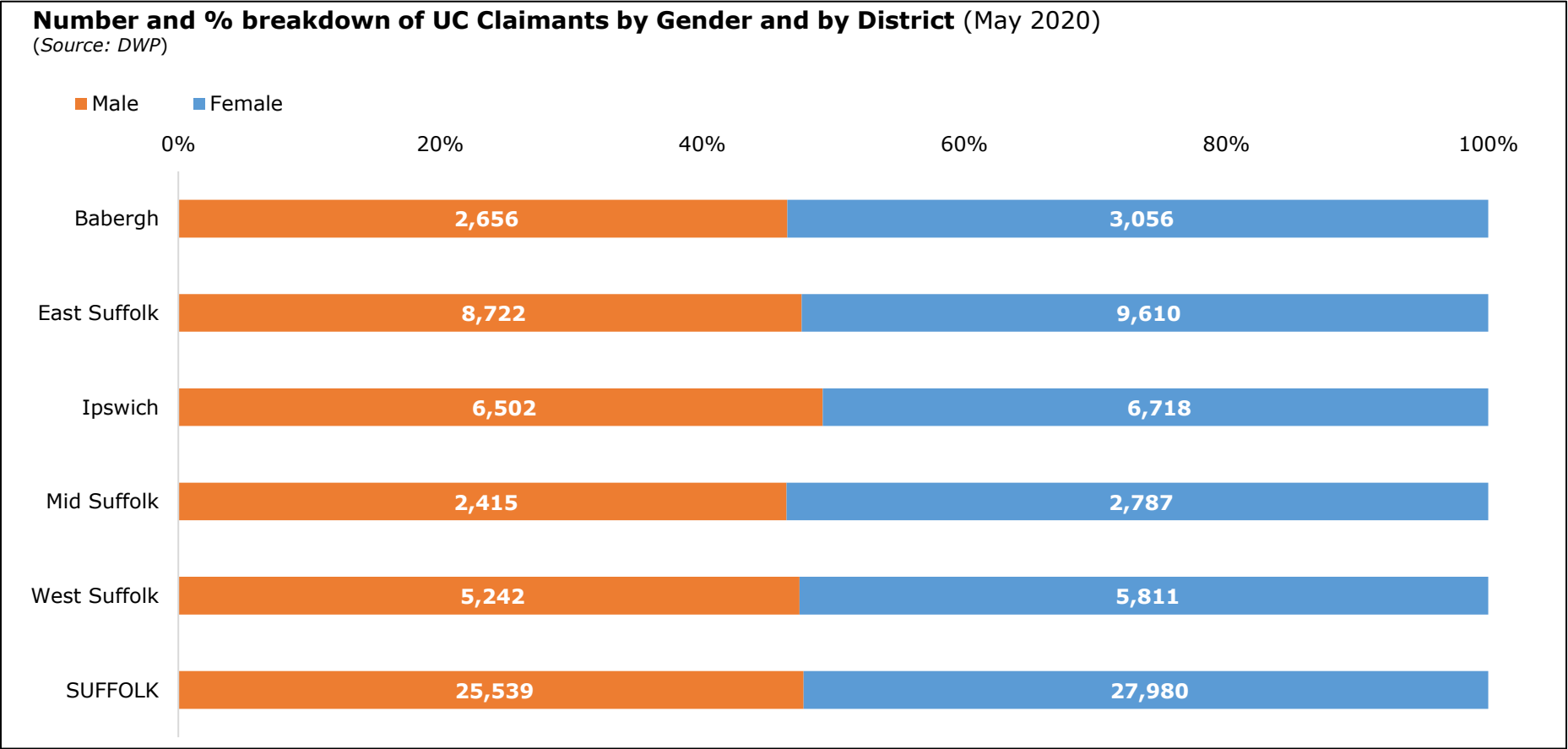
In April 2020, 17,207 (39%) UC claimants in Suffolk were in employment, highlighting the fact that employment earnings need to be supplemented by welfare support for many.

