

Chapter 12:

Standard of living

Summary

In order to flourish in life, every person needs a basic level of financial security and decent housing. Yet some groups are far more likely than others to experience poverty, to lack access to financial products, or to live in substandard housing. The evidence shows stark disparities in relation to gender, disability, and ethnicity which in many cases result from the inequalities in education and employment outcomes described elsewhere in this Report.

Women are much more likely to be low paid than men throughout their working lives. This often translates into lower income in retirement as well. Women, particularly those who have been lone parents, are particularly susceptible to poverty in later life, as they are less likely to have been able to build up savings and pensions. Households headed by women are also more likely to live in overcrowded or substandard homes than those headed by men.

Disabled households tend to have less overall household income than those without, and working disabled people are more likely than average to be on low hourly pay. The fact that disabled people often spend periods of their working-age lives out of work increases their risk of poverty in later life. Disabled people are also less likely than average to have a bank account, and people who have learning disabilities are much less likely to have one. These worse outcomes are compounded by the extra costs associated with living with some impairments – the proportion of disabled pensioner households with low incomes is not significantly higher than that of non-disabled pensioner households, partly due to their receipt of disability benefits, but the standard threshold of low income makes no allowance for any extra costs of disability.

Meanwhile, some ethnic minority groups experience much worse outcomes than average – and even worse than might be expected, taking into account differences in age structures, educational attainments and other factors. People of Indian origin are more likely to have low household income than White people, despite the fact that a low proportion of Indians earn low hourly wages and they have higher than average educational attainments. More than half of Pakistani and Bangladeshi adults live in poverty and are also much less likely than average to have a current account or home contents insurance. Just over a quarter of Pakistani and Bangladeshi adults have formal savings, compared to two-thirds of White people. Asian and Black households are also several times more likely than White British households to live in overcrowded or substandard homes.

Finally this chapter highlights the gap between society's richest and poorest. The poorest 10% possess average wealth one hundredth the average wealth of the richest 10%. People in social housing are more likely to live in overcrowded conditions and are more likely to say that their local neighbourhood has problems with crime.

Introduction

Access to material resources can enable an individual to pursue their ambitions, to invest in their future, and to live in security and comfort. Consequently, for most of us, our standard of living is closely associated with our earnings and the quality of our home. A lack of material resources can make it harder to plan for the future, to exercise meaningful control over one's destiny, and to enjoy life. For those with the least material resources, a poor standard of living has a huge impact on life chances.

This chapter looks at different groups' access to some of those material resources and focuses on those with the least – low income, wealth inequality and overcrowded and substandard housing. In addition we look at local neighbourhood environment.

The political focus for much of the past decade has been, in broad terms, on alleviating the disadvantage among the poorest in society – in particular specific focus has been on the reduction of child poverty. Evidence suggests that the general public agree with the aim of greater equality of material resources: research shows that public opinion in Britain has consistently considered that the gap between rich and poor is too large.¹

However, in recent years the gap between the richest and the poorest has widened, and, despite some progress, significant numbers of people remain in poverty today. In many cases, the poor outcomes demonstrated in this chapter are influenced to a substantial degree by the different outcomes in education and employment discussed elsewhere in the report.

Indicators

- 1. Wealth**
- 2. Low pay and low income**
- 3. Housing and neighbourhood quality**
- 4. Financial exclusion**

¹ Orton, M. and Rowlingson, K. 2007. *Public Attitudes to Economic Inequality*. York: Joseph Rowntree Foundation. Page 6.

Under **wealth**, we use two detailed measures: median household wealth and the ratio of the 90th to the 10th percentile of wealth in each equality group.

Under **low pay and low income**, we give the percentage of employees who earn less than 60% of the median hourly wage, and the percentage of individuals in households with below 60% of median income after housing costs.

There are several measures examined under **Housing and neighbourhood quality**: overcrowded accommodation, substandard accommodation and the numbers of households reporting problems with pollution and crime.

For **financial exclusion**, we give the numbers of people without bank accounts and without home contents insurance, and the number of people using high-cost credit

As in the rest of Part II, this chapter explores what we know about these indicators and what the evidence tells us about the experiences of different groups.

12.1 What we know about wealth

Measure:

Wealth – Median (total net) household wealth for each equality group, its rank in the overall British distribution and the ratio of the 90th to the 10th percentile of household wealth within each equality group

How this measure works:

We use the National Equality Panel's analysis of the Wealth and Assets Survey (2009) of over 30,000 households in Britain from 2006-08. This allows us to report on age, ethnicity, disability, and religion or belief. We also give some separate figures for Scotland, England and Wales.

The wealth measure applies to the household representative person so gives no information about the within-household wealth levels, as it is not possible to distinguish between the assets of household members. Therefore in this section no gender breakdown has been provided. However, supplementary information about levels of savings does allow some gender comparisons.

There is very limited related literature for this measure for groups defined by sexual orientation and transgender, therefore they are not covered in this section.

Median wealth and rank

The median (total net) household wealth measure allows us to compare the 'typical' wealth of different equality groups, and where it is in the overall distribution for Britain. It reflects all wealth (a sum including cars and other possessions).

90:10 ratio

The 90:10 ratio provides a summary measure of inequality. It is the ratio between the values of an outcome for people in the top 10% and bottom 10% of a distribution. The greater this '90:10' ratio, the more unequal a distribution across most of its range.² This measure allows us to measure inequality in wealth 'within-group' i.e. the difference between the top 10% and bottom 10% of the same equality group.

² Hills, J. *et al.* 2010. *An Anatomy of Economic Inequality in the UK Report of the National Equality Panel*. London: Government Equalities Office. Glossary of terms. Page xi.

The within-group distributions must be treated with caution because of small sample sizes. For this reason, we cannot show wealth distribution within ethnic minority groups or for religion or belief. Results are marked with * in tables if they are not statistically significant. It should also be noted that wealth is accumulated (and used) throughout the lifecycle, and age differences need to be seen in this context. This will have important results for the wealth of groups with different age profiles, particularly the Pakistani and Bangladeshi groups whose age profiles are very young. Age-standardised differences are not possible due to small sample sizes.

Overview

Wealth is distributed even more unequally than income as people are able to accumulate different levels of wealth throughout their lives, leading to wider inequalities in wealth than in income levels alone.³ Well-known differences in house values make it unsurprising that wealth varies across Britain. **The total net household wealth of the top 10% of the population is at £853,000, almost 100 times higher than the wealth of the poorest 10%, which is £8,800 or below.**⁴

People in routine occupations typically have only a fifth the wealth of higher professionals, and White British households have median wealth 15 times that of Bangladeshi households, which can only partly be explained by the younger age profile of the latter group.⁵

What we know about the overall situation

Overall for Great Britain, data comparing the relative ranking of the median wealth of England, Scotland and Wales show that while England and Wales reflect the GB-wide average, Scotland is significantly worse off. The median wealth value in Scotland ranks only in the 42nd percentile in the GB-wide wealth distribution. The 90:10 ratio highlights that there are slightly higher wealth inequalities within England than Scotland and Wales.

³ Cabinet Office 2010. *State of the nation report: poverty, worklessness and welfare dependency in the UK*. London: Cabinet Office. Page 23.

⁴ Hills, J. *et al.* 2010. Page 58.

⁵ Hills, J. *et al.* 2010. Page 208.

Table 12.1.1 Total wealth inequality between and within countries in Britain, 2006/08⁶

Country/Region	Median wealth (£)	Rank in the overall distribution	90:10 ratio
GB Overall	204,500	50	97
England	210,600	50	96
Wales	205,500	50	90
Scotland	150,600	42	93

Source: Wealth and Assets Survey 2006/08.

What we know about the situation for different groups

Age

Table 12.1.2 shows a ‘hump-shaped’ pattern for the relationship between wealth and age, as people accumulate wealth during the working years and draw on it as they get older, as pensioners. The 90:10 ratio figure also shows that inequality within each age group is greater during working years (i.e. 25-55 years).

However, it should be noted that these results are influenced by ‘cohort’ factors, in other words the extent to which people born at particular times have been able to more easily build up pension wealth and or have gained from general rises in house prices.

⁶ Hills, J *et al* 2010 analysis of the Wealth and Assets Survey (2006-2008). Available at: http://www.equalities.gov.uk/national_equality_panel/publications/charts_and_statistical_annex/statistical_annex/wealth.aspx

Table 12.1.2 Total wealth inequality between and within age groups in Britain, 2006/08⁷

	Median wealth (£)	Rank in the overall distribution	90:10 ratio
GB Overall	204,500	50	97
Age of Household Representative Person			
16-24	12,900	12	46
25-34	65,900	28	80
35-44	174,900	45	77
45-54	287,800	60	68
55-64	416,100	72	48
65-74	306,000	62	37
75-84	225,200	52	46
85+	171,800	45	47

Source: Wealth and Assets Survey 2006/08.

Box 12.1.1 Related issue: Differences in wealth and savings**Gender**

The wealth analysis in this section does not allow for a detailed enough breakdown of wealth data between genders. A measure which does allow us to look at some gender differences in this area is the level of savings that men and women have each built up in their own right. We do the same for different ethnic minority groups and disabled people.

Analysis of the Family Resources Survey (FRS) in 2007/08 shows that there does not appear to be a significant difference in the levels of savings overall between the genders – 40% of men and 39% of women had no savings at all, and the median value of savings held by both men and women was £3,000.⁸

However, using longitudinal data from the British Household Panel Survey, one study compared men and women's savings over a 10 year time period and found that men who were married in 1995 had experienced a similar increase in the value of their savings and investments regardless of whether they divorced or stayed married. In contrast, women who divorced during this period saw a much smaller increase in the value of their savings compared to women who stayed married. The researchers found a similar pattern for women who became

⁷ Hills, J. *et al.* 2010. Table 8.1, page 214.

⁸ Lawton, K. and Platt, R. 2010. *Review of access to essential services: financial inclusion and utilities*. Institute for Public Policy Research. This paper is available on the Equality and Human Rights Commission's Triennial Review web pages. Page 17.

Box 12.1.1 Continued

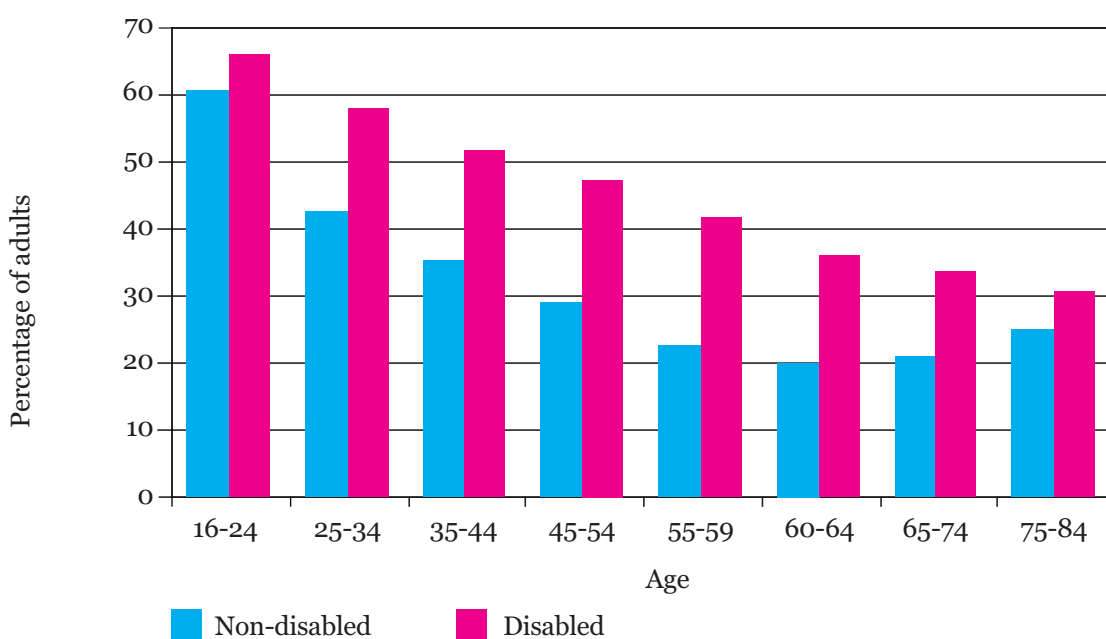
parents for the first time. They concluded that life transitions have a much more significant (and potentially negative) impact on women's savings than on men's.⁹

Disabled people

Overall, the median value of savings held by disabled people is greater than that of non-disabled people: £3,200 compared to £3,000. This is probably due to the volume of savings held by older disabled people, many of whom will not have been disabled during their working lives and will have been able to amass savings for retirement during their working lives.¹⁰

Examining access to savings, and broken down into age groups, Figure 12.1.1 shows that more disabled people than non-disabled people lack savings in each age group. The difference is small at extremes in the age spectrum but wide in the middle; in the 55-59 year age group, for example, the proportion of non-disabled people lacking savings is 23% while the figure for disabled people is 42%.

Figure 12.1.1 Proportion of disabled and non-disabled adults in each age group who lack formal savings in the UK, 2007/08¹¹



Source: Family Resources Survey 2007/08.

Note: Respondents reporting a disability defined by the Disability Discrimination Act.

⁹ Lawton, K. and Platt, R. 2010. Page 18.

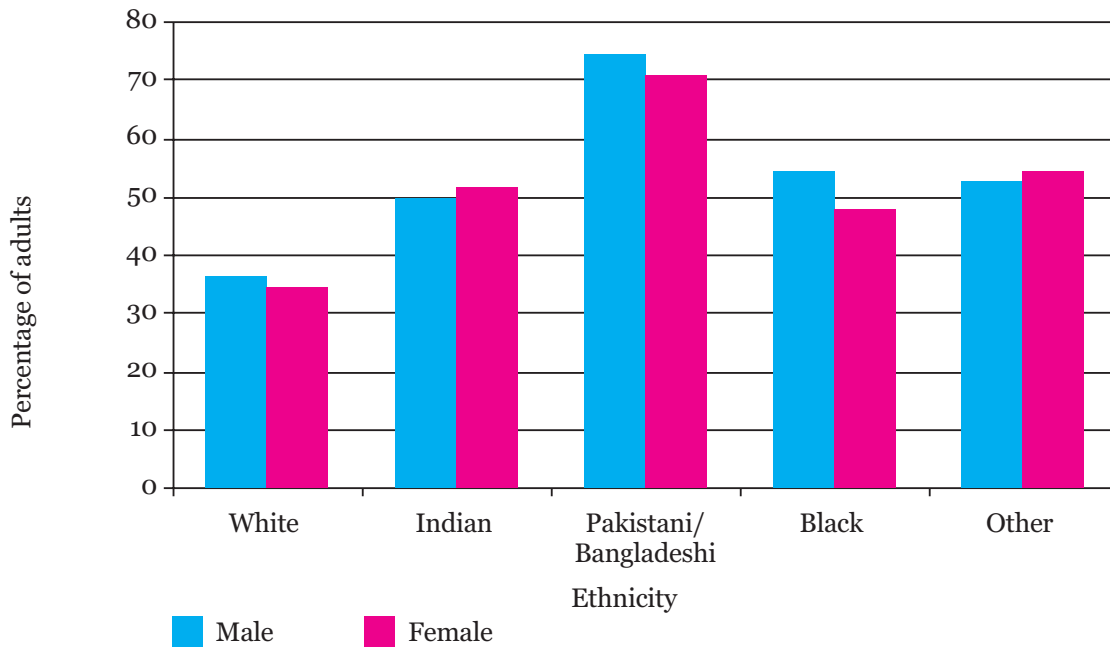
¹⁰ Lawton, K. and Platt, R. 2010. Page 33.

¹¹ Lawton, K. and Platt, R. 2010. Page 33.

