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**HOUSEHOLD INCOME AND EXPENDITURE  
2000**

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By

Jamie Buttrick  
Peter Sturman  
Kadhem Jallab

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**TYNE & WEAR RESEARCH AND INFORMATION**

1<sup>st</sup> Floor Provincial House  
Northumberland Street  
Newcastle upon Tyne  
NE1 7DQ

Tel: (0191) 277 1912, Fax: (0191) 277 1911

E-MAIL: [twri@twri.org.uk](mailto:twri@twri.org.uk)

WEBSITE: [www.twri.org.uk](http://www.twri.org.uk)

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## KEY POINTS

This report highlights the overwhelming evidence that incomes of residents in Tyne & Wear are amongst the lowest in the UK. Guidance on the use of the indicators is given (p2), with the IMD (Index of Multiple Deprivation) Income Domain as an alternative measure of people on low incomes. Six indicators have been examined, mainly relating to typical incomes, not the lowest incomes (p5):

- **Household Disposable Income (HDI) per head** in the North East has been the lowest of any UK region with the exception of Northern Ireland, between 1993-98, **standing over 14% lower than the UK** in 1998 at £8,177pa (p6). In 1995, Tyne & Wear had the lowest HDI of any UK county. Source: ONS Economic Trends (Appendix 2).
- **Household Income per household is about 20% below the UK average in the North East**, at £363 gross per week (or nearly £18,900pa), second-lowest only to Northern Ireland (p7). Source: Family Expenditure Survey, FES, 1999/2000. FES results are not available by county.
- **Earnings for full-time employees at workplaces in Tyne & Wear are 9% below the average for GB, at £19,700pa in 2000** (p8). These relate to workplaces, not residents. In-commuting to Tyne & Wear workplaces is very probably for the better-paid jobs. Source: New Earnings Survey 2000.
- Personal Income, or taxable income, was very low in all Tyne & Wear Districts (p9). South Tyneside had the lowest personal income of any District in the UK (£10,600, or 66% of UK). These estimates of Personal Income are subject to a wide margin of error. Source: Inland Revenue Statistics 1999 (1996/97 data only).
- Estimates of household income for 1999 show very low levels for Tyne & Wear (p10). Source: CACI *Wealth of the Nation* report and *Paychecks* 1999.
- High proportions of adults are in “financial distress” in Tyne & Wear Districts. Source: Experian.

Lower than average household income is a function (p8) of:

- Low “employment rates” (Tyne & Wear is more than 9 percentage points below the UK);
- Low earnings (about 9% below GB average);
- An age structure with relatively more people beyond working age.

**North East households obtain significantly less of their (gross) income from work (68%) than in the UK (75%)** (p9). This is mainly due to wages & salaries contributing a lower proportion (62%) than in the UK (67%). It is also due to a low contribution from self-employment, 6% (UK 8%). **Conversely NE households obtain more than 1½ times the proportion of their income from Social Security Benefits (19%) as in the UK (12%)**. Source: Family Expenditure Survey 1999/2000.

According to the Index of Multiple Deprivation 2000, the **North East has**, on average, the most income deprivation in England and **the highest proportion of children in families that claim means tested benefits (42%)**, compared to 40% in the North West and just 23% in the South East (p11).

**Expenditure by North East households is the lowest of any UK region at £285pw (or around £14,800pa)** (p12). This is around £60pw (or 18%) or £3,300pa less than the UK average. This is narrower than the income gap, perhaps due to greater spending out of capital and / or a lower propensity to save. Expenditure patterns are shown (pp14-16).

Living standards are low in real terms. Although there are no local or regional price indices, ownership of consumer durables provides an indicator of real living standards (pp17-18). The North East’s low living standards show in its low ownership of three durables:

- Dishwashers - 15% of households (UK 22%)
- Telephones - at 92%, was the lowest for any region and around 3% less than the UK;
- Cars - 59% of households owned a car (or van) compared to 71% in the UK;

## GUIDANCE ON USE OF INCOME INDICATORS

This page suggests appropriate uses for the various indicators. Table 1 gives the strengths and weaknesses of each income indicator. The indicators in this report relate to averages. They measure typical incomes rather than measuring the numbers below certain income levels. They are not well-suited to identifying this aspect of poverty.