Number of UC claimants by Conditionality Regime and Employment Status – April 2020 (data not available for May-20 yet)
(Source: DWP)

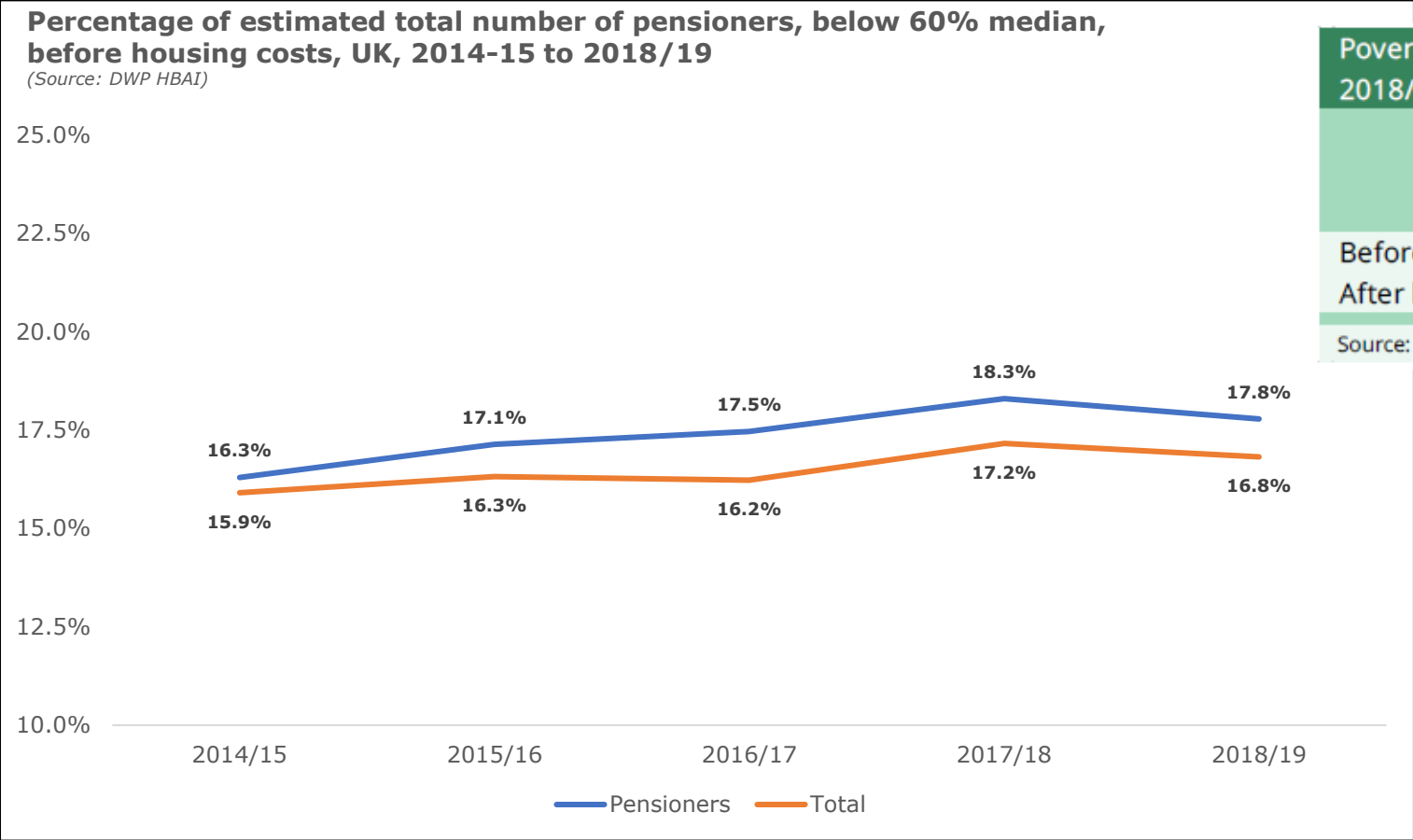|		No Work Requirements	Searching for Work	Planning for Work	Preparing for Work	Working - with req.	Working - no req.	Total
Babergh	Not in employment	665	1,426	76	208	218	135	2,728
	In employment	171	379	21	36	511	676	1,794
East Suffolk	Not in employment	3,194	4,623	302	1,012	590	417	10,138
	In employment	544	1,212	84	120	1,765	2,094	5,819
Ipswich	Not in employment	1,692	3,237	224	449	480	225	6,307
	In employment	378	924	60	86	1,268	1,527	4,243
Mid Suffolk	Not in employment	625	1,261	58	181	201	140	2,466
	In employment	140	326	22	27	376	713	1,604
West Suffolk	Not in employment	1,277	2,634	151	406	394	296	5,158
	In employment	340	728	37	73	973	1,596	3,747
SUFFOLK	Not in employment	7,461	13,179	810	2,254	1,888	1,208	26,800
	In employment	1,576	3,563	227	338	4,892	6,611	17,207

