



Northern Ireland
Assembly

Briefing Note

Profile of the Poorest 20% in Northern Ireland

The following broad brush estimates are derived from DSD published statistics from the 2008/09 Family Resources Survey.¹ The estimates relate only to the poorest 20% of the NI population.

- Approximately 350,000 individuals fall into this category, broken down roughly as follows:
 - 170,000 working-age adults
 - 100,000 children
 - 80,000 pensioners
- This translates into approximately 150,000 households made up of 180,000 benefit units², broken down roughly as follows:
 - 30,000 working-age couples with children
 - 25,000 working-age singles (over 80% female) with children
 - 15,000 working-age couples with no children
 - 50,000 working-age singles (about two-thirds male) with no children
 - 25,000 pensioner couples
 - 35,000 single pensioners (over 80% female)
- Approximately one-quarter of the 120,000 working-age benefit units and about 10% of the 60,000 pensioner benefit units are in receipt of Housing Benefit.
- Approximately 15,000 of the 120,000 working-age benefit units are in receipt of Disability Living Allowance.

¹ DSD report 'Households Below Average Income 2008/09' - http://www.dsdni.gov.uk/index/stats_and_research/stats-publications/stats-family-resource/households/hbai-2008-09.htm

² See DSD Family Resources Survey Reports (glossary at end of report) for definitions of 'benefit unit' and 'household' - http://www.dsdni.gov.uk/index/stats_and_research/stats-publications/stats-family-resource/family_resources/statistics_and_research-frs0809.htm

- Approximately 15,000 of the 120,000 working-age benefit units are in receipt of Incapacity Benefit.
- Approximately half of the 60,000 pensioner benefit units have at least one adult with a disability (although only about a quarter of these appear to be in receipt of DLA).
- In terms of tenure, 23% of the group live in NIHE/Housing Association accommodation; 16% in private rented accommodation; 23% in mortgaged homes; and 37% in owned outright homes.
- In general, the poorest 20% group contains a disproportionately high level of pensioner benefit units (one-third v just over 20%) and loan parent benefit units (roughly 14% v 7%) when compared to the overall NI profile.

Impact of Welfare Reform on Poorest 20% in Northern Ireland

- The median equivalised household income (i.e. net income, before housing costs, adjusted for household size) for this group was £197 per week in 2008/09; the upper threshold for the group was £237 per week (this compares with the 60% median poverty threshold of £222 per week).
- The Institute for Fiscal Studies (IFS) estimates that this group will lose about 5% of their income on average (i.e. an average of about £10 per week per household) as a result of tax and benefit changes to be introduced between 2010-11 and 2014-15³.
- This amounts to a total income loss of about £1.5 million per week (i.e. almost £80 million per year) for this group of approximately 150,000 households.
- The benefit reforms are likely to have the greatest impact on households in receipt of Housing Benefit and/or Disability Living Allowance.

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³ Institute for Fiscal Studies, 'The Impact of Tax and Benefit reforms to be Introduced between 2010-11 and 2014-15 in Northern Ireland' IFS Briefing Note 114, 2010 - <http://www.ifs.org.uk/publications/5369>