**Household Disposable Income** (HDI) per head is conceptually the best indicator because it captures all sources of income. Its main drawback is that it is years before it is available. It is suitable for measuring differences in levels and for long-term analysis, as in TWRI's *Economic Trends in Tyne & Wear*.

**Earnings** is the most statistically robust measure, suitable for policy monitoring purposes over five years or so and available within a year of the event, giving local information. This is also by far the largest component of HDI. Its main drawback is that it relates to workplaces, not residents. The average earnings of Tyne & Wear *residents* are lower than the average earnings at workplaces in Tyne & Wear, due to commuting (See Personal Income for evidence). Earnings trends can be combined with changes in the "employment rate" (p8) to estimate income from employment. For example between 1992 and 1997 employment in the North East rose by only about 1% whilst in the UK it rose by 4% (Source: LFS, quoted in GO-NE's North East Labour Market Study, 1999). This depressed North East incomes relative to the UK, independently of the trend in earnings per employee.

The **FES** provides the only data on household expenditure. It thus includes expenditure financed from spending out of capital/wealth (important for people on very low or zero incomes).

**Personal Income** is the least useful measure because it clearly not statistically robust. Nevertheless, in careful conjunction with other evidence it can be used. For example Personal Incomes are lower than in Northumberland and Durham.

The **IMD income domain** should be suitable for identifying wards with the greatest poverty (e.g. for Neighbourhood Renewal Fund (NRF)). It directly counts the number of people (including children) on one of the four means-tested benefits. This produces estimates of the proportion of people deprived of a reasonable income. The government has set targets to reduce the numbers of households living below half of average income (HB½AI). Indeed the DSS has an annual publication "Households Below Average Income" (HBAI). These data are not available at District- and ward-level. At District- and ward-level, the IMD's proportion of people income-deprived is likely to become the standard indicator of low incomes.

Other "income indicators" not covered in this report:

**GDP per capita** is a measure of the productiveness of an economy. It is a poor measure of income below regional-level because it is seriously distorted by commuting effects. National Statistics divides the GDP created in Tyne & Wear (including that by net in-commuters) by the *resident* population. The GDP per capita estimates thus over-state the prosperity of Tyne & Wear. In Tyne & Wear's case this over-statement of prosperity is probably at least 7 percentage points.

It is good practice to use several indicators. A small number of indicators each with a decent time series (at least seven data points normally) provides a good basis for judgement. The TWRI report *Economic Trends in Tyne & Wear* (published in 1998) provides the most thorough analysis of trends. It also showed that, relative to the UK, income indicators moved in the opposite direction (downward) from GDP per capita (upward) for the best part of a decade to 1993. Since 1993, available income indicators suggest further deterioration.

## 1 INTRODUCTION

This report is a development of a series based on the Family Expenditure Survey (FES) which presents information on household income, ownership of household goods and expenditure in the North East. The report now, for the second year, also includes data from four additional sources:

- earnings (from the New Earnings Survey, NES),
- “personal income” (from the Inland Revenue, IR)
- household income (and household disposable income) from National Statistics,
- financial hardship (from Experian).

Each of these sources is tabulated below (Table 1).

**Table 1: Sources of data on Incomes and Expenditure; Summary of features**

Source	Lowest Geographical level	Strengths	Weaknesses
Family Expenditure Survey (FES) from National Statistics	Region, North East	Expenditure as well as income. Gives income by type.	Small sample. Data combined for three years for some variables. Per household (therefore comparisons affected by changes in or differences in household size)
Household Disposable Income (HDI) from National Statistics	County, Tyne & Wear	Includes the effect of direct taxes. Per head (not affected by household size)	Long delay before release (three years or more): 1995 is Tyne & Wear latest, provisional 1998 is North East latest.
New Earnings Survey (NES)	District	The most robust series (at Tyne & Wear level). Recent (2000). Long, consistent series since 1970. Analysed since 1980 by TWRI. Men and women separately.	Full-time employees only (i.e. excludes part time and self-employed).
Personal Income (from Inland Revenue)	District	Medians as well as means. Income by type (self-employment, employment total).	Personal income excludes non-taxable income. Not available since 1996/97. Extremely rough estimates (wide confidence interval).
Experian	Postcode sector Ward (soon)	Local. Recent (1999) Allows identification of different types of financial hardship.	No estimate of income (in £) Partly based on Census 1991.
Household Income (from CACI Paychecks) Wealth Report	Ward	Local. Recent (1999)	Methodology is obscure. No confidence intervals published.