PENSIONER POVERTY

Across the **UK**, 744,807 pensioners were in material deprivation. This number has decreased by 17% over the past 4 years. While the numbers of pensioners not in material deprivation have increased by 8% over the same time period.

Description	2014/15	2015/16	2016/17	2017/18	2018/19
Not in pensioner material deprivation	10,154,675	10,407,790	10,564,720	10,839,060	11,011,266
In pensioner material deprivation	894,499	844,918	821,911	762,991	744,807
% in material deprivation	8.8%	8.1%	7.8%	7.0%	6.8%

Applying these national figures to Suffolk's population numbers would mean that there were 11,972 pension age adults in material deprivation in 2018/19 in Suffolk.

18% of Pensioners are in Relative Low-Income Poverty compared to 17% of the whole population average.

Whilst this is before housing costs, it is useful to consider this after housing costs (as around 75% of pensioners own their own homes), in which the percentage drops to 16.0%.

Percentage of estimated total number of pensioners, below 60% median, before housing costs, UK, 2014-15 to 2018/19
(Source: DWP HBAI)

Poverty - pensioners 2018/2019	Relative poverty		Absolute poverty	
	number (millions)	%	number (millions)	%
Before housing costs	2.1	18%	1.8	15%
After housing costs	1.9	16%	1.6	13%

Source: DWP, Households Below Average Income, 2018/2019

Applying national poverty levels to Suffolk's population numbers would mean that there were 31,339 pension age adults in relative poverty before housing costs in 2018/19 in Suffolk (this drops to 26,690 after housing costs).