Box 12.1.1 Continued**Ethnicity**

The figure below shows no statistically significant difference between the genders in terms of the proportions who lack savings by ethnic minority groups. Disparities between the different ethnic groups are much larger. Overall, whilst 35% of White people do not have savings, this rises to 73% for the Pakistani/Bangladeshi group.

Figure 12.1.2 Proportion of adults who lack formal savings, by ethnic group in the UK, 2007/08¹²



Source: Family Resources Survey 2007/08.

Analysis of the FRS of the value of savings held by adults from different ethnic background shows that although people from an Indian background are less likely than White people to have savings, when they do have savings, their median value is almost identical to the value of savings held by White people, at £3,000. However, adults from other ethnic minority backgrounds tend to have lower value savings than White people. The median value of savings held by Black people is the lowest of all the five groups covered by the FRS, at £2,000 (note sample sizes are small i.e. Black people N=108).¹³

Socio-economic groups

Unsurprisingly, in line with patterns of income inequality, the relationship between occupational class and wealth distribution shows a disadvantaged position for those with lower levels of occupational status. As we move up the occupational ladder, the median wealth level and rank in the distribution increases, and notably the degree of within-group inequality actually decreases,

¹² Lawton, K. and Platt, R. 2010. Page 24.

¹³ Lawton, K. and Platt, R. 2010. Page 25.

shown in the 90:10 ratio. The 90:10 ratio for higher professionals is 25, compared to 92 for those in routine occupations and 117 for those who have never worked or are long-term unemployed, showing wide in-group difference for these categories. These patterns require further analysis in order to understand what is causing such differences within these socio-economic groups.

Table 12.1.3 Total wealth inequality between and within socio-economic groups in Britain, 2006/08¹⁴

	Median wealth (£)	Rank in the overall distribution	90:10 ratio
GB Overall	204,500	50	97
Socio-economic classification (NS-SEC) of Household Representative Person			
Large employers and higher managerial	532,500	79	16
Higher professional	450,500	74	25
Lower managerial and professional	325,000	64	31
Intermediate occupations	200,400	49	44
Small employers and own account workers	236,600	54	37
Lower supervisory and technical	161,100	43	60
Semi-routine occupations	86,700	32	88
Routine occupations	74,000	30	92
Never worked/long-term unemployed	15,000	13	117

Source: Wealth and Assets Survey 2006/08.

Disability

The data in Table 12.1.4 below show that households with a member with a long-standing illness or disability do not appear particularly disadvantaged in the wealth distribution compared to households where there is no disability (ranked as 49 compared to 50 for GB overall). However, the 90:10 ratios show great inequality within the profile of disabled households compared to households without disabled people. However, without impairment specific data it is not possible to establish the extent to which wealth is affected by different impairments and by the age profile, causing this wide inequality in wealth levels between disabled people.

¹⁴ Hills, J. *et al.* 2010. Table 8.3, page 215.

Table 12.1.4 Total wealth inequality between and within the disabled and non-disabled population in Britain, 2006/08¹⁵

	Median wealth (£)	Rank in the overall distribution	90:10 ratio
GB Overall	204,500	50	97
Disability within household			
Households where there is a disability/long-standing illness	198,200	49	104
Households where there is no disability/long-standing illness	209,900	50	84

Source: Wealth and Assets Survey 2006/08.

Ethnicity

For ethnicity, we can only report on the median ranking in the wealth distribution because sample sizes are generally too low to undertake reliable within-group analysis. The varying age profiles of ethnic groups must be borne in mind when analysing these statistics, as is the proportion of recent migrants. Such groups have had a shorter period in which to accumulate wealth in Britain, hence their poor performance on measures of wealth equality.

The data show that the Bangladeshi and Black African groups are positioned very low in the wealth distribution, as are the Pakistani, Black Caribbean and Chinese groups. When contrasted with their educational outcomes the Chinese population's wealth levels are strikingly low, because they actually perform extremely well in education compared with some other ethnic minority groups (for more information see Chapter 10: Education). The Indian and White British groups are ranked close to the middle of the wealth distribution indicating no significant disadvantage relative to the wider population.

¹⁵ Hills, J. *et al.* 2010. Table 8.2, page 215.

Table 12.1.5 Total wealth inequality between ethnic groups in Britain, 2006/08¹⁶

	Median wealth (£)	Rank in the overall distribution
GB Overall	204,500	50
Ethnicity of Household Representative Person		
White British	220,700	52
Indian	203,300	49
Other	111,300	36
Other White	99,300	34
Pakistani	96,900	33
Black Caribbean	75,500	30
Chinese	66,300	28
White and Black African	*	*
White and Asian	*	*
Other Mixed	*	*
Other Black	*	*
Other Asian	49,500	25
White and Black Caribbean	35,200	21
Black African	20,600	16
Bangladeshi	15,000	13

Source: Wealth and Assets Survey 2006/08.

Religion or belief

Due to sample sizes, we can only report on the median ranking of wealth, as with ethnicity above. In terms of religion or belief, while Muslim and Buddhist groups have the lowest levels of wealth of all groups, this must once again be viewed in the context of the age profile of those populations. These groups have a significantly younger age profile than the other religious groups, including Christian, Hindu, Jewish and Sikh. However, further analysis is required to explain the outcome for the secular and 'other' groups.

¹⁶ Hill, J. *et al* 2010 analysis of the Wealth and Assets Survey (2006-2008). http://www.equalities.gov.uk/national_equality_panel/publications/charts_and_statistical_annex/statistical_annex/wealth.aspx

Table 12.1.6 Total wealth inequality between and within religious groups in Britain, 2006/08¹⁷

	Median wealth (£)	Rank in the overall distribution
GB Overall	204,500	50
Religion of Household Representative Person		
Christian	222,900	52
Buddhist	74,800	30
Hindu	206,100	50
Jewish	422,100	72
Muslim	41,600	23
Sikh	228,700	53
Any other religion	161,100	43
No religion	138,500	40

Source: Wealth and Assets Survey 2006/08.

¹⁷ Hill, J. *et al* 2010 analysis of the Wealth and Assets Survey (2006-2008). http://www.equalities.gov.uk/national_equality_panel/publications/charts_and_statistical_annex/statistical_annex/wealth.aspx

12.2 What we know about low pay and low income

Measures:

Low pay – Percentage of employees who earn less than 60% of the median hourly wage

Low household income – Percentage of individuals in households with below 60% of median household income, after housing costs (for working-age and pensioner households)

How these measures work:

These measures allow for breakdowns by gender, ethnic group, religion or belief, disability status and age across Britain, as well as gender and disability figures for England, Scotland and Wales for low pay.

Disability data are not broken down into specific impairments.

Both the pay and the income measure are compared to a threshold of low earnings/income set at 60%, which is a commonly used threshold to denote poverty.

Low pay

The low hourly pay measure (taken from the Labour Force Survey 2009) does not measure an individual's overall level of income or living standard since this depends on how many hours someone works, who they live with and what the rest of the household may earn. However, it is an indicator of the *potential* that each individual has to contribute to their own standard of living through work, and is comparable between groups.

Low household income

The low household income measure is taken from the 'Households Below Average Income (HBAI)' figures for 2008/09, derived from the Family Resources Survey. This includes all the income coming into households, 'after housing costs' i.e. disposable income from all sources, once people have paid for their rent/mortgage and taxes.

We measure household income 'after housing costs', because housing costs represent a very significant part of household expenses, especially for those on low incomes.¹⁸

¹⁸ Alkire, S. *et al.* 2009. *Developing the Equality Measurement Framework: selecting the indicators. Research Report 31. Manchester: Equality and Human Rights Commission.* See discussion in chapter 9.

The disadvantage compared to measuring household income ‘before housing costs’ is that ‘after housing cost’ income is affected by wide variations in housing costs that are often beyond people’s control (e.g. geographic variations) or may be due to an individual’s choice to live in a more expensive house or neighbourhood.

Overview

Women are much more likely to be low paid and remain vulnerable to poverty both as lone parents and as single pensioners, as their incomes are affected by the extent to which they are able to build up savings and pensions in their own right.

Disabled people often spend periods of their working-age lives out of work, which increases their risk of poverty while they are of working age and in retired life.

Using a standard measure of low income (60%) for households with disabled people understates the extent to which these households experience reduced quality of life by not taking into account the extra costs associated with disability.

These measures show that poverty through low pay and low income is higher than average for ethnic minorities. Some particular groups, like those of Indian origin, have a greater than average risk of low household income compared to White people, even though they do better than average on dimensions like educational attainment. Some have very high poverty rates – notably, nearly two-thirds of Bangladeshi and Pakistani households have low household income.

What we know about the overall situation and trends

Low hourly pay

Across Britain, 14% of working-age people in work earn less than 60% of the median hourly earnings level. The figure is the same for England and Scotland. In Wales, rates are slightly higher, with 16% of people earning less than 60% of the median.¹⁹

Low household income

22% of individuals in the United Kingdom live in households with an income below 60% of the median after housing costs, which equates to 13.4 million people including children.²⁰ This is a slight decrease since 1996/97, when 25% of

¹⁹ Equality and Human Rights Commission analysis of Office for National Statistics (ONS) Annual Population Survey (October 2006–September 2009). Results averaged over three years’ data.

²⁰ Joyce, R., Muriel, A., Phillips, D. and Sibieta, L. 2010. *Poverty and Inequality in UK – 2010*. London: Institute for Fiscal Studies. Table 4.1, page 38.

the population or 14 million people were below the threshold. In 2002/03 there were 2.5 million (24% of the total) pensioners living below this poverty line; this decreased to 1.8 million (16%) in 2008/09.

What we know about the situation for different groups

Gender and age

Table 12.2.1 below shows that, across Britain, a higher proportion of women than men earn less than 60% of the median hourly wage. The proportion of men and women, but particularly women, earning less than 60% of the median is highest in Wales.

Table 12.2.1 Percentage of employees with gross earnings less than 60% of the hourly median, Britain, 2006/09²¹

	GB		England		Scotland		Wales	
	%	Total Base	%	Total Base	%	Total Base	%	Total Base
Men	10	120,469	10	86,524	10	20,473	13	13,393
Women	17	132,034	17	93,625	17	23,164	20	15,324
Age:								
16-34 yrs	20	79,274	20	58,049	22	12,331	25	8,702
35-54 yrs	9	130,080	9	91,848	8	23,541	11	14,809
55+	13	43,149	13	30,252	13	7,765	15	5,205
Total	14	252,503	14	180,148	14	43,637	16	28,717

Source: Annual Population Survey October 2006-September 2009.

Across the age ranges there is a bell-curve pattern in earnings that are at the maximum point around the prime working-age of 25-65 years, with more people likely to be earning less than 60% of the median at the younger and older ends of the spectrum.

More people have low earnings in the 16-34 age group in Scotland and Wales compared to Britain as a whole. In Wales, this disparity continues across all age groups, with rates only starting to equalise across Britain in the older age groups (55 plus), although rates remain higher in Wales.

Low household income

Working age

At the UK level, Table 12.2.2 below shows a greater proportion of women living in households which have a household income below the 60% median income level compared to men. This reflects the circumstances set out in preceding chapters in

²¹ Equality and Human Rights Commission analysis of ONS Annual Population Survey (October 2006-September 2009). Results averaged over three years' data.

relation to the experiences of women of employment outcomes, pay gaps, breaks in employment and prevalence of part-time and insecure employment. Women still earn less, and are more likely to work part-time or periodically, meaning there is a greater chance of women's poverty levels accumulating over the lifetime, a fact illustrated by the figures for pension age individuals in the next section.²²

Pension age

Table 12.2.2 also shows that more women pensioners live in households with a low income compared to male pensioners, 17% of women pensioners compared to 14% of men.

Table 12.2.2 Percentage of individuals living in households below 60% of median income, after housing costs in the UK, 2008/09²³

	Adults of working age %	Individuals in pensioner households %
Men	20	14
Women	22	17

Source: Households Below Average Income 2008/09.

In general, women are less likely to qualify for state pensions than men. For example, in 2008, 60% of women compared with 10% of men reaching State Pension Age were entitled to less than the full amount of the Basic State Pension (BSP).²⁴ This is generally because women tend to have more gaps in employment and spend more time in part-time work. Women are less likely to accrue their full entitlement to the Second State Pension (S2P) as the qualifying years for S2P have not been reduced and the crediting system has been less flexible than for BSP.

Women are also less likely to be saving into a private pension.²⁵ Family Resources Survey data for 2005/06 show that 43% of men were contributing to a private pension compared to 37% of women.²⁶ This gap had narrowed slightly over the

²² Bellamy, K. and Rake, K. 2005. *Money, money, money: Is it still a rich man's world?* London: Fawcett Society. Page 30.

²³ Department for Work and Pensions (DWP) 2010. *Households Below Average Income: An analysis of the income distribution 1994/95 - 2008/09*. London: DWP.

²⁴ Lawton, K. and Platt, R. 2010. Page 18. For further pay gap discussion see Chapter 11: Employment.

²⁵ Bellamy, K. and Rake, K. 2005. Page 44.

²⁶ Lawton, K. and Platt, R. 2010. Page 19. Pension estimates from the FRS have not been issued since 2005/06 due to data issues. ONS expects revised pensions data from the FRS to be available in the 2009/10 dataset.

preceding five years, with a 6 percentage point fall in the proportion of men who were contributing to a private pension between 1999/2000 and 2005/06 but almost no change for women.²⁷

One research study suggests that women's risk of poverty may be related to marriage history: women who married before age 21, or who had experienced divorce (especially after age 45) or who had been widowed (especially before age 45) were more likely to be poor in later life. Women who had a child before age 23 were more likely to experience late-life poverty.²⁸

Box 12.2.1 Related issue: Children in poverty

In 2008/09, there were 3.9 million (30%) children living in UK households below 60% of median household income after housing costs. Compared to 2007/08, this represents a fall of 0.1m, from 4.0 million (31%), although numbers have fluctuated between 3.6 and 4.0 million since 2002.²⁹

Household composition: Poverty experienced by parents will obviously impact on their children, but children of lone parents are more likely to live in poverty. Half of all lone parent families in the UK are on low incomes, more than twice the rate for couples with children. However, this figure is an improvement compared to a decade ago, when 60% of all people in lone parent families were in low income households. Overall, female lone-parents are much more likely to be in low income households than their male equivalents.³⁰

Disability: Table 12.2.3 below shows that children living in a household with disability are more likely to live below the 60% median income level, indicating an important link between child poverty and disability. It has been estimated that it costs on average, an additional £99.15 a week to bring up a disabled child and that benefits are not enough to cover the extra costs.³¹

²⁷ Lawton, K. and Platt, R. 2010. Page 19.

²⁸ Glaser, K. *et al.* 2009. *Life course influences on poverty and social isolation in later life*. London: Equality and Human Rights Commission and Age UK. Multivariate analyses were not used to test the significance of the timing of marital events, as these analyses focused on all women and not just those with the experience of specific events. Page 31.

²⁹ Joyce, R *et al.* 2010. Table 4.1. Page 38.

³⁰ The Poverty Site. Poverty indicators. 'Low income by family type'. Analysis of Households Below Average Income data 2005/6 -2007/8 Available at: <http://www.poverty.org.uk/05/index.shtml?2> and <http://www.poverty.org.uk/07/index.shtml?2> Accessed 11/08/2010.

³¹ Barnardo's 2007. *It Doesn't Happen Here: The reality of child poverty in the UK*. London: Barnardo's.