Source: Tyne & Wear Research and Information

Data on incomes is of patchy quality. At District-level and below the data are of poor quality. Regrettably, the 2001 Census of Population will not include an income question. Nevertheless there are six sources available which have different strengths and uses.

The first three sources (in Table 1) are official data from National Statistics (NS). The last three sources are much less transparent, but are presented for completeness. The Inland Revenue's estimates of Personal Income are statistically very unreliable. The District means (averages) of personal income are less than 95% certain to fall within +or-25% of the stated estimates. The two commercial sources, CACI and Experian, provide estimates down to small areas (for a fee). CACI *Paychecks* estimates of household income at County, District and Postal Town-level are based on records from 4m households, but their exact derivation is still obscure. Experian estimates the proportion of resident (adults) who are in financial hardship on the basis of cluster analysis.

The New Earnings Survey (NES) is the most statistically robust of the six sources and earnings make up the majority of household income (around 62% in the North East in 2000<sup>1</sup>). The sample is sufficient to accurately measure change over short periods of a few years. The NES collects information on levels, distribution and make-up of earnings for a one per cent sample of employees who are members of PAYE income tax schemes. TWRI's report *Earnings in Tyne & Wear, 2000* covers these data in detail.

The Family Expenditure Survey (FES) estimates household income, which makes it conceptually one of the best sources. It is also the only official source of *expenditure* data for households. The FES is much less statistically robust than the earnings data, because the sample size is only about one fifteenth the size. The 1999/2000 FES sample was just under 1000 households in the North East, compared with the 1999 NES sample of about 4,600 in the North East.<sup>2</sup> NS does not publish FES results below regional level for this reason.

This report focuses on average households, not households in poverty. The report should thus not be used as a source of indicators on poverty or deprivation (except for the estimates of financial hardship). The report IMD and Child Poverty in Tyne & Wear (forthcoming) covers poverty and deprivation in more detail. Tyne & Wear's rates are high for both Income Deprivation (32%) and Child Poverty (45%). (Some details on p.11).

This report shows clearly that there is substantial evidence that household incomes in Tyne & Wear are very low. The evidence suggests that the income gap is wider than the earnings gap (reported in *Earnings in Tyne & Wear, 2000.*) (Table 2).

The report does not cover GDP per capita because this is a measure of productiveness not prosperity;

- Gross Domestic Product is a measure of economic output (not the incomes of households). NS recognises this in its Regional Competitiveness Indicators.
- Profits do not accrue to the area in which they are made.
- National Statistics estimates are distorted by commuting, producing high figures for areas with high in-commuting such as cities.

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<sup>1</sup> Source: Family Expenditure Survey, 1999/2000, National Statistics (Crown Copyright).

<sup>2</sup> In 2000, the NES sample for Tyne & Wear was 2,284 full-time employees and for the North East was 4,511 full-time employees.



**Table 2: Income Comparisons with the UK**

	<b>Comparison with UK</b>	<b>Rank</b>
<u>Gross Weekly Household Income</u> From FES 1999/2000 (3-year average 1997/98-99/2000)	NE 20% below UK	Only Northern Ireland is lower
<u>Household Expenditure</u> From FES 1999/2000	NE 18% below UK	Lowest UK region
<u>Household Disposable Income per head</u> 1998 From NS' Economic Trends	TW 15% below UK in 1995 NE 14% below UK in 1998	Lowest county in UK in 1995 Only Northern Ireland lower in 1998
<u>Personal Income</u> From Inland Revenue 1996/97 (latest)	TW 19% below UK	Lowest county in UK (1996/97)
<u>Full-time Earnings</u> From NES 2000	TW 9% below GB*	55 <sup>th</sup> from top in England. At least 25 <sup>th</sup> from bottom in England.
<u>Financial hardship</u> From Experian	16 percentage points more of the adult population than in GB	n.a. District ranks only.
<u>Household Income</u> From CACI <i>Paychecks</i> 1999	TW, Districts	[Copyright not obtained]