7 LSOAs have a IDAOPI Index of 1 (where 1 is most deprived 10% of LSOA), with all of these located in East Suffolk or Ipswich
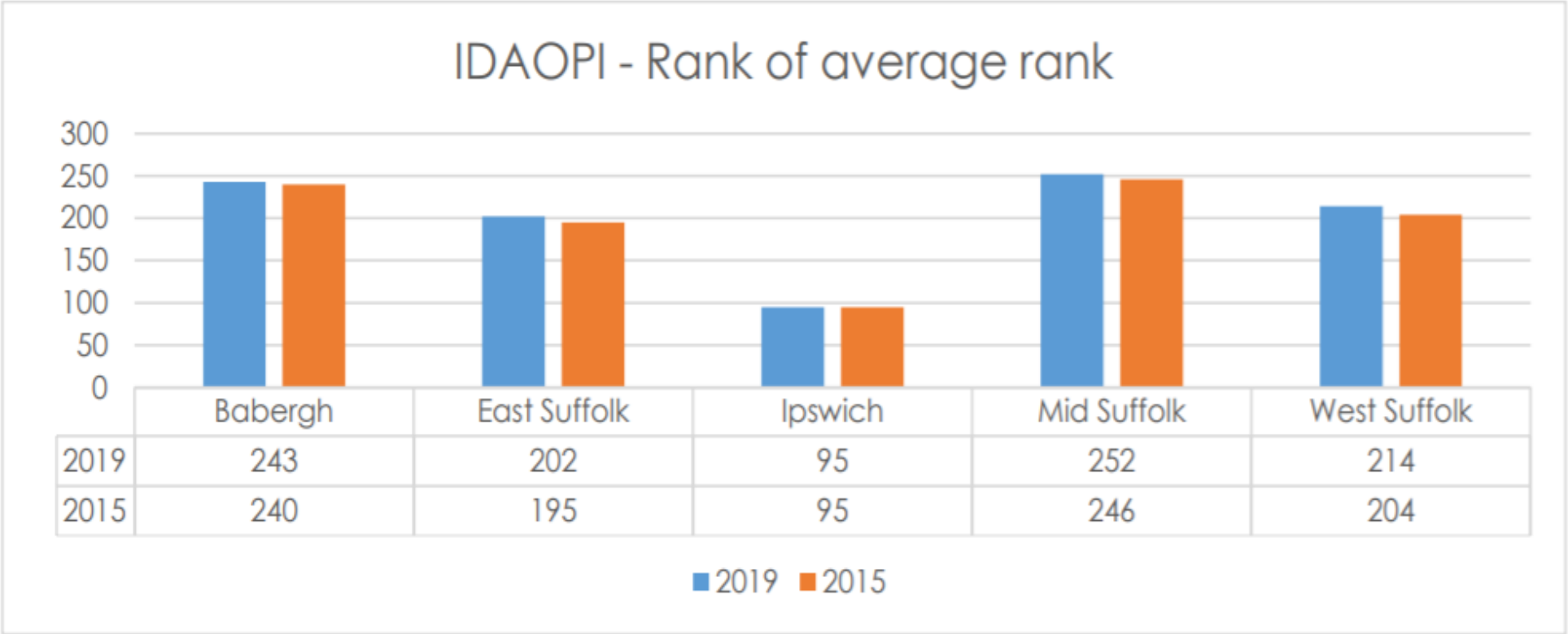
The **Income Deprivation Affecting Older People Index (IDAOPI)** measures the proportion of all those aged 60 or over who experience income deprivation. It is a subset of the Income Deprivation Domain which measures the proportion of the population in an area experiencing deprivation relating to low income. The definition of low income used includes both those people that are out-of-work, and those that are in work but who have low earnings (and who satisfy the respective means tests).

The most deprived LSOA in relation to the IDAOPI domain is: E01030258. This falls into the Kirkley area in Lowestoft and ranks 1,260[th] out of 32,844 nationally, where 1 is the most deprived.

Indices of Deprivation 2019
Income Deprivation Affecting Older People Index

Legend
Least deprived 20%   (107)
Next least deprived 20% (140)
Mid 20%   (104)
Next most deprived 20% (65)
Most deprived 20%   (25)