Box 12.2.1 Continued

Ethnicity: Data from 2003-06 show that 26% of White British children were living in households with below 60% of median household income after housing costs compared to 73% of Bangladeshi children, 57% of Pakistani children, and 57% of Black African children.³²

It is suggested that lone or couple parent status, or numbers of children in each household, does not completely 'explain' the risk of poverty experienced by different ethnic minority groups, due to the variations in rates experienced within the different groups. Patterns of deprivation, persistent poverty and worklessness are all key to understanding the specific experiences of ethnic minority families:

"If a short summary were possible it would read: Indian children are poor despite family characteristics which are associated with lower risk, black Caribbean and black African children are poor predominantly because of their family characteristics (and the risks that go with them); Pakistani and Bangladeshi children are poor partly because of their characteristics but also to a much greater degree than their family characteristics would suggest".³³

Disability***Low hourly pay***

For Britain as a whole and for England and Scotland specifically, 16% of disabled people are earning less than 60% median hourly income (compared to 13% non-disabled people GB-wide and in England and Scotland). However, in Wales 17% disabled people are in the low hourly earning category compared to 16% non-disabled people (difference between these figures not significant).³⁴

Low household income

Working age: Table 12.2.3 below shows that 19% of households where there are no disabled adults or children have low household income. In households where either an adult or child are disabled (but not both), the rate is higher at 29% and 28% respectively. Households with one or more disabled adult and one or more disabled child have a poverty rate of 38%. Whilst these figures show distinct disadvantage for disabled people, without impairment-specific data this overall association between disability and poverty is not very informative. Particularly it doesn't capture the extent to which the '60% threshold' is a fair assessment of low income for disabled households, as their living costs may vary considerably.³⁵

³² Platt, L. 2009. *Ethnicity and child poverty*. DWP Research Report 576. London: DWP, analysis of pooled Households Below Average Income data, 2003/04, 2004/05 and 2005/06 for GB. Page 27.

³³ Platt, L. 2009. Page 152.

³⁴ Equality and Human Rights Commission analysis of ONS Annual Population Survey (October 2006–September 2009). Results averaged over three years' data.

Pension age: The rates for disabled pensioners living in low income households is slightly lower than that of non-disabled households, suggesting that, according to this measure at least, disabled pensioners do not experience greater poverty than the rest of the pension age population. This may be because the level of state benefits for pensioners provides an effective income floor that prevents significant numbers from falling below the 60% poverty threshold. As for working-age people, it should be noted that the 60% benchmark of 'low income' does not take into account extra costs of living for some disabled people.

Disabled people are not a homogeneous group. As with wealth, some types of impairments can have a more acute impact on poverty levels incomes than others, due to the impact on employment levels, living costs etc. In general, disabled people of working age, as set out in Chapter 11: Employment, are less likely to be in work, are lower paid and retire earlier – all of which have an impact on working and pension age poverty, and this is therefore an area that warrants further research.³⁶

Table 12.2.3 Percentage of individuals living in households below 60% of median income, after housing costs in the UK, 2008/09³⁷

	Adults of working age %	Individuals in pensioner households* %
No disability in household	19	17
One or more disabled child, no disabled adult	28	
One or more disabled adult, no disabled child	29	15
One or more disabled adult and one or more disabled child	38	

Source: Households Below Average Income 2008/09.

* No breakdown in terms of children's disability available for pensioner data.

³⁵ Parekar, G. 2008. *Disability Poverty in the UK*. London: Leonard Cheshire Disability.

³⁶ Lawton, K. and Platt, R. 2010. Page 34.

³⁷ DWP 2010.

Ethnicity

Low hourly pay

We can only report on Britain-wide results due to sample sizes. There are disproportionately large numbers of Bangladeshi, Pakistani and 'Other Asian' employees with low earnings, reflecting in general their employment profile.

Table 12.2.4 Percentage of employees with gross earnings less than 60% of the hourly median, Britain, 2006/09³⁸

	Earnings less than 60% of median hourly earnings	Total Base
White British	13	221,686
Other White	15	14,419
Indian	12	4,210
Pakistani	25	1,517
Bangladeshi	26	511
Other Asian	20	1,473
Black Caribbean	12	1,697
Black African	14	2,040
Chinese	15	775

Source: Annual Population Survey October 2006-September 2009.

Note: Entries in **bold** signify estimates with lower precision.

Low household income

Working age: The ethnicity data in Table 12.2.5 show that 19% of individuals who live in a household in which the head of the household is White British live below the 60% median income poverty threshold. The Indian population performs slightly worse at 26%, while all other ethnic groups perform much worse – 37% of Black/Black British headed households and 34% of 'Mixed' and 'Other' ethnic minority headed households have an income below the 60% level. By far the worst performing group is the Bangladeshi/Pakistani population, with 56% of households living below the 60% level, a figure which is possibly partly affected by the larger average household size of Bangladeshi and Pakistani families and lower levels of employment, particularly for women.

³⁸ Equality and Human Rights Commission analysis of ONS Annual Population Survey (October 2006-September 2009). Results averaged over three years' data.

Table 12.2.5 Percentage of individuals living in households below 60% of median income, after housing costs in the UK, 2006/08³⁹

Characteristic of head of household*	Adults of working age%	Individuals in pensioner households%
White	19	17
Mixed	34	n/a
Indian	26	31
Pakistani/Bangladeshi	56	49
Black/Black British	37	31
Other	34	30

Source: Households Below Average Income 2008/09.

* Ethnicity data are based on three-year averages due to the small sample size of all of the ethnic minority groups. For this reason the data should be treated with caution.

The income division within a household between genders is not evident in this measure, so the specific experiences of individual household members are hard to pinpoint. In the UK, a 2005 Fawcett Society survey estimated that 40% of ethnic minority women live in poverty; One-fifth of White women and two-fifths of Black women live in poverty, while poverty extends to almost two-thirds of Pakistani and Bangladeshi women.⁴⁰

Pension age

Similar patterns are shown among the pension age population. Table 12.2.5 shows that at the higher end of the scale, 17% of White pensioners are living in poverty whilst at the bottom end, 49% of Bangladeshi/Pakistani pensioners live in poverty.

Within ethnic groups, poverty rates are slightly lower among the pension age population as compared to working-age adults, except among the Indian population for whom pensioner poverty is a full 5% higher. This may in part be due to the low take-up of pension credit for this group.⁴¹ The extent to which some ethnic minority households are multi-generational can reduce or increase pension poverty for the retired members of the household, depending on the earnings of the working household members.⁴²

³⁹ DWP 2010.

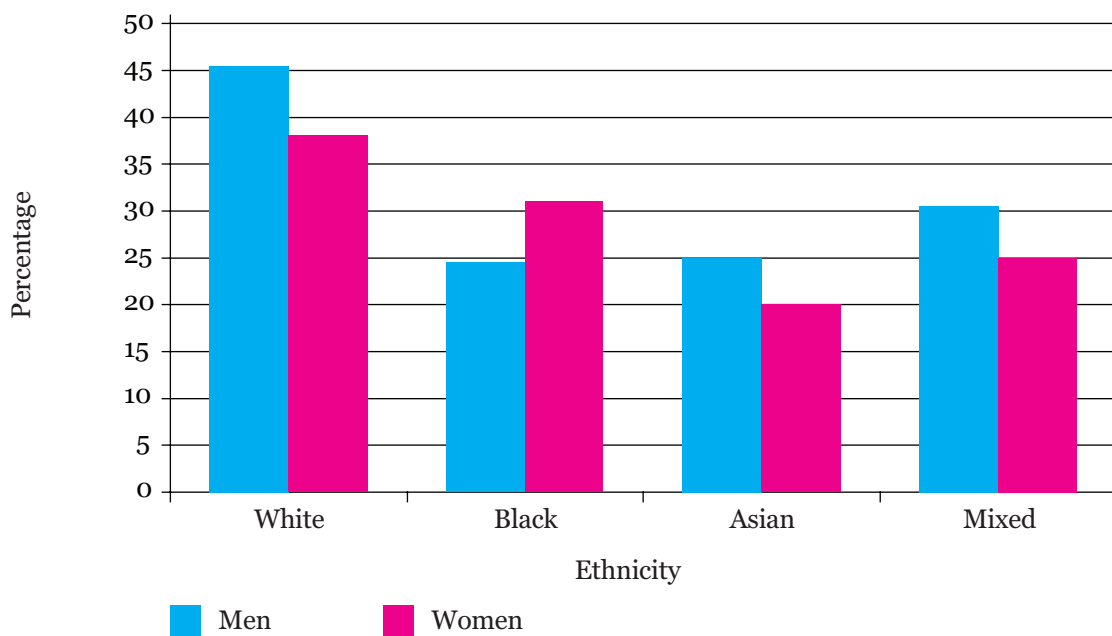
⁴⁰ Bellamy, K. and Rake, K. 2005. Page 50.

⁴¹ House of Commons. Work and Pensions Committee – *Fifth Report Tackling Pensioner Poverty. Session 2008-2009 Volume I*. Page 39. ‘The shortcomings in the data make it impossible to confirm whether higher BME poverty rates are due to low take-up of Pension Credit. However the extremely high levels of poverty suggest that this must be a factor.’⁴¹

⁴² Platt, L. 2007. *Poverty and Ethnicity in the UK*. Great Britain: The Policy Press. Page xi.

Chapter 11: Employment, shows that many ethnic minorities groups are more likely than others to have the characteristics associated with lower pension incomes – for example, lower employment and earning levels overall, and erratic or part-time employment patterns. They are therefore less likely to qualify for a state pension or accrue a private pension. Some groups such as Pakistani people are more likely to be self-employed and do not build up entitlement to a state second pension.⁴³

Figure 12.2.1 Percentage of working-age men and women with a private pension by ethnicity in the UK, 2004/05⁴⁴



Source: Calculations based on Family Resources Survey 2004/05.

Gypsies and Travellers have few qualifications and low employment and earnings profiles (see Chapter 11: Employment and Chapter 10: Education) resulting in higher risk of poverty. This is especially the case for older age groups. Those who live to pensionable age are poorly placed to receive pension income. Most are self-employed or casually employed; highly mobile; or have worked in relatively low-skilled manual trades. It is unlikely that they will have paid sufficient, if any, national insurance contributions that would give entitlement

⁴³ Steventon, A. and Sanchez, C. 2008. *The under-pensioned: disabled people and people from ethnic minorities*. Research Report 5. Manchester: Equality and Human Rights Commission.

⁴⁴ Lawton, K. and Platt, R. 2010. Page 26.

to a full pension. Women are particularly unlikely to have made contributions towards retirement, as a result of caring responsibilities and casual employment throughout their lifetimes. Individuals from Gypsy and Traveller communities without a birth certificate or adequate official documentation relating to period of residence in the UK and address are unable to access to anything other than basic state pension benefits.⁴⁵

Box 12.2.2 Related issue: Material deprivation

The Equality Measurement Framework proposes a measure of material deprivation (which is a score based on the extent to which people feel they can afford a range of identified necessities. A score of 25 or more is regarded as indicative of deprivation). This measure is then applied to those who live in households above 60% median income level.⁴⁶ Combining these two measures allows us to identify those who, although not in receipt of particularly low income, nonetheless find it difficult to afford things like keeping the house warm, or replacing furniture.

In other words, this measure covers those for whom the low income measure doesn't appear to capture the true cost of living. These groups may include disabled people or others who face excessive additional costs in daily living, people who experience relatively low income over sustained time or who face periods of no income and are consequently unable to accrue a safety net of savings.

This measure is in development and therefore not reported here, but the general approach is highlighted in a 2009 report by Lucinda Platt for the Department for Work and Pensions *Ethnicity and Child Poverty*. This publication examines the varying income and deprivation levels of different ethnic minority families. As this table (below) from the report shows:

- Unsurprisingly, average deprivation scores are higher for low income households compared to those with an income above 60% of the median.
- However, the fact that patterns vary in terms of average deprivation scores for households above and below the 60% median income level suggest that the measure of deprivation is showing something additional to the household income measure alone.
- In particular, it shows that those who live above the 60% level still may face high levels of hardship – average deprivation scores for Black African and Bangladeshi households above 60% level approach the average deprivation score for White households living below the 60% level.

⁴⁵ Cemlyn, S. *et al.* 2009. *Inequalities experienced by Gypsy and Traveller communities*. Research Report 12. Manchester: Equality and Human Rights Commission.

⁴⁶ Alkire, S. *et al.* 2009. Chapter 9. Page 252.

Box 12.2.2 Continued**Table 12.2.6** Average deprivation scores in poor and non-poor families with children in the UK, 2004/05, 2005/06⁴⁷

	All families with children	Poor families with children (below 60% median income level – BHC)	Non-poor families with children (above 60% median income level – BHC)
White	14	29	11
Mixed groups	22	36	18
Indian	14	29	10
Pakistani	27	36	20
Bangladeshi	32	38	25
Black Caribbean	22	33	18
Black African	30	47	23

Source: FRS 2004/05, 2005/06, pooled, weighted.

Note: Bold figures indicate a statistically significant difference in scores compared to White majority households. This published table uses an income poverty measure of below 60% of median equivalent income 'before housing costs' (BHC), which is different to indicator 2 of this report, which uses income 'after housing costs' (AHC).

Base = 14,773

The analysis goes on to use regression modelling to determine whether being from an ethnic minority group increases deprivation score, relative to White households, controlling for characteristics such as family size, work and disability status, location and housing tenure.

The analysis shows that even when such characteristics are controlled for, higher deprivation rates for ethnic minority households remain – one notable result is for Indian households who in the table above perform relatively well in the average scores, and also in our indicator measures (Tables 12.2.4 and 5). When family characteristics are controlled for, Indian families appear significantly more deprived than their White comparators in spite of relatively good performance in low pay and income.⁴⁸

Asylum seekers: A group particularly at risk of deprivation are asylum seekers. Here, we are limited to very small studies, as they are a marginalised group, in order to highlight some of the issues. Those seeking asylum in the UK are not allowed to work while waiting for their case to be decided.⁴⁹ If at risk of

⁴⁷ Platt, L. 2009. Page 83.

⁴⁸ Platt, L. 2009. Page 85.

⁴⁹ If the asylum case takes more than a year, the individual can apply for the right to work.

Box 12.2.2 Continued

becoming destitute in the meantime, they can apply for ‘section 95’ subsistence support which if they qualify, covers:

- Housing (based on a dispersal programme – see housing section below) and cash support at around 70% of benefit levels⁵⁰
- Partial cash support to those staying with friends or family

Once an application for asylum is rejected and the appeal process exhausted, the individual concerned is able to apply for ‘section 4’ support if they are unable to leave the UK. This includes accommodation and a living allowance of £35 per week using pre-paid cards rather than cash (replacing voucher schemes which have been used previously). In March 2010 there were approximately 8,660 individuals in receipt of section 4 support.⁵¹

This level of low income may cause a range of issues. The pre-payment cards only allow £5 to be carried over each week preventing individuals from saving for more expensive items, and cannot be used in all stores, such as charity shops.⁵² Delays and errors in assessment of eligibility for financial support may cause destitution in the interim – a large number of agencies argue that asylum seekers face significant poverty and even resort to begging and prostitution to survive whilst waiting for a decision on subsistence support.⁵³ A survey of 97 support organisations conducted by the Refugee Council in 2008 (at a time when vouchers rather than pre-paid cards were in use) found that nearly three-quarters reported their clients experiencing hunger, and 81% of respondents did not believe that clients were able to maintain good health.⁵⁴

- ⁵⁰ Some agencies have questioned the value of this proportion due to increases in line with the Consumer Price Index, arguing for more realistic values as 66% of benefit levels for families and 55% benefit levels for those without children. See Williams, R., and Kaye, M., 2010. *At the end of the line. Restoring the integrity of the UK’s asylum system*. Still Human, Still Here. Page 31. available at <http://stillhumanstillhere.files.wordpress.com/2009/01/at-the-end-of-the-line-2010.pdf> Accessed 23/09/10.
- ⁵¹ Home Office 2010. *Control of Immigration: Quarterly Statistical Summary UK. January to March 2010*. Statistical Bulletin. Available at: <http://rds.homeoffice.gov.uk/rds/pdfs10/immiq110.pdf> Accessed 02/09/2010.
- ⁵² Williams, R. and Kaye, M. 2010. Page 42.
- ⁵³ Aspinall, P. and Watters, C. 2010. *Refugees and asylum seekers: A review from an equality and human rights perspective*. Research Report 52. Manchester: Equality and Human Rights Commission. See also Williams, R. and Kaye, M. 2010. Page 36 and Refugee Survival Trust, 2005. *‘What’s going on?’ A study into destitution and poverty faced by asylum seekers and refugees in Scotland*. Scotland: Refugee Survival Trust. Page 15.
- ⁵⁴ Doyle, L. 2008. *More Token Gestures: A report into the use of vouchers for asylum seekers claiming Section 4 support*. Refugee Council Report. London: British Refugee Council.