Source: Tyne & Wear Research and Information

\*Note: GB, UK not available

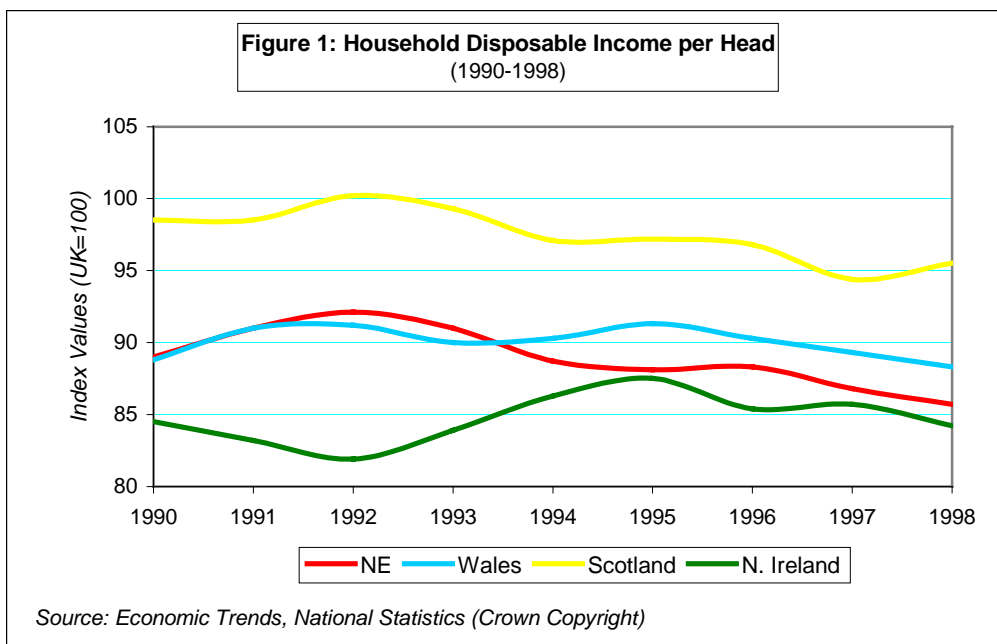
## 2 TOTAL HOUSEHOLD INCOME

### 2.1 Household Income and Disposable Income (HDI) per head

Household Income and Household Disposable Income respectively have fallen relative to the UK in the North East since 1992 and 1996. North East *Household income* in 1998 was £11,754 per head, the lowest of any UK region with the exception of Northern Ireland. This was over 15% lower than for the UK<sup>3</sup> (Provisional figures for 1998).

Household Disposable Income (HDI) *per head* in the North East has been the lowest of any UK region with the exception of Northern Ireland between 1993-98. In 1998 it was just 1.5 percentage points above Northern Ireland and nearly 3 percentage points below Wales (Figure 1)<sup>4</sup>. In 1998 North East HDI per head at £8,177 was 85.7% of the UK average. The graph shows that the North East's improvement in its relative position in 1991-93, during the last deep UK recession, was temporary. Northern Ireland steadily improved its position to 88% of the UK during the first half of the 1990s, probably due to the benefits of the economic boom in the Irish Republic. Scottish HDI per head has fallen since 1993 in a similar pattern to the North East.

HDI is measured after the effect of direct taxes, national insurance and pension contributions. The (mildly) re-distributive effect of the tax system tends to narrow the range of HDI index values compared with those for Household Income. HDI only captures the effect of direct taxes. Indirect taxes have to be paid out of HDI and their incidence is regressive.