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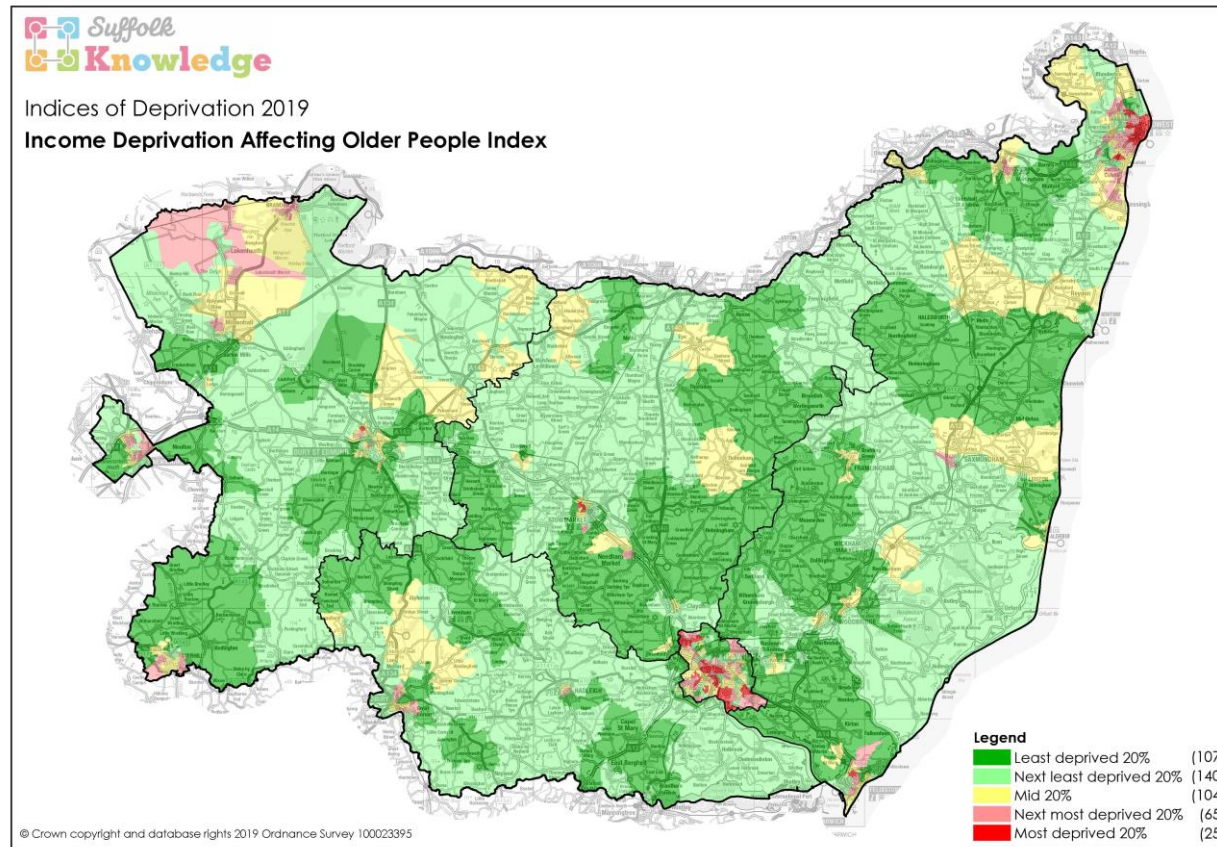
All Suffolk authorities have either remained the same or seen a decrease in relative deprivation in this supplementary index, with West Suffolk seeing the biggest change in ranks, moving from 204th in 2015 to 214th in 2019 – a movement of 10 places.

Although it is positive that there has not been an increase in any of the Suffolk authorities, Ipswich remains 95th out of 317 areas nationally, indicating above average income deprivation for older people in the area.

IDAOPI - Rank of average rank

	Babergh	East Suffolk	Ipswich	Mid Suffolk	West Suffolk
2019	243	202	95	252	214
2015	240	195	95	246	204

■ 2019 ■ 2015

WHAT DOES IT TAKE TO LIFT SOMEONE OUT OF POVERTY OR STOP SOMEONE FROM FALLING INTO POVERTY?

Changes in poverty are most commonly caused by the effect of four drivers

- The employment rate – increasing employment can reduce poverty because more people have additional earnings from work.

- How earnings for low-income families change compared with middle-income families – high earnings growth can reduce poverty if those with low incomes see their earnings grow at least as fast as earners around the median.

- How benefits and other income sources change compared with average earnings – benefits increasing faster than earnings can reduce poverty.

- How housing costs for poorer households change compared with income – a decrease in housing costs for poorer households, for example through access to cheaper housing, or a rise in incomes that outpaces the rise in rents, mortgages or other housing costs can reduce poverty.