Religion or belief

Low hourly pay

We can only report on Britain-wide results due to sample sizes. There is a fairly wide variation between groups based on religious affiliation as shown in Table 12.2.7, with Muslim groups performing particularly badly. This reflects in general their employment outcomes set out in Chapter 11: Employment.

Table 12.2.7 Percentage of employees with gross earnings less than 60% of the hourly median in the UK, by religious affiliation, 2006/09⁵⁵

	Earnings less than 60% of median hourly earnings	Total base:
Christian	14	190,582
Buddhist	16	796
Hindu	12	2453
Jewish	8	707
Muslim	23	3887
Sikh	15	1140
Any other religion	13	2223
No religion at all	13	50,559

Source: Annual Population Survey October 2006-September 2009.

Note: Entries in **bold** signify estimates with lower precision.

Low household income

It is not possible to look at household income by religion or belief.

Sexual orientation

While large-scale data may not be available, many surveys suggest that the lesbian, gay and bisexual (LGB) community has a generally favourable socio-economic position.⁵⁶ Qualitative data suggest that poverty is not a major factor (or concern) for LGB people, with LGB people not feeling particularly anxious about their economic future/security.⁵⁷

⁵⁵ Equality and Human Rights Commission analysis of ONS Annual Population Survey (October 2006-September 2009). Results averaged over three years' data.

⁵⁶ Mitchell, M., Howarth, C., Kotecha, M. and Creegan, C. 2009a *Sexual orientation research review 2008*. Research Report 34. Manchester: Equality and Human Rights Commission. Page 168.

⁵⁷ Quilgars, D., Jones, A., and Abbott, D. 2008. *Risky Rainy Days: Who plans for their financial future?* Social Contexts and Responses to Risk Working Paper 22, University of Kent. Available at: <http://www.kent.ac.uk/scarr/publications/QuilgarsJonesAbbottWP22.pdf>

Some data from the UK suggest that LGB people in same-sex relationships may have higher standards of living, employment rates, and incomes.⁵⁸

When LGB people enter older age, support from families may not be as readily available as for non-LGB people, suggesting that LGB people have to be more self-sufficient, increasing the risk of poverty.⁵⁹ Welfare support services are also generally perceived not to meet the needs of older LGB communities.⁶⁰

Transgender

According to Browne's questionnaire and focus-group based survey of 819 lesbian, gay, bisexual and transgender people in Brighton and Hove, the transgender people in the sample were over three times as likely as LGB people to have an income under £10,000, and 11 times less likely than LGB people to earn over £30,000 a year, although it should be noted that only 5% of the sample in question identified themselves as transgender.⁶¹

Research conducted for the Scottish Transgender Alliance suggests that transgender people's income is low. For example, a 2007 survey of 71 transgender people in Scotland found that 30% of respondents had an income of over £20,000, and 48% of respondents had an income under £10,001.⁶²

⁵⁸ Li, Y., Devine, F. and Heath, A. 2008. *Equality group inequalities in education, employment and earnings*. Research Report 10. Manchester: Equality and Human Rights Commission. Tables 3a page 76 and Table 4a, page 78.

⁵⁹ Mitchell, M. *et al.* 2009a. Page 262.

⁶⁰ Musingarimi, P. 2008. *Older Gay, Lesbian and Bisexual People in the UK*. London: International Longevity Centre - UK. Page 5.

⁶¹ Browne, K. & Lim, J. 2009. *Trans People; Additional Findings Report from Count Me In Too: LGBT Lives in Brighton & Hove*. Brighton: Spectrum, 2007. Page 9.

⁶² Scottish Transgender Alliance 2008. *Transgender Experiences in Scotland Research Summary*. Equality Network. Available at: <http://www.scottishtrans.org/Uploads/Resources/staexperiencessummary03082.pdf> Accessed 23/09/2010. Page 10.

12.3 What we know about housing and neighbourhood quality

Measures:

Overcrowded accommodation – percentage living in accommodation one or two bedrooms below the ‘bedroom standard’ level

Substandard accommodation – percentage reporting ‘leaking roof, damp walls, floors or foundations, or rotten floorboards or window frames (or ‘leaks, damp etc’)

Neighbourhood quality – percentage reporting ‘pollution, grime, or other environmental problems in the area caused by traffic or industry’ (‘pollution etc’), and percentage reporting ‘crime, violence or vandalism’ in the area (‘crime etc’).

How these measures work:

For these measures at Great Britain level, we use the General Household Survey; this allows disaggregation of gender, age, disability and ethnicity, combining data from 2004, 2005 and 2006 to allow a large enough sample to provide disaggregated analysis by ethnicity.⁶³

We then present data from Scotland and Wales-specific surveys (Scottish Household Survey (SHS), the Scottish House Condition Survey (SHCS), and the Living in Wales Survey (LIW)).⁶⁴ However, these surveys ask slightly different questions to the General Household Survey and different years are used. For example, residents in Scotland and Wales are asked to rate dwelling quality (each using slightly different menus of options) rather than to describe it, reducing the possibility for direct comparisons to those for Britain as a whole.⁶⁵

The survey responses are taken for the household representative person only, which does not tell us anything about the composition or views of the rest of the household.

⁶³ The General Household Survey sample for the years 2004 to 2006 was 31,223.

⁶⁴ The analyses from the Scottish Household Survey are based on the two years 2005 and 2006; while the analyses of stock condition from the Scottish House Condition Survey are based on data for the three years 2005/06 to 2007/08. The Living in Wales survey based analyses are based on data for the three years 2006 to 2008, except for the analyses of overcrowding relative to the bedroom standard, for which data was available only for 2007 and 2008. Wilcox, S. 2010. *Dimensions of Inequality: Housing and Neighbourhood Standards*. University of York. This paper is available on the Equality and Human Rights Commission’s Triennial Review web pages. Page 3.

⁶⁵ Wilcox, S. 2010 provides a full explanation of the surveys.

Data on disability are limited, as they are based on whether the household representative person has a long-term illness, disability or infirmity and is not impairment-specific – therefore interpretation of overcrowding is limited as different impairments will require different space requirements that are not completely reflected in the standard overcrowding measure.

There are no data on transgender or sexual orientation in terms of housing quality, but there is some limited alternative literature that refers to related housing issues, such as homelessness which is covered in Box 12.3.2. Overall, there is very limited related literature for this measure for religion and belief, therefore they are not covered in this section.

Overcrowded accommodation

Accommodation is defined as ‘overcrowded’ if it is one or two bedrooms below the ‘bedroom standard’ level. This is a convention that has been in use for several decades, based on pre-war environmental health standards. One bedroom is allocated to each co-habiting couple, each other person aged over 21, each pair aged 10-20 years of the same gender and each pair of children under 10 of either gender. Unpaired children, or individuals under 20, are allocated a separate bedroom (although they can be paired with another person aged under 20 of the same sex).⁶⁶

Substandard accommodation

This assessment of the quality of the accommodation is based on the views of the householder rather than that of a surveyor, therefore the views this measure represents are subjective.

Neighbourhood quality

These data are based on ‘local area’ which is defined as the area within a 15-20 minute walk, or a 5-10 minute drive from the home. As with the substandard accommodation, this measure captures a subjective evaluation of the local area.

Overview

Over and above low income, these measures allow us to look at the living conditions that people experience. Although the great majority of people in the mainstream of British society are now living in adequately sized accommodation, nonetheless **those that live in poor housing face multiple knock on effects to their health and wellbeing.**

⁶⁶ Wilcox, S. 2010. Page 6.

It is of particular concern that children live in poor conditions. **Female-headed households with children are more likely to reside in overcrowded or substandard housing, as are many ethnic minority groups and those living in the social rented sector.** In addition to these key groups, **marginalised groups such as Gypsies and Travellers, and asylum seekers face particularly stark living conditions.**

Neighbourhood quality is a complex aspect of standard of living to measure. The measures used in this section are relatively broad, but they do allow us to highlight those groups who are disproportionately concerned about the quality of the area they live in. **Levels of pollution and grime in the local neighbourhood are generally perceived as good – with just over 1 in 10 people reporting problems.** However, it is often the same groups who live in poor housing that report concerns with neighbourhood. **Female-headed households with children, ethnic minority and younger age groups all report greater levels of concern with their local area in terms of crime and vandalism.**

What we know about the overall situation

Overcrowded and substandard accommodation

Overall, 2.3% of British households live in overcrowded accommodation when measured against the bedroom standard. Of those, just 0.2% occupy dwellings that fall two or more bedrooms below the standard, with 2.1% occupying dwellings with one bedroom below the standard. 14% of British households report substandard housing (leaks, damp etc). Slightly more residences in Scotland (2.7%) and slightly fewer in Wales (2.0%) are overcrowded than in Britain overall.

Neighbourhood quality

In terms of neighbourhood quality, 13% of all British households indicated that pollution and grime were problems in their local area, and 29% of all households cited problems with crime, violence and vandalism.⁶⁷

What we know about the situation for different groups

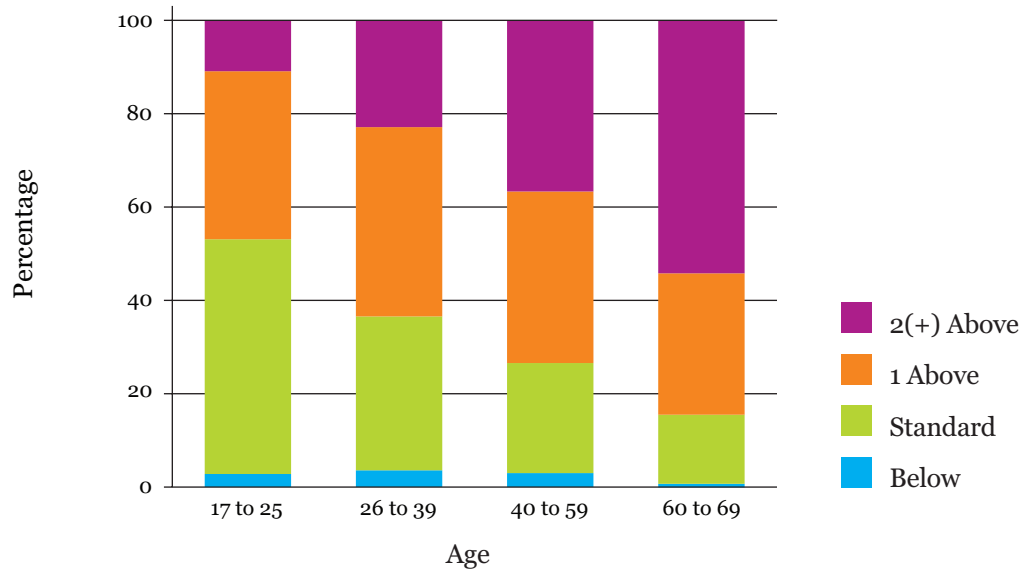
Gender and age

Overcrowded and substandard accommodation

Quality of housing is closely associated with household age, composition and gender. Overcrowding is highest for households with a head of household aged 26 to 39 and declines as households reach retirement age: 2.8% of the 17-25-year-old group live below bedroom standard, 3.6% for 26-39-year-olds, and 3% for 40-59-year-olds, compared to 0.7% and 0.3% for 60-69-year-olds, and 70+ respectively.

⁶⁷ Wilcox, S. 2010. Page 22.

Figure 12.3.1 Overcrowded accommodation by age in Britain, 2004/06⁶⁸



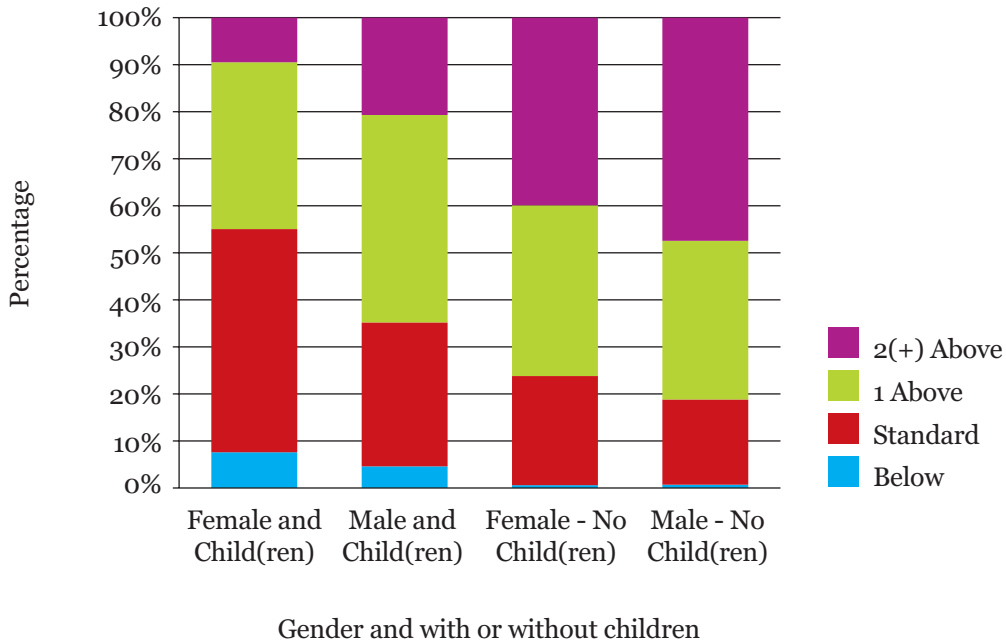
Source: General Household Survey.

Note: Age refers to household representative person.

Overcrowding is most pronounced among households with children, and especially so for female-headed households with children. Figure 12.3.2 below shows that 8% of female-headed households with children live below the bedroom standard, compared to 5% of male-headed households with children. Rates for men and women without children are much lower, and closer to each other: 0.7% of male and 0.6% of female-headed households without children live below the bedroom standard.

⁶⁸ Wilcox, S. 2010. Page 9.

Figure 12.3.2 Overcrowded accommodation by gender and whether children in the household in Britain, 2004/06⁶⁹

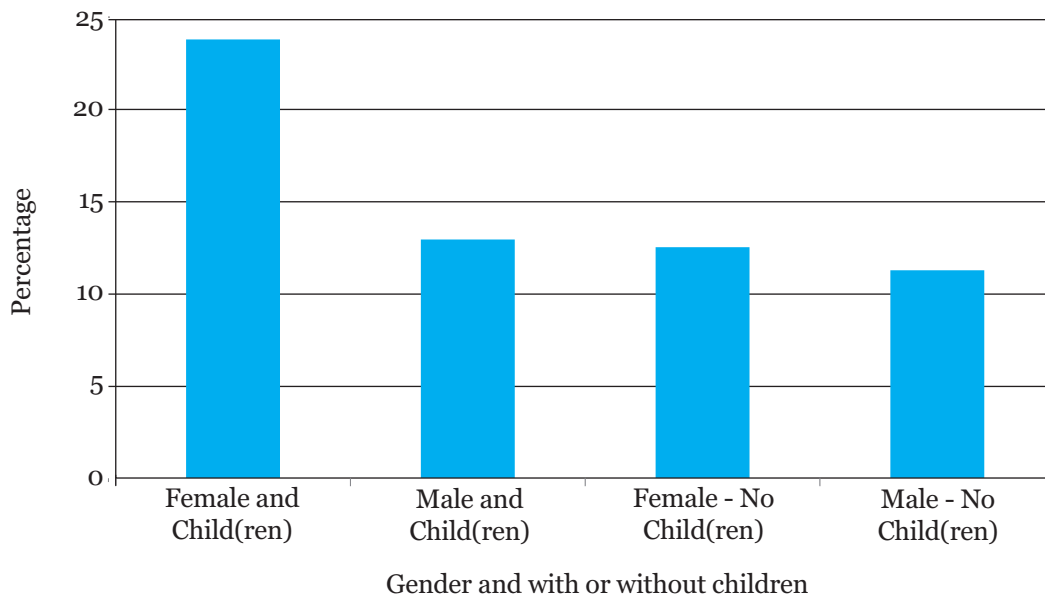


Source: General Household Survey.