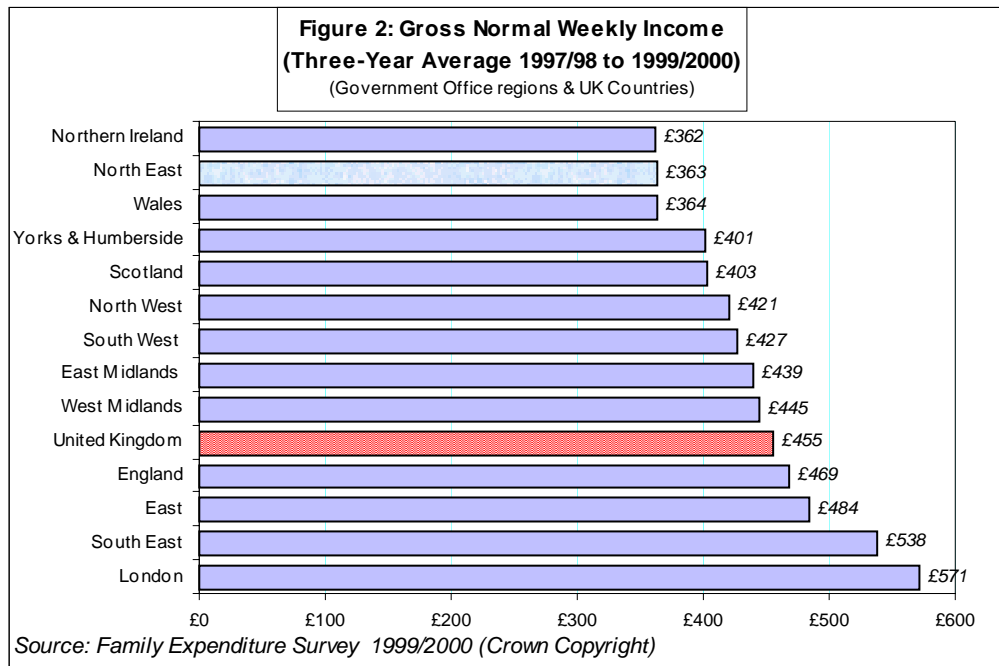
Further evidence on HDI, and other variables, over periods of ten years or more were given in TWRI's report *Economic Trends in Tyne & Wear* (1998). This report highlighted the divergence between business indicators (improving during 1987-93) whilst income-related indicators have continued to deteriorate (all relative to national, usually UK comparators).

<sup>3</sup> Source: National Statistics New Release Nov.2000 *Regional Household Sector Income 1998*.

<sup>4</sup> These data published in 2000 are the second household incomes series to be published using the new ESA95 (European System of Accounts 1995) definitions, with household sector income data revised back to 1989. Sub-regional estimates are expected to be released in the latter half of 2001.

## 2.2 Household Income per household (Gross weekly household income)

The Family Expenditure Survey (FES) showed that, averaged over the three years to 1999/2000, the North East had the second-lowest household income of all UK regions, 20% below the UK average (Figure 2). The FES estimates take no account of household size (unlike the estimates per head from Economic Trends on the previous page). North East average weekly household income, at £363pw (or nearly £18,900pa), was £92pw or £4,900pa lower than the UK and 36% (£208pw, £10,800 pa) lower than in London.



Household income in the North (SSR)<sup>5</sup> up to 1996/7 was, on average, 17% below the UK average. Thereafter in the North East (GOR)<sup>6</sup>, from 1997/8 household income was 20% below the UK average (Table 3). The FES estimates are subject to quite wide sampling error because of the small sample size. The FES sample is too small to generate estimates with narrow confidence intervals, necessary to identify trends. The levels of these index figures, however, closely corroborate the Household Income and HDI index values (on the previous page). It remains an inconsistency, however, that, compared to the North East, Northern Ireland has a higher index per head and larger household size and yet lower average household income per household (FES). This inconsistency probably reflects sampling error.