Solutions to in-work poverty may not only be found within the workplace. Looking at local availability of childcare and transport would help with both accessing jobs and increasing hours of work.

- Full-time workers and workers who can increase their working hours or earn a promotion are more likely to progress out of poverty.

- People working part-time are least likely to move out of poverty.

- In-work poverty differs by sector – the highest levels are in accommodation (for example, working in hotels) and catering, followed by retail and residential care.

- Low-income workers are limited to working fewer hours on average than they used to, as they cannot find more hours to work.

  - Around 18% of workers in the bottom fifth of hourly pay rates say they would like to work more hours but those are not available, compared with 8% for all other workers.

  - Lack of affordable, flexible childcare and the cost and availability of transport often restrict the hours they can work.

  - The inflexibility and cost of childcare means they rely on informal care to bridge the gap between their hours and formal childcare options.

  - Low-paid workers are more likely to work non-standard hours, such as evenings, weekends or irregular shift patterns than other workers. Finding formal childcare to fit in with these work patterns is much more difficult. For example, more than four in five women working in service sectors such as retail, social care and hospitality work at least some weekends, with more than half working most weekends.

  - Low-income workers commute much smaller distances to work than higher income workers, and often have to drive to work so they can pick up their child on time from childcare.

Progressing out of poverty is easier for certain groups of workers than others, but increasingly difficult the longer they are in poverty.

Statistically significant **characteristics supporting or stopping progression out of poverty**
(Source: JRF)

Characteristics making someone more likely to:	Progress out of poverty	Get stuck in or cycle in and out of poverty
Family type	Being a single person, without any children in the household	Being a single mother
Individual characteristics	Not previously being in poverty Having a qualification	Previously being in poverty in the last eight years
Sector	Working in the civil service or other professional services	Working in the accommodation and retail sectors, currently or in the previous eight years
Where people work and live	Scotland or Northern Ireland	London or the North East
Work status	Working full-time, or increasing work hours Earning a promotion	Working part-time

Housing costs have risen since 2000/01 for households on low incomes who rent in the private and social rented sectors, while average housing costs have remained at similar levels for people paying a mortgage and outright owners.

- Home-ownership across the UK peaked around the year 2000, but steadily decreased to 2016/17, partly because lower-income households had worse access to mortgage finance following the recession.
- The UK private rented sector doubled in size between 2001/02 and 2017/18.

Different regions have been affected by these changes to different extents:

- Housing is least affordable for households in poverty in London, the South East and **the East of England**, and is most affordable in Northern Ireland.
- Private renters have the highest poverty rates in Wales and the North East.
- Social renters have the highest poverty rates in Wales, East Midlands, West Midlands and London.
- High rates of poverty are caused by a mix of high rents, low income, and how many families receive Housing Benefit and how much of the rent it covers, which will vary region by region.

- Growing number of HH, especially families with children, in private rented sector is part of the picture of rising poverty levels.

- Despite LA having to reduce rents by 1% a year between 2016 to 2019 – social sector rents have still become less affordable over the longer term, rising faster than inflation, taking up an increasingly high proportion of income.

If a HH has an income below the poverty line they are counted as being in poverty, however, the actual poverty line a household faces is dependent on the size and composition of the HH.

- It takes more money to reach the same living standard for a larger family than it does for a smaller family. In 2017/18, for example, a HH with two adults and two children (under 14) with an income of less than £366 a week would be in poverty, while a HH with a single adult and no children would only need an income of £152 a week or more to not be in poverty.

Poverty line for HH, equivalised, net disposable income AHC (2017/18)
Source: DWP, HBAI)

Household type	£ per week
Single with no children	152
Single with one child (under 14 years old)	204
Couple with no children	262
Couple with two children (under 14 years old)	366
Couple with three children (two under 14 years old, one aged 14 or over)	476
Couple, four children (two under 14 years old, two aged 14 or over)	586