Following very similar patterns, substandard accommodation ('leaks, dampness etc') is much more likely to be reported by female-headed households with children, with 24% of women with children reporting leaks and dampness compared to 13% of male-headed households with children. The same is true for younger age households (see Figures 12.3.3 and 12.3.4).

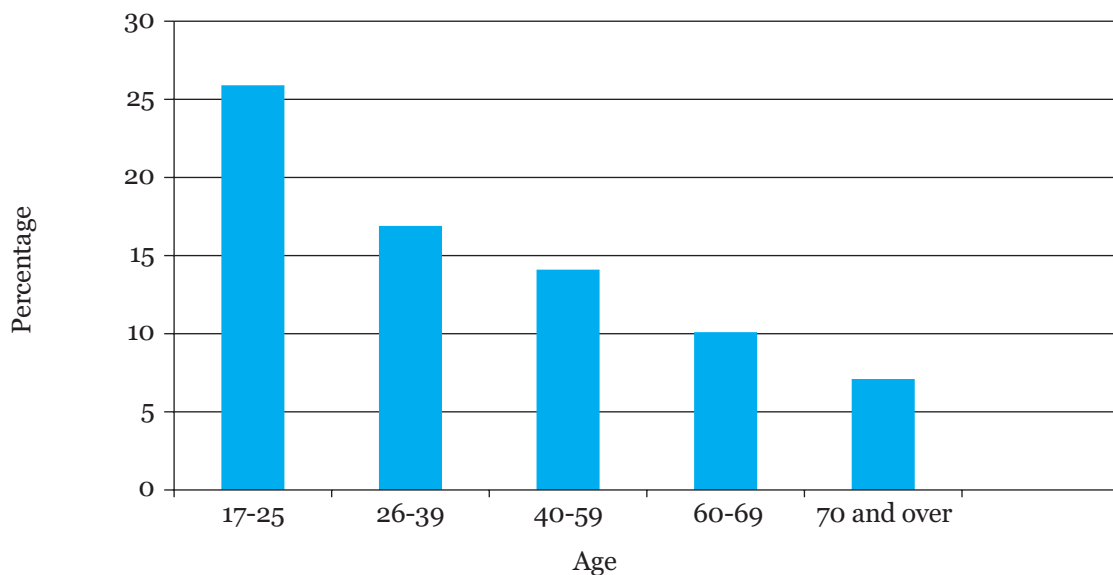
⁶⁹ Wilcox, S. 2010. Page 10.

Figure 12.3.3 Percentage of households reporting substandard accommodation ('Leaks, dampness etc') by gender and whether children in the household in Britain, 2004/06⁷⁰



Source: General Household Survey.

Figure 12.3.4 Percentage of households reporting substandard accommodation ('Leaks, dampness etc') by age in Britain, 2004/06⁷¹



Source: General Household Survey.

Note: Age refers to household representative person.

⁷⁰ Wilcox, S. 2010. Page 15.

⁷¹ Wilcox, S. 2010. Page 15.

The Wealth and Low pay/low income indicators in this chapter have shown that women make up a greater proportion of lower income households. They are also over-represented in the social rented sector, although female-headed households are actually more likely to report living in poor dwellings in all tenures, including as homeowners.⁷² The fact that they and their children experience higher levels of both overcrowding and substandard accommodation is cause for concern, as the potential impact on the lives of the children in these conditions is serious, particularly for their health.⁷³ The forthcoming Equality and Human Rights Commission's Children's Measurement Framework proposes measures specific to housing quality for children, including a measure of the number of children living in temporary accommodation to try and capture the extent of children living in accommodation such as bed and breakfast.

The lower earning capacity of the 17-25 age group might imply a greater propensity to be living in substandard accommodation. However this assumption should not mask the real issues facing young householders which can affect their life chances.⁷⁴ For young parents, the combined effect of their youth, and the addition of children to the family unit can seriously exacerbate these issues.

Conversely, almost a half (44%) of all retired households occupy dwellings with two or more bedrooms than is required to simply meet the bedroom standard, and there is a marked decline in the reporting of poor conditions for older households. 10% of households headed by an individual aged 60-69 and 7% of households headed by an individual aged 70 or over report leaks, dampness etc (see Figures 12.3.1 and 12.3.4).

The profiles of overcrowding in Scotland and Wales follow broadly the same patterns as for Britain as a whole⁷⁵ – the incidence of overcrowding initially goes up with age before declining to negligible levels among pensioner age households. Scottish and Welsh data show the same greater likelihood for women with children to be in overcrowded housing compared to men: 6% of female-headed households with children in Wales compared to 4% for male households with children reside in overcrowded housing; the figures for Scotland are 10% and 6% respectively.

In Scotland and Wales different questions about quality of accommodation in the country-specific surveys make comparisons impossible: However, Scottish data show the same lower rates of poor housing for male-headed households with children (3%) compared to female-headed households with children (12%) and a

⁷² Wilcox, S. 2010. Page 14.

⁷³ Harker, L. 2006. *Chance of a lifetime; the impact of bad housing on children's lives*. London: Shelter.

⁷⁴ Heath, S. 2008. *Housing choices and issues for young people in the UK*. Joseph Rowntree Foundation Findings. York: JRF.

⁷⁵ Wilcox, S. 2010. Chapters 3-5.

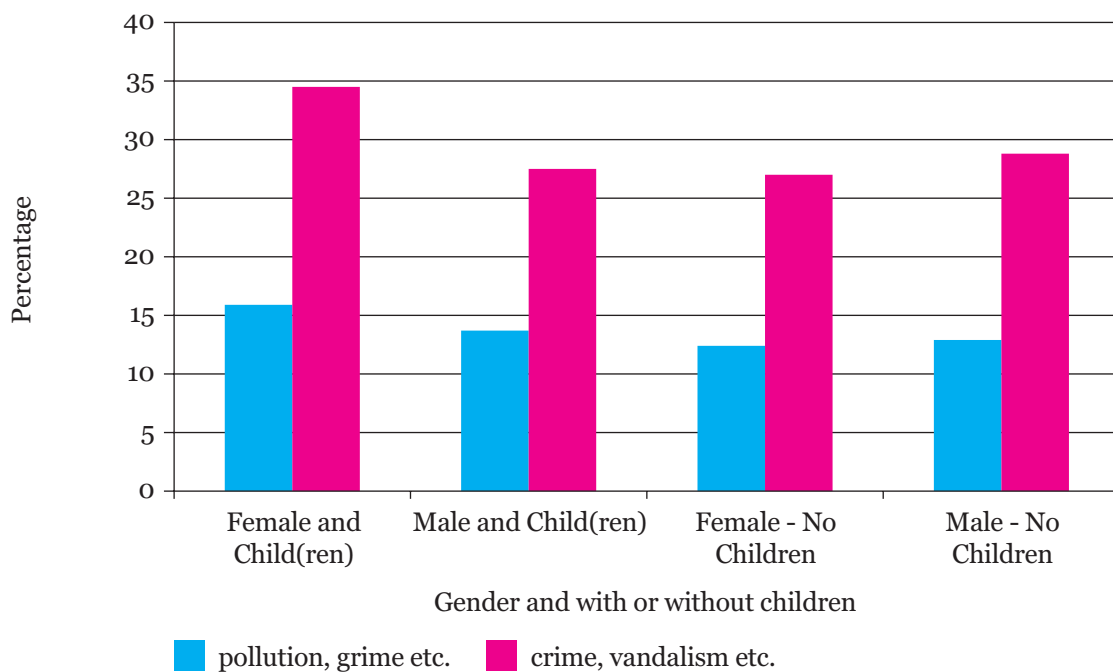
similar association between age and quality, with housing quality improving with increasing age. For Wales the same patterns occur, with 8% of women with children living in poor housing conditions compared to 5% of men with children.

Neighbourhood quality

The measures of poor neighbourhood quality are also most strongly associated with female-headed households with children and with younger age households, particularly reports of 'crime, violence and vandalism' for the 17-25 age group. Although these measures are a subjective and broad method of measuring a wide variety of issues within the local area, these results in part reflect the poorer socio-economic circumstances of female-headed and young households.

Figure 12.3.5 below shows that more female-headed households with children report both 'pollution and grime etc' and 'crime, violence and vandalism' in the local areas than other types of household.

Figure 12.3.5 Percentage of households reporting 'pollution, grime etc' and 'crime, vandalism etc' by gender and whether children in the household, in Britain 2004/06⁷⁶

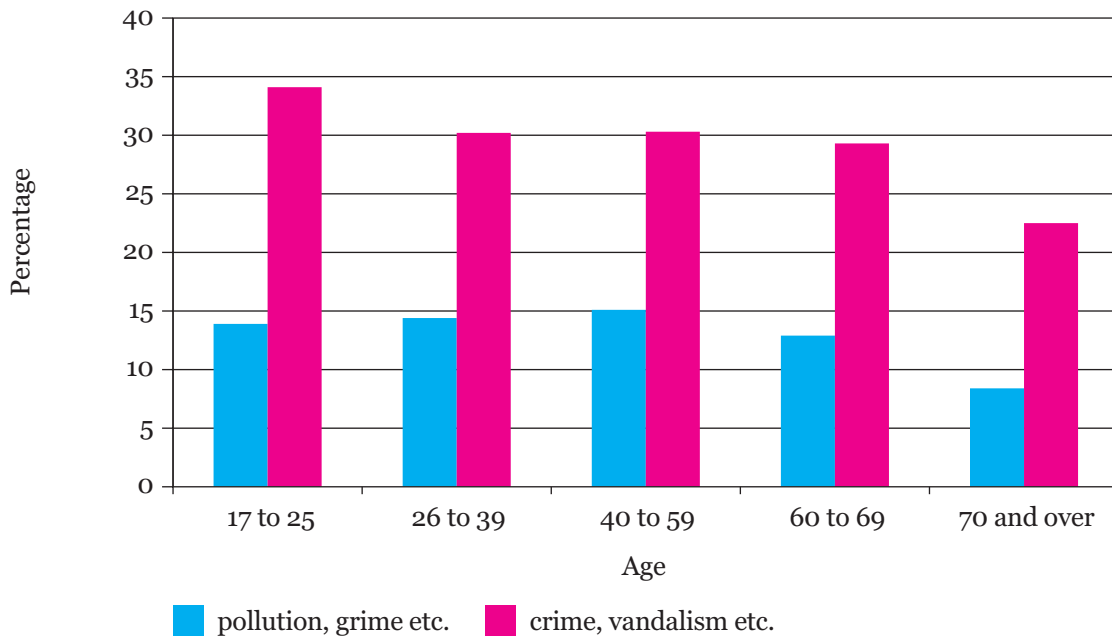


Source: General Household Survey 2004/06.

⁷⁶ Wilcox, S. 2010. Pages 20 and 25.

Patterns for age groups are slightly more varied. Reports of crime, violence and vandalism decline with age, starting from a high level (34%) for the youngest age group. However, in terms of reporting pollution and grime, there is little age difference up to 59 years – reports of pollution and grime are higher relative to the national average (13%) for groups up to 59 years, but thereafter, decline for older age groups.

Figure 12.3.6 Percentage of households reporting ‘pollution, grime etc’ and ‘crime, vandalism etc’ by age in Britain, 2004/06⁷⁷



Source: General Household Survey 2004/06.

Note: Age refers to household representative person.

In Scotland and Wales, surveys ask different questions making it impossible to compare results.⁷⁸ However, greater proportions of female-headed households with children than male-headed households with children in both Scotland and Wales rate the neighbourhood as poor and there is a similar relationship with age – with pensioner age households far less likely to regard the neighbourhoods in which they live as being problematic.

Socio-economic groups⁷⁹

Overcrowding and substandard accommodation

For Great Britain, reports of overcrowded and substandard properties (‘Leaks, damp etc’) are more common for economically inactive households below retirement age:

⁷⁷ Wilcox, S. 2010. Pages 20 and 24.

⁷⁸ Wilcox, S. 2010. Pages 64-67.

⁷⁹ Wilcox, S. 2010. Figures 2.1 and 2.3, pages 6-8.

- 2% of households headed by someone who is working are below the bedroom standard and 14% report substandard accommodation.
- 10% of households headed by individuals who describe themselves as 'keeping house' are below the bedroom standard, and 30% report substandard accommodation
- 4% of households headed by someone who is unemployed are below the bedroom standard, and 28% report substandard accommodation.

There is also a relatively high level of overcrowding and reports of substandard accommodation in the social rented sector:

- 5% of social rented homes are overcrowded compared to 3% of private rented and 1% of owner-occupied homes
- 22% of households living in the social rented sector report poor quality housing compared to 10% of owner-occupiers, although 23% in the private rented sector also report poor quality.

These figures flag up the issue of those living in both poor socio-economic circumstances and substandard accommodation, which is particularly of concern when children are living in low income or poor households and experiencing poor housing conditions.⁸⁰ The fact that nearly a quarter of social rented households report substandard accommodation, similar to that of private rented tenants, is of concern given the expectation that social housing should be of reliable quality. These results combined with the higher levels of overcrowding in the social rented sector indicate potentially serious problems for the existing social housing stock and its tenants.⁸¹

Patterns for Scotland and Wales are not dissimilar to the profile of Britain as a whole. For example, overcrowding is far more prevalent in both the private and social rented sectors than among owner-occupier households. There is a clear, but limited, relationship shown by all the surveys between stock condition and economic status and income levels. The highest incidence of poor conditions relates to economically inactive working-age households; while the lowest incidence relates to retired households.⁸²

Neighbourhood quality

Overall, there appears to be a greater association between reports of crime, violence and vandalism and poorer socio-economic status than there is with reports of pollution and grime in the local area.

⁸⁰ End Child Poverty, (ECP) 2006. *Child Poverty and Housing*. London: ECP/Shelter.

⁸¹ Hills, J. 2007. *Ends and Means: The future roles of social housing in England*. London: Centre for Analysis of Social Exclusion, London School of Economics.

⁸² Wilcox, S. 2010. Chapters 3 and 4.

In Britain as a whole, households headed by those permanently unable to work are the most likely to report pollution and grime in their local areas (18%), while households headed by the retired (10%) were least likely to cite them. There is virtually no difference between the reporting levels for pollution and grime for working and unemployed households, and very little association between reporting pollution and grime and either income or housing tenure.⁸³

The different measures in Scotland and Wales mean it is not possible to compare the results of the surveys, but some similar patterns are shown: The Scottish Household Survey includes an overall measure of how households rate the quality of the local area in which they live, and in general, unemployed and low income households rate the area as poorer than other households. Similarly, the 'Living in Wales' survey shows that unemployed and low income households are more likely to report the area to be 'not well maintained' than those in work or on higher incomes. Neither survey shows a strong association between these measures and different types of tenure.⁸⁴

However reports of 'crime, violence and vandalism' in the neighbourhood are related far more strongly, and predictably, to economic status and household income. In Britain, substantially fewer retired and working households cite problems with crime in their area (25% and 29% respectively), than the various categories of out of work households – 41% of households 'unable to work', 38% of unemployed households and 37% of households who describe themselves as 'keeping house' report problems with crime in the local area.

Similarly households in the social rented sector are far more likely to report problems with crime (37%) than households in either the owner-occupied or private rented sector (around 27% for both).

The likelihood of reporting problems with crime decreases as income increases, however, the overall difference is quite slight (27% of the top income quintile report problems with crime, compared to 30% of the bottom income quintile).⁸⁵ As with the results for gender and age, it is unsurprising that there is some association between socio-economic status and poorer neighbourhood quality, although as these measures are based on subjective responses to very broad questions, the detail of the type of neighbourhood issue faced by different groups should be the subject of more focused research.⁸⁶

⁸³ Wilcox, S. 2010. Page 17.

⁸⁴ Wilcox, S. 2010. Scotland results page 34, Welsh results page 56.

⁸⁵ Wilcox, S. 2010. Page 23.

⁸⁶ Lupton, R. and Power, A. 2004. *What we know about neighbourhood change; A literature review*. London: Centre for Analysis of Social Exclusion, London School of Economics.

Box 12.3.1 Related issue: Equality groups and deprived neighbourhoods

There is an association between some equality characteristics and the most deprived neighbourhoods in England:⁸⁷

- Ethnic minority groups are over-represented in deprived areas relative to the national average
- For people from ethnic minority groups, income poverty rates are much higher in London, the north and the midlands than elsewhere. 70% of those in income poverty in inner London are from ethnic minority groups, as are 50% in outer London.
- There are a significantly higher proportion of religious minority groups in the most deprived areas, and a significantly lower proportion of Christians.
- There are significantly higher levels of disability in deprived areas relative to the national average.
- There are also higher levels of mental health claims in the 10% most deprived areas, with 6% of the population making claims. This is significantly higher than even the next 10% most deprived areas (4%).

Disability***Overcrowding and substandard accommodation***

In the General Household Survey, there is no significant difference between overcrowding rates for households where the representative person has a limiting long-term illness, disability or infirmity (LLTI/disability) and those where the representative person has no such LLTI/disability. For households where the representative person has an LLTI/disability, 2.1% live in residences below the bedroom standard compared to 2.4% without.

However, the data do not take into account the real space needs of people with particular impairments (for example, to accommodate equipment) or whether a partner or dependent in the household also has a disability.

⁸⁷ All cited from Department of Communities and Local Government (CLG) 2008. *Transforming Places; Changing Lives: taking forward the regeneration framework Equality Impact Assessment*. London: Department for Communities and Local Government. N.B. the differences between individual areas are more significant than the similarities, e.g. within the 10% most deprived neighbourhoods, the proportion of residents aged 0-15 ranges from 4% to 43%, the proportion of working-age adults ranges from 44% to 91%, and the number of adults over retirement age ranges from 3% to 52%.

People with an LLTI/disability in general report slightly lower rates of substandard accommodation (leaks, damp etc) than those without (13% and 14% respectively). This pattern is borne out by the Office for Disability Issues' housing quality indicator for disability equality, where in 2007, 33% of households with a disabled person lived in non-decent accommodation, compared to 35% of households with no disabled person.⁸⁸

Issues of poor housing are possibly present for families where another household member (adult, child or both) has a disability, which this measure (which is based on the health status of the household representative person), does not cover. The 2007 Families and Children Study (which was Britain-wide) found that more than twice as many families with at least one disabled child and at least one disabled adult reported that their home was in a 'fairly poor' or 'very poor' state of repair (12%), compared to families with no disabled members (5%).⁸⁹

It should also be noted that there is evidence of greater levels of poor housing in households in which the representative person defines themselves as 'unable to work' for example because of illness. Of these, 3.5% live in accommodation below the bedroom standard, and 21% report substandard housing (around a third higher than the average on both counts).⁹⁰

Measures of overcrowding and quality do not give us an indication of the suitability of accommodation for disabled people. The Equality Measurement Framework proposes also measuring the proportion of people living in un-adapted accommodation, which is of key relevance to disabled people. Some evidence suggests that many disabled people do not live in accommodation that has been suitably adapted to their needs.⁹¹

⁸⁸ Office for Disability Issues. Roadmap 2025. Households living in non-decent accommodation' <http://www.officefordisability.gov.uk/roadmap2025/indicators.php>

⁸⁹ Philo, D., Maplethorpe, N., Conolly, A., and Toomse, M. 2007. *Families with children in Britain: findings from the 2007 Families and Children Study (FACS)*. DWP Research Report. 578. London: DWP. Page 231. Also see Beresford, B. and Rhodes, D. 2008. *Housing and disabled children*. Joseph Rowntree Foundation Round-up. Available at: <http://www.jrf.org.uk/sites/files/jrf/2208.pdf>. Accessed 23/09/2010.

⁹⁰ Wilcox, S. 2010. Pages 6 and 13.

⁹¹ Williams, B., Copestake, P., Eversley, J. and Stafford, B. 2008. *Experiences and Expectations of Disabled People*. London: Office for Disability Issues. Page 176.

Neighbourhood quality

In terms of both the ‘pollution and grime’ and ‘crime, violence and vandalism’ measures, those with no LLTI/disability are marginally more likely to report problems than those with an LLTI/disability. Results are similar in both Scotland and Wales, where there is no significant difference between neighbourhood ratings (as defined in the surveys) and households with or without disabilities.⁹²

This is not surprising given the broad LLTI/disability category, which covers many impairments, age breakdowns and income levels. It should be noted that householders who define themselves as ‘unable to work’ report the highest rates of ‘pollution and grime’ of all economic groups at 18%, and 41% report ‘crime, violence and vandalism’ in the local area, compared to 29% of working people.⁹³ Disabled people’s perception of crime in the local area is an issue that needs further investigation – the Equality and Human Rights Commission report, *Disabled People’s Experience of Targeted Hate Crime* suggests that incidents can be linked to the area close to home, including in supported and social housing and in residential care, and that much is unreported.⁹⁴

Ethnicity

Overcrowding

The most marked differences in levels of overcrowding are in terms of ethnicity. Figure 12.3.7 shows that in Britain, just over 9% of all Asian (including Asian British) households are overcrowded relative to the bedroom standard, while almost 15% of all Black (including Black British) households are overcrowded against the standard. In contrast, fewer than 2% of all White British households are overcrowded. There are also variations for some sub-groups within these broad ethnic groupings not shown in the graph. Just over 4% of Indian households are overcrowded, as are 15% of Pakistani households and 26% of all Bangladeshi households. Similarly 8% of Black Caribbean households and 21% of Black African households are overcrowded.⁹⁵

There are similar differences in the proportions of households occupying dwellings at levels **in excess** of the bedroom standard – over three-quarters of all White British households but less than half of all Black (including Black British) households occupy dwellings in excess of the bedroom standard.

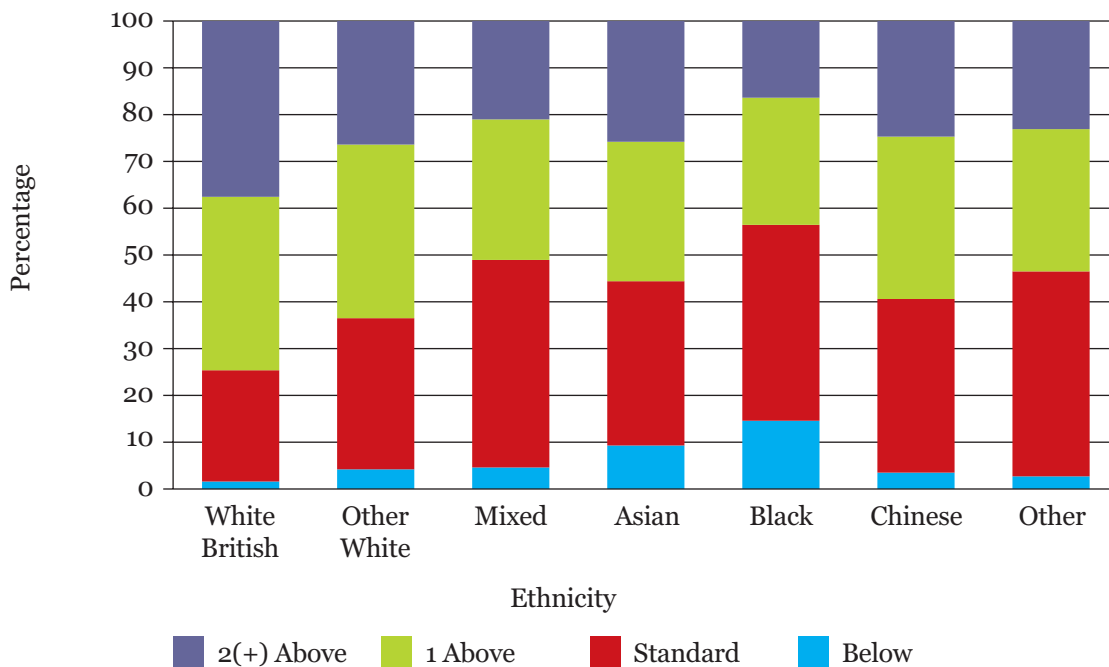
⁹² Wilcox, S. 2010. Page 67.

⁹³ Wilcox, S. 2010. Pages 11 and 22.

⁹⁴ Sin, C. *et al.* 2009. *Disabled people’s experiences of targeted violence and hostility*. Research Report 21. Manchester: Equality and Human Rights Commission. Page 27.

⁹⁵ Wilcox, S. 2010. Page 10.

Figure 12.3.7 Overcrowded accommodation by ethnicity in Britain, 2004/06⁹⁶



Source: General Household Survey 2004/06.

In terms of assessing these patterns of overcrowding by tenure, 4% of all White British households in the social rented sector are overcrowded, whereas 14% of all ethnic minority households are.⁹⁷ Similar patterns are shown in the proportions of homeowners who experience overcrowding: In England, 1% of White owner-occupiers live in overcrowded conditions, compared to 8% of all ethnic minority owner-occupiers.⁹⁸ For Britain as a whole, 1% White owner-occupiers compared to 5% of ethnic minority owner occupiers are overcrowded (proportions are highest for Asian and Black groups, which are 7% and 6% respectively).⁹⁹ Whilst household size undoubtedly influences the higher levels of overcrowding for ethnic minority groups, this is probably not the only factor – poverty levels and availability of and access to suitable accommodation will also contribute.¹⁰⁰

⁹⁶ Wilcox, S. 2010. Page 11.

⁹⁷ Wilcox S. 2010. Page 11.

⁹⁸ Wilson, W. 2009. *Housing: Overcrowding*. Parliamentary Briefing Paper SN/SP/1013. House of Commons Library. Available at <http://www.parliament.uk/briefingpapers/commons/lib/research/briefings/snsp-01013.pdf> Accessed 25/09/10.

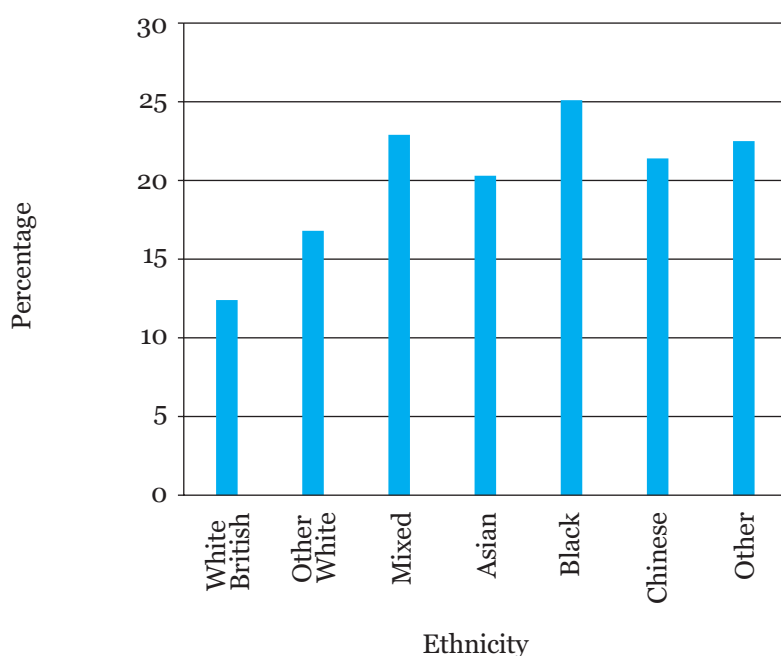
⁹⁹ Wilcox, S. 2010. Appendix 1.

¹⁰⁰ Jones, A. 2010. *Black and minority ethnic communities' experience of overcrowding*. London: Race Equality Foundation.

Substandard accommodation

There is also a strong association between ethnicity and substandard housing ('leaks, damp etc' see Figure 12.3.8 below), with Black and 'Mixed' households most likely to report problems. Overall, all non-White British ethnic groups are around twice as likely to report substandard housing compared to White British households.

Figure 12.3.8 Percentage of households reporting substandard accommodation ('Leaks, dampness etc') by ethnicity in Britain, 2004/06¹⁰¹



Source: General Household Survey 2004/06.

More specific group breakdowns show that the largest groups to report substandard housing are Bangladeshi (36%), and Black African households (31%), and those born outside the UK have a much higher likelihood of reporting substandard housing (31%), compared to all non-White ethnic minority groups born in the UK (21%). Looking at tenure, within the social rented sector, whilst 20% of White British households live in substandard housing, the average proportion is 32% among all other ethnic groups.¹⁰²

¹⁰¹ Wilcox, S. 2010. Page 16.

¹⁰² Wilcox, S. 2010. Page 16.

A key point to add to this section are the housing needs faced by older ethnic minority people. Although the Housing and Neighbourhood quality measures show better outcomes for older people overall, the experiences of overcrowded and substandard housing for ethnic minority groups evidenced here become particularly acute in older groups and create very specific challenges. Sample sizes mean that analysis of older ethnic minority people is difficult for the broad measures covered in this report and requires more detailed research to understand their needs and experiences in terms of accommodation.¹⁰³

In Scotland and Wales, sample sizes permit only a limited analysis in terms of ethnicity – 10% of all ethnic minority households in Wales and across Britain overall were overcrowded, with the proportion broadly similar for Scotland (11%).

In terms of quality of accommodation, the difference between all White and all ethnic minority groups was less marked in the Scottish and Welsh analyses. In Scotland, using the Scottish House Condition Survey measure, just under 4% of all White households occupied poor condition dwellings compared to 5% for all ethnic minority households. In Wales, using the Living in Wales measure, 9% of all White households occupied poor condition dwellings, compared to 12% of all ethnic minority households.¹⁰⁴

Neighbourhood quality

Following very similar patterns to the measures for overcrowding and substandard accommodation, White British households were less likely to cite problems with local pollution and grime (13%) compared to all other ethnic groups, with Mixed (26%) and Chinese (25%) ethnic groups twice as likely to cite such problems. There are less marked differences between White British and other ethnic groups reporting ‘crime violence and vandalism’ in the local area, but the White British households are still the least likely to report problems with crime compared to other groups.

As with other groups, the neighbourhood measures are broad and cover many potential neighbourhood issues, which in terms of ethnicity are affected by residency and migration patterns, poverty levels and perceptions of safety and security resulting in very complex issues.¹⁰⁵

¹⁰³ Patel, N and Traynor, P. 2006 *Developing Extra Care Housing for Black and Minority Ethnic Elders: an overview of the issues, examples and challenges*. London: Department of Health/PRIAE.

¹⁰⁴ Wilcox, S. 2010. Page 66.

¹⁰⁵ Perry, J. 2008. *The housing and neighbourhood impact of Britain’s changing ethnic mix*. York: Joseph Rowntree Foundation.

Figure 12.3.9 Percentage of households reporting 'pollution, grime etc' and 'crime, violence etc' by ethnicity in Britain, 2004/06¹⁰⁶



Source: General household survey 2004/06.

In Scotland and Wales, ethnic minority households are only slightly more likely to rate their neighbourhoods as poor, if at all. For example, in Scotland there is no difference between the reporting of vandalism or graffiti by White or ethnic minority households.¹⁰⁷

¹⁰⁶ Wilcox, S. 2010. Pages 21 and 26.

¹⁰⁷ Wilcox, S. 2010. Page 67.

Box 12.3.2 Related issue: Susceptibility to poor housing and homelessness

The major surveys do not collect data on transgender or sexual orientation, and research for these groups tends to focus on susceptibility to or risk of housing problems through harassment or other ‘crisis’ issues and the availability of advice and support. Evidence relating to some of the most ‘at risk’ groups in terms of accommodation, such as asylum seekers or Gypsies and Travellers is also very limited, in part due to the marginalised nature of these groups.

Transgender

For transgender people, housing problems or crises can be related to aggression from neighbours and/or others in the local area, or the breakup of families on discovering a member of the family is transgender. These experiences may trigger a housing crisis or lead to homelessness. This, and the extent to which housing and homelessness support services (for example hostel accommodation) is able to meet the specific needs of transgender people should be the focus of future research.¹⁰⁸

Sexual orientation

Research suggests that the housing issues facing LGB people can also include harassment – both from within the family, where an individual may find themselves homeless as a result of their identity, and within the local area, leading to a housing crisis. Evidence also highlights discrimination relating to gaining access to housing and appropriate housing support services; homelessness among LGB young people and appropriate residential care services for LGB older people.

The Equality and Human Rights Commission report, *Sexual orientation research review 2008* cites a range of research that highlights these issues, and flags harassment and abuse as particularly salient concerns for LGB people in terms of their housing and the areas local to where they live.¹⁰⁹ Stonewall’s *Gay British Crime Survey* also suggests that lesbians and gay men have experienced hate crime that is particularly directed at their homes or property, such as their cars.¹¹⁰

Migrants

There are two particularly key issues in relation to migration and housing– the provision for those in the asylum system awaiting a decision, which can have knock on effects even after some form of legitimate status is awarded, and the

¹⁰⁸ Mitchell, M. and Howarth, C. 2009b. *Trans research review*. Research Report 27. Manchester: Equality and Human Rights Commission. Page 41.

¹⁰⁹ Mitchell, M. *et al.* 2009a. Page 254.

¹¹⁰ Dick, S. 2008. *Homophobic hate crime: The Gay British Crime Survey 2008*. London: Stonewall 2008.

Box 12.3.2 Continued

experiences of migrants who have no recourse to public funds, including Central and Eastern European (CEE) migrants and failed asylum seekers. This is an area that is very challenging to evidence with robust data due to the ‘invisibility’ of migrants surviving as street homeless or staying with friends or families. Therefore it is impossible to state the extent of the issues facing these groups of people. We have cited some literature here, but all are based on very small samples or the views of service providers.

Asylum seekers: Whilst awaiting a decision on their asylum cases, individuals are allocated accommodation on a “no choice” basis. The areas in which dispersed asylum-seekers are housed are in many cases deprived areas with multiple social problems, and often accommodation is unsafe or overcrowded.¹¹¹ One piece of research found that some children and families had to live in dirty unsafe and overcrowded areas and one family of six living in a single room.¹¹²

Once refugee status is awarded, there may be knock-on impacts on housing security because as ‘move on cases’, individuals who are awarded refugee status generally have 28 days to vacate their temporary accommodation and can at this point experience vulnerability to longer-term homelessness.¹¹³

Migrants with no recourse to public funds: The largest group of ‘persons from abroad’ who are ineligible for housing or homelessness assistance in England are ‘White, other’, which may include a proportion of CEE migrants.¹¹⁴ This group is in general twice the size of ineligible households of other ethnic

¹¹¹ Mind 2009. *A Civilised Society Mental Health Provision for Refugees and Asylum-seekers in England and Wales*. London: Mind. Sommerville, W. 2007. *Immigration under New Labour*. Bristol: Policy Press. Pages 175-176.

¹¹² The Children’s Society 2008. *Living on the edge of despair: destitution among asylum seeking and refugee children*. London: The Children’s Society.

¹¹³ London Housing Foundation 2004. *Survey of homelessness sector services provided to asylum seeker and refugee clients*. London: London Housing Foundation. Page 6. Homeless Link 2010. *Homelessness among migrant groups: A Survey of Homelessness and Refugee Agencies across England*. Homeless Link. Available at http://homeless.org.uk/sites/default/files/Migrants%20and%20Homelessness%20report_March_prm.pdf Accessed 23/09/10.

¹¹⁴ The English eligibility regulations exclude all non-European Economic Area (EEA) nationals except those with refugee status and other forms of leave granted through the asylum system and those who have indefinite leave to remain. Welsh eligibility regulations are different, and specifically enable accession state migrants to apply for housing waiting lists and homelessness assistance irrespective of employment, registration or authorisation. Scottish regulations were similar, but amendments to bring them into line with the English ones were brought forward in July 2008.

Box 12.3.2 Continued

origin (14% of ineligible households are 'White, other'; the next largest group is 'Mixed White and Black African' (9%).¹¹⁵

Failed asylum seekers also fall into this group. They can seek assistance under 'section 4' pending their return to their home country if they face a temporary barrier to returning, but if they do not receive it, conventional homelessness agencies are unable to help them and there is potential for individuals to risk becoming street-homeless, and experiencing severe hardship as a result.¹¹⁶

Gypsies and Travellers

For Gypsies and Travellers who do not wish to reside in 'bricks and mortar' housing, there are limited sites of good quality. The location of sites can be poor (for instance, under motorways or next to sewage works), and present health hazards (such as contamination by vermin or decayed sewage) or poor services (a lack of water fittings, poor-quality utility rooms or lack of fire safety).¹¹⁷

When families accept the alternative of local authority housing, they are often housed on the most deprived estates, sharing the wider environmental disadvantages of their neighbours and being exposed to more immediate hostility towards their ethnicity. Local authority housing may also involve dislocation from their families, communities, culture and support systems, leading to further cycles of disadvantage.¹¹⁸

¹¹⁵ Fitzpatrick, S., Pleace, N. and Wallace, A. 2010. *Evidence Analysis for Equality and Human Rights Commission: Homelessness*. University of York. This paper is available on the Equality and Human Rights Commission's Triennial Review web pages.

¹¹⁶ British Red Cross 2010. *Not Gone, but Forgotten*. London: British Red Cross.

¹¹⁷ Cemlyn, S. *et al.* 2009.

¹¹⁸ Brown, P. and Niner, P. 2009. *Assessing Local Authorities' progress in meeting the accommodation needs of Gypsy and Traveller communities in England*. Research Report 13. Manchester: Equality and Human Rights Commission.

12.4 What we know about financial exclusion

Measures:

Access to a bank account – Percentage of people without bank accounts, or ‘unbanked’

Insurance – Percentage of people without home contents insurance

Credit – Percentage of people using high-cost credit

How these measures work:

Access to a bank account and insurance

We use data from the Family Resources Survey 2007/08 relating to individual use of a bank account. ‘Unbanked’ is defined as having no current, basic bank or savings account, but an ‘unbanked’ individual may have a Post Office account, or other savings such as investments.¹¹⁹ The Family Resources Survey is also used for the access to insurance measure. The survey allows breakdown by gender, age, disability and ethnicity.

Obviously access to bank accounts or savings is influenced to a degree by personal choice and therefore we cannot infer barriers to these services from the numbers who do/do not have a bank account etc.

There is very little information on religion or belief and we are reliant on small studies. Research is also limited regarding sexual orientation or transgender people and these are therefore not covered in this section.

The Equality Measurement Framework proposes a measure (still in development) of those who *‘report being treated unfairly by financial institutions, utility companies, housing officials or private landlords, social services, Jobcentre Plus or the Pension Service, or who have avoided contacting them for fear of being treated unfairly.’* In the absence of this measure we use these three measures of access to financial services, which will not capture aspects of fair treatment or respect, but will show gaps in the extent to which services may be accessible.

Credit

In terms of access to credit, there are no large-scale data sets for this measure, therefore we use a range of studies, which use a variety of definitions of ‘credit,’ and limits the extent to which we can generalise from them.

¹¹⁹ Lawton, K. and Platt, R. 2010 Page 9.

Overview

Having a bank account and access to financial products is increasingly part of having a normal standard of living in Britain. The great majority of households in Britain do now have at least one person with a bank account. **However, many young adults, particularly men are ‘unbanked’.**

Some ethnic minorities are particularly likely to lack access to standard financial products, **especially Pakistani and Bangladeshi women who are three times as likely as White men and women not to have a bank account.** The majority of Pakistani and Bangladeshi households do not have contents insurance. Some religious and ethnic groups may be excluded from credit by a lack of the availability of loans on terms that conform to their beliefs.

Disabled people are also sometimes denied full access to financial products, particularly where there are physical barriers, for example to accessing cash withdrawal machines.

What we know about the overall situation

In 2007/08, the Treasury’s Financial Inclusion Taskforce reported that 0.89 million adults (just 2% of all UK adults) lived in households that lacked a bank account of any kind, down from 2.0 million adults in 2005/06.¹²⁰

Approximately a fifth of all UK households have no home contents insurance, with just over half of all low-income households having no cover.¹²¹

¹²⁰ Financial Inclusion Taskforce 2009. *Fourth Annual Report on Progress Towards the Shared Goal for Banking* Available at http://www.hm-treasury.gov.uk/d/fourth_annual_banking_report.pdf

¹²¹ Lawton, K. and Platt, R. 2010. Page 11.

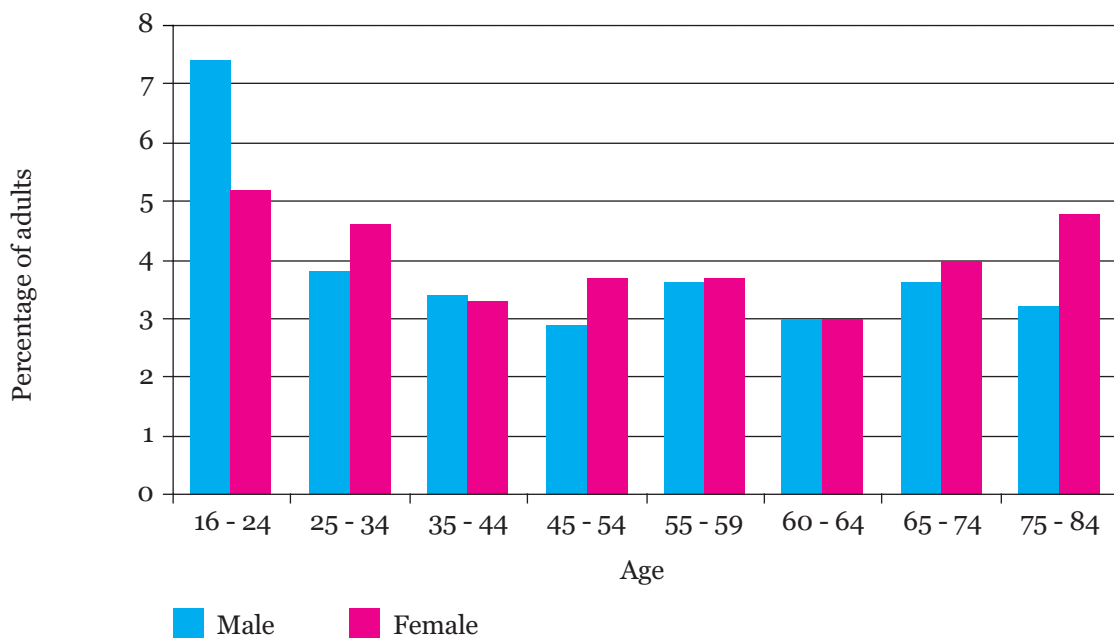
What we know about the situation for different groups

Gender and age

Access to a bank account

Using Family Resources Survey data, we can set out the proportions of ‘unbanked’ people on an individual basis, which shows, most notably, that more men (7%) than women (5%) in the 16-24 age category do not have bank accounts.

Figure 12.4.1 ‘Unbanked’ adults by age and gender in the UK, 2007/08¹²²



Source: Family Resources Survey 2007/08.

Note: ‘Unbanked’ refers to adults who do not have an account of any kind, although this will include some adults who only have a Post Office Card Account. Excludes respondents who did not know if they had an account or refused to answer the relevant question. Differences are only statistically significant for 16-24 years and 75+.

Insurance

The Family Resources Survey data show that men and women are equally likely to live in a household with no contents insurance.¹²³

¹²² Lawton, K. and Platt, R. 2010. Page 16.

¹²³ Lawton, K. and Platt, R. 2010. Page 20.

Credit

An analysis of the British Household Panel Survey (2005/06) suggest there may be few differences in the type of credit taken on by men and women – men appear more likely to have a personal loan and women more likely to access credit through mail order companies, which can have much higher annual percentage rate (APRs) than mainstream lenders. 10% of women used this form of credit in 2005/06 compared to just 2% of men.¹²⁴

In a 2006 survey of 2,805 low-income individuals in 18 areas of the UK conducted for the Financial Exclusion Taskforce, 24% of women were using 'high-cost' credit compared to 14% of men.¹²⁵

A 2004 Mori poll of 2,400 home credit users conducted on behalf of the then National Consumer Council estimated that women accounted for 65% of customers in the home (i.e. 'doorstep lender') credit market.¹²⁶

¹²⁴ Westaway, J. and McKay, S. 2007. *Women's Financial Assets and Debts*. London: Fawcett Society <http://www.fawcettsociety.org.uk/documents/Fawcett%20Assets%20Report.pdf> . See also Lawton, K. and Platt, R. 2010. Page 21.

¹²⁵ 'High cost credit' defined as mail order, home credit, non-bank credit cards, hire-purchase from retail shops, buy-back shops, pawnbrokers, payday loans and unlicensed lenders.

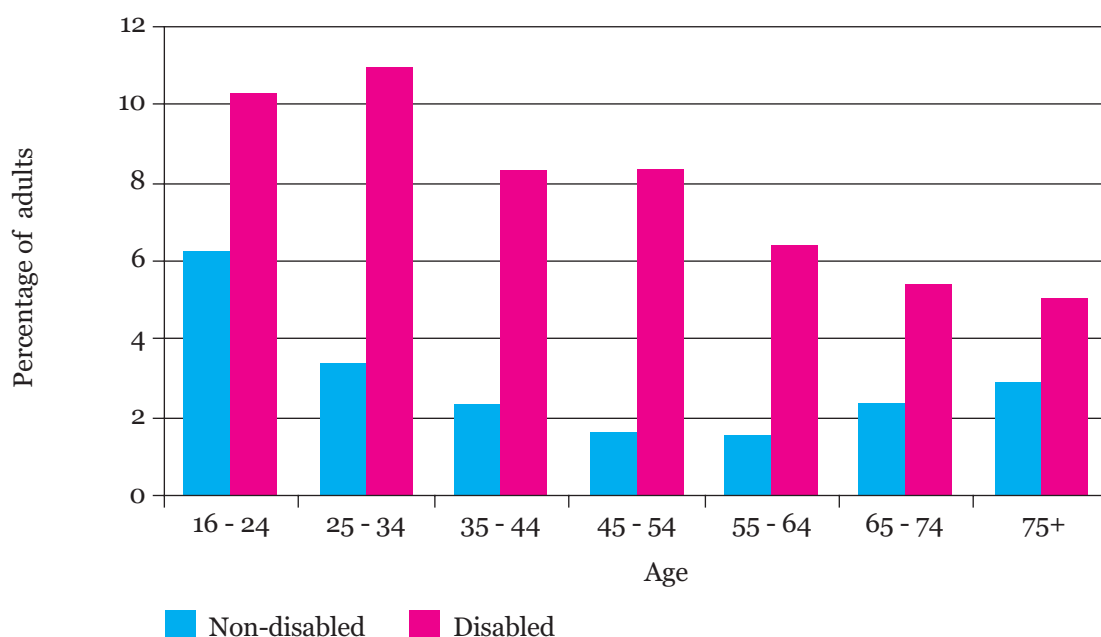
¹²⁶ Lawton, K. and Platt, R. 2010. Page 22.

Disability

Access to a bank account

Disabled people in all age categories are more likely than non-disabled people to have no bank account:

Figure 12.4.2 'Unbanked' adults by age group and disability status in the UK, 2007/08¹²⁷



Source: Family Resources Survey 2007/08.

Note: Respondents reporting a disability defined by the Disability Discrimination Act. All results are significant to the 5% level.

The Family Resources Survey also show that 11% of people with a learning disability report being 'unbanked' which is higher than any other impairment covered by the survey.¹²⁸

Several studies¹²⁹ have found that disabled people may also face difficulties using some of the facilities associated with bank accounts, which may reduce the benefits of account ownership:

- A study which asked physically disabled volunteers to survey the accessibility of 191 automated teller machines (ATMs) across the UK in 2006 found that 42% of volunteers needed assistance to use the cash machine, and of the ATMs surveyed, 59% were considered not to be fully accessible. A quarter of all cash machines surveyed were found to have no Braille on the key pads, and 28% were found not to be at a height that was accessible for a wheelchair user.

¹²⁷ Lawton, K. and Platt, R. 2010. Page 31.

¹²⁸ Lawton, K. and Platt, R. 2010. Page 31.

¹²⁹ Lawton, K. and Platt, R. 2010. Page 32.

- A survey of 1,000 adults found that over half of respondents (54%) with a physical disability had sometimes found Chip and PIN keypads difficult to use, compared to 38% of non-disabled respondents. An RNIB and Citizens Advice telephone survey of 163 blind and partially sighted people found that ATMs were used by less than half (44%) of respondents who had a bank account. More than half of those respondents who did use ATMs found them either 'very' or 'somewhat' difficult to use.

Insurance

Using Family Resources Survey data, 77% of adults who have a DDA-recognised disability appear to live in households which have home contents insurance, compared to 83% of non-disabled adults. Almost a third of people with a learning disability or difficulty live in a household with no contents insurance.¹³⁰

Credit

Literature is diverse in terms of disabled people's use of credit. A study involving 51 physically disabled people and a survey of 400 members of Leonard Cheshire supporter's network found that both groups reported being seen as a 'higher risk' by their bank or building society. Authors concluded that respondents felt they had to pay substantially higher rates of interest on loans than non-disabled people.

A survey comprising 8,580 respondents in Britain, found that 23% of respondents with a mental health disorder were in debt compared to 8% of respondents without a disorder.¹³¹

Ethnicity

Access to a bank account

Pakistani and Bangladeshi people are much more likely to be without bank accounts than other ethnic groups: 13% of women and 9% of men in these ethnic groups do not have a transactional account, compared to fewer than 4% of White men and women (see Table 12.4.1).

¹³⁰ Lawton, K. and Platt, R. 2010. Page 35

¹³¹ Lawton, K. and Platt, R. 2010. Page 36.

Table 12.4.1 'Unbanked' adults by ethnicity and gender in the UK, 2007/08¹³²

Ethnicity	% with no account	
	Men	Women
White*	3.8	3.7
Indian*	4.8	8.1
Pakistani/Bangladeshi	9.5	13.7
Black	6.1	5.4
Other*	5.3	9.1

Source: Family Resources Survey 2007/08.

Note: Gender differences between ethnic groups marked * are statistically significant at the 5% level.

Insurance

Households headed by Pakistani or Bangladeshi adults and by non-Caribbean Black adults are particularly unlikely to have home contents insurance, at 45% and 34% respectively, compared to 80% of White people.¹³³

Credit

An analysis of Ipsos Mori survey data on financial services commissioned by the Runnymede Trust found suggest that possibly, people from some major ethnic minority group are more likely than White British people to take on credit but this is an areas that would need further investigation to confirm robustly.¹³⁴

Religion or belief¹³⁵

There are very few sources of data on inequalities in access to financial services and products among people of different religious groups. Most studies have focused on the potential exclusion faced by followers of Islam, due to the specific teachings about interest. However, studies have also found that Sharia-compliant financial products (for example, bank accounts) are now fairly widely available in the UK. The Islamic Bank of Britain has branches in Manchester, London, Coventry, Birmingham and Leicester, and Sharia-compliant products are also available from high street banks HSBC and NatWest.

¹³² Lawton, K. and Platt, R. 2010. Page 23.

¹³³ Lawton, K. and Platt, R. 2010. Page 27

¹³⁴ Lawton, K. and Platt, R. 2010. Page 29. Respondents were asked to rate their agreement with the following statement on a scale of 1 to 5: *If I want something I will often buy it on credit and think about how I will repay the money later.* No sample size is provided in the published report.

¹³⁵ Lawton, K. and Platt, R. 2010. Page 40.

The Finance Act 2007 clarified the tax framework around Sukuk (an Islamic finance certificate, similar to an investment bond), making them more widely available. Islamic insurance products (Takaful insurance) are also available to UK consumers through HSBC, the Islamic Bank of Britain and others.

However, products provided by credit unions and many micro-lending organisations are not suitable for Muslims and so there is a risk that Muslims are excluded from some of the tools designed to tackle financial exclusion.

Bibliography

Alkire, S., Bastagli, F., Burchardt, T., Clark, D., Holder, H., Ibrahim, S., Munoz, M., Terrazas, P., Tsang, T., and Vizard, P., 2009. *Developing the Equality Measurement Framework: selecting the indicators*. Research Report 31. Manchester: Equality and Human Rights Commission.

Aspinall, P., and Watters, C., 2010. *Refugees and asylum seekers: A review from an equality and human rights perspective*. Manchester: Equality and Human Rights Commission.

Barnardo's, 2007. *It Doesn't Happen Here: The reality of child poverty in the UK*. London: Barnardo's.

Bellamy, K., and Rake, K., 2005. *Money, money, money: Is it still a rich man's world?* London: Fawcett Society.

Beresford, B., and Rhodes, D., 2008. *Housing and disabled children*. Joseph Rowntree Foundation Round-up. Available at: <http://www.jrf.org.uk/sites/files/jrf/2208.pdf>. Accessed 23/09/2010.

British Red Cross, 2010. *Not Gone, but Forgotten*. London: British Red Cross.

Brown, P., and Niner, P., 2009. *Assessing Local Authorities' progress in meeting the accommodation needs of Gypsies and Travellers*. Research Report 13. Manchester: Equality and Human Rights Commission.

Browne, K., 2007. *Domestic Violence and Abuse Additional Findings Report December 2007*. Count Me In Too: LGBT Lives in Brighton & Hove. Brighton: Spectrum. Page 24.

Browne, K., and Lim, J., 2008. *Trans People; Additional Findings Report from Count Me In Too: LGBT Lives in Brighton & Hove*. Brighton: Spectrum, 2008. Page 9.

Cabinet Office, 2010. *State of the nation report: poverty, worklessness and welfare dependency in the UK*. Available at <http://www.cabinetoffice.gov.uk/media/410872/web-poverty-report.pdf>. Accessed 29/09/10.

Cemlyn, S., Greenfields, M., Burnett, S., Mathew, Z. and Whitwell, C., 2009. *Inequalities experienced by Gypsy and Traveller communities*. Research Report 12. Manchester: Equality and Human Rights Commission.

Department of Communities and Local Government (CLG) 2008. *Transforming Places; Changing Lives: taking forward the regeneration framework Equality Impact Assessment*. London: Department for Communities and Local Government.

Department for Work and Pensions (DWP) 2010. *Households Below Average Income: An analysis of the income distribution 1994/95 - 2008/09*. London: DWP.

Dick, S., 2008. *Homophobic hate crime: The Gay British Crime Survey 2008*. London: Stonewall.

Doyle, L., 2008. *More Token Gestures, A report into the use of vouchers for asylum seekers claiming Section 4 support*. London: Refugee Council.

End Child Poverty, 2006. *Child Poverty and Housing*. London: ECP/Shelter.

Financial Inclusion Taskforce, 2009. *Fourth Annual Report on Progress Towards the Shared Goal for Banking* Available at: http://www.hm-treasury.gov.uk/d/fourth_annual_banking_report.pdf Accessed 15/09/10.

Fitzpatrick, S., Pleace, N., and Wallace, A., 2010. *Evidence Analysis for Equality and Human Rights Commission: Homelessness*. York: York University 2010. This paper is available from the Equality and Human Rights Commission, Triennial Review web pages.

Glaser, K., Nicholls, M., Stuchbury, R., Price, D., and Gjonça, E. 2009. *Life course influences on poverty and social isolation in later life*. London: Equality and Human Rights Commission and Age UK.

Harker, L., 2006. *Chance of a lifetime; the impact of bad housing on children's lives*. London: Shelter.

Heath, S., 2008. *Housing choices and issues for young people in the UK*. York: Joseph Rowntree Foundation.

Hills, J., 2007. *Ends and Means: The future roles of social housing in England*. London: CASE/LSE.

Hills, J. et al., 2010. *An Anatomy of Economic Inequality in the UK, report of the National Equality Panel*. London: Government Equalities Office.

House of Commons. Work and Pensions Committee – *Fifth Report Tackling Pensioner Poverty*. Session 2008-09. Volume 1. Available at: <http://www.publications.parliament.uk/pa/cm200809/cmselect/cmworpen/411/411i.pdf> Accessed 29/09/10.

Homeless Link, 2010. *Homelessness among migrant groups: A Survey of Homelessness and Refugee Agencies across England*. Homeless Link. Available at http://homeless.org.uk/sites/default/files/Migrants%20and%20Homelessness%20report_March_prm.pdf Accessed 23/09/10.

Home Office Control of Immigration: *Quarterly Statistical Summary UK. January to March 2010*. <http://rds.homeoffice.gov.uk/rds/pdfs10/immiq110.pdf> Accessed 02/09/2010.

Hoong, Sin, C., Hedges, A., Cook, C., Mguni, N., and Comber, N., 2009. *Disabled People's Experience of targeted violence and hostility Crime*. Research Report 21. Manchester: Equality and Human Rights Commission.

Jones, A., 2010. *Black and minority ethnic communities' experience of overcrowding*. London: Race Equality Foundation.

Joyce, R., Muriel, A., Phillips, D., and Sibieta, L., 2010. *Poverty and Inequality in UK – 2010*. London: IFS.

Lawton, K., and Platt, R., 2010. *Review of access to essential services: financial inclusion and utilities*. London: ippr. This paper is available from the Equality and Human Rights Commission, Triennial Review web pages.

Li, Y., Devine, F., and Heath, A., 2008. *Equality group inequalities in education, employment and earnings*. Research Report 10. Manchester: Equality and Human Rights Commission.

Lupton, R., and Power, A., 2004 *What we know about neighbourhood change; A literature review*. London: CASE/LSE.

Mind, 2009. *A Civilised Society: Mental health provision for refugees and asylum-seekers in England and Wales*. London: Mind.

Mitchell, M., Howarth, C., Kotecha, M., and Creegan, C., 2009a. *Sexual orientation research review 2008*. Research Report 34. Manchester: Equality and Human Rights Commission.

Mitchell, M., and Howarth, C., 2009b. *Trans research review*. Research Report 27. Manchester: Equality and Human Rights Commission.

Musingarimi, P., 2008. *Older Gay, Lesbian and Bisexual People in the UK*. London: ILC-UK.

Office for Disability Issues. Roadmap 2025. 'Households living in non-decent accommodation' Available at: <http://www.officefordisability.gov.uk/roadmap2025/indicators.php> Accessed 23/09/10.

Office for National Statistics. Households Below Average Income: An analysis of the income distribution 1994/95–2007/08. Available at: http://research.dwp.gov.uk/asd/hbai/hbai2008/pdf_files/full_hbai09.pdf Accessed 02/09/10.

Orton, M., and Rowlingson, K., 2007. *Public Attitudes to Economic Inequality*. York: Joseph Rowntree Foundation.

Parckar, G., 2008. *Disability Poverty in the UK*. London: Leonard Cheshire.

Patel, N., and Traynor, P., 2006. *Developing Extra Care Housing for Black and Minority Ethnic Elders: an overview of the issues, examples and challenges*. London: Department of Health/PRIAE.

Perry, J., 2008. *The housing and neighbourhood impact of Britain's changing ethnic mix*. York: Joseph Rowntree Foundation.

Philo, D., Maplethorpe, N., Conolly, A., and Toomse, M., 2007. *Families with children in Britain: findings from the 2007 Families and Children Study (FACS)*. Research Report No. 578. London: DWP.

Platt, L., 2007. *Poverty and ethnicity in the UK*. Great Britain: The Policy Press.

Platt, L., 2009. *Ethnicity and child poverty*. Research Report No. 576. London: DWP.

Quilgars, D., Jones, A., and Abbott, D., 2008. *Risky Rainy Days: Who plans for their financial future? Social Contexts and Responses to Risk Working Paper 22*, University of Kent. Available at: <http://www.kent.ac.uk/scarr/publications/QuilgarsJonesAbbottWP22.pdf> Accessed 29/09/10.

Refugee Survival Trust, 2005. *'What's going on?' A study into destitution and poverty faced by asylum seekers and refugees in Scotland*. Scotland: Refugee Survival Trust.

Scottish Transgender Alliance. 2008. *Transgender Experiences in Scotland Research Summary*. Edinburgh: Equality Network.

Sin, C., et al., 2009. *Disabled people's experiences of targeted violence and hostility*. Research Report 21. Manchester: Equality and Human Rights Commission.

Sommerville, W., *Immigration under New Labour*. London: Policy Press.

Steventon, A., and Sanchez, C., 2008. *The under-pensioned: disabled people and people from ethnic minorities*. Research Report 5. Manchester: Equality and Human Rights Commission.

The Children's Society, 2008. *Living on the edge of despair: destitution among asylum seeking and refugee children*. London: The Children's Society.

The London Housing Foundation, 2004. *Survey of homelessness sector services provided to asylum seeker and refugee clients 2004*. London: the London Housing Foundation.

The Poverty Site. Poverty Indicators. Analysis of Households Below Average Income 2005/6-2007/8. Low income by family type. Available at: <http://www.poverty.org.uk/05/index.shtml?2> Accessed 11/08/10.

Westaway, J., and McKay, S., 2007. *Women's Financial Assets and Debts*. London: Fawcett Society.

Wilcox, S., 2010. *Dimensions of Inequality: Housing and Neighbourhood Standards*. University of York 2010. This paper is available from the Equality and Human Rights Commission, Triennial Review web pages.

Williams, B., Copestake, P., Eversley, J., and Stafford, B., 2008. *Experiences and Expectations of Disabled People*. London: ODI.

Williams, R., and Kaye, M., 2010 At the end of the line. *Restoring the integrity of the UK's asylum system*. Still Human, Still Here. Available at: <http://stillhumanstillhere.files.wordpress.com/2009/01/at-the-end-of-the-line-2010.pdf> Accessed 23/09/10.

Wilson, W., 2009. *Housing: Overcrowding*. Parliamentary Briefing Paper SN/SP/1013. House of Commons Library. Available at <http://www.parliament.uk/briefingpapers/commons/lib/research/briefings/snsp-01013.pdf> Accessed 25/09/10.