**Table 3: Gross weekly household income 1991 to 1999/2000**

	1991	1992	1993	1994/5	1995/6	1996/7	1996/7	1997/8	1996/7- 1998/9	1997/8- 1999-00	
North	£ 276	£ 285	£ 291	£ 304	£ 338	£330	North East	£321	£339	£357	£363
UK	£347	£343	£353	£369	£381	£397	UK	£397	£421	£430	£455
North as % of UK	79%	83%	83%	82%	89%	83%	North East as % of UK	81%	81%	83%	80%

Source: Family Expenditure Survey: Office for National Statistics (Crown Copyright)

<sup>5</sup> SSR means Standard Statistical Region, that is including Cumbria.

<sup>6</sup> GOR means Government Office Region. The North East is the Northern Region minus Cumbria.

This household income gap (of approximately 20%) is wider than the earnings gap (which is about 9%)<sup>7</sup>. This highlights the fact that the North East's low incomes are not just due to low earnings. They are made worse by a number of other factors including:

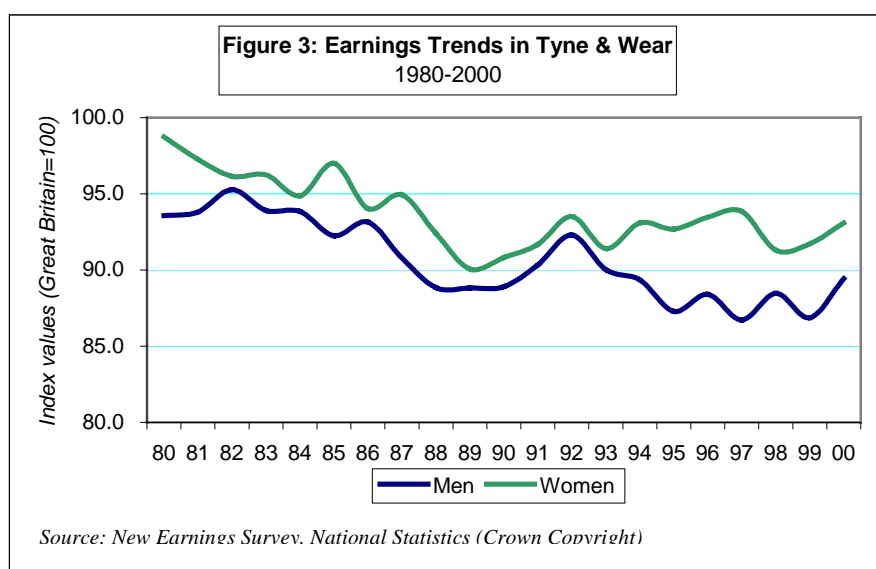
- a) The low "Employment Rate" (about 6 percentage points below the UK average. Tyne & Wear is over 9 percentage points below the UK average. Source: LFS)<sup>8</sup>.
- b) Low Earnings (about 9% below the GB average) for those in work.
- c) An age structure with relatively more people beyond working age.

These reasons for low incomes are partly offset by state benefits (19% of income, UK 12%), but only partly. Not only has the North East an employment rate which is 6 percentage points below the UK average, but its share of income from benefits is 7 percentage points above the UK average. The North East's dependence on state benefits is a huge weakness for two reasons:

- a) benefits tend to be lower than earnings; and
- b) they generally do not rise with the growth of the economy (as earnings tend to), instead being linked only to prices. This drags the region further and further behind with time. Since 1997, however, some state benefits, notably Child Benefit, have been raised in real terms. Also Working Families Tax Credit (WFTC), introduced in October 1999, may well have raised the North East's income from benefits more rapidly than in the UK.

It is important to note that household income is a wider concept than earnings as it includes social security, pensions, investment income and self-employment income.

Compared with Great Britain, in the 1980s earnings in Tyne & Wear fell by 5-8% (Figure 3). This followed the dramatic loss of about 80,000 jobs, or nearly 16% of employment between 1978-87. Again relative to Great Britain, since about 1990 earnings in Tyne & Wear have risen for women but the trend has been flat for men. However, the earnings gap with Great Britain narrowed for both men and women in 2000, standing at 7% for women and 11% for men. Full details are given in TWRI's report *Earnings in Tyne & Wear, 2000*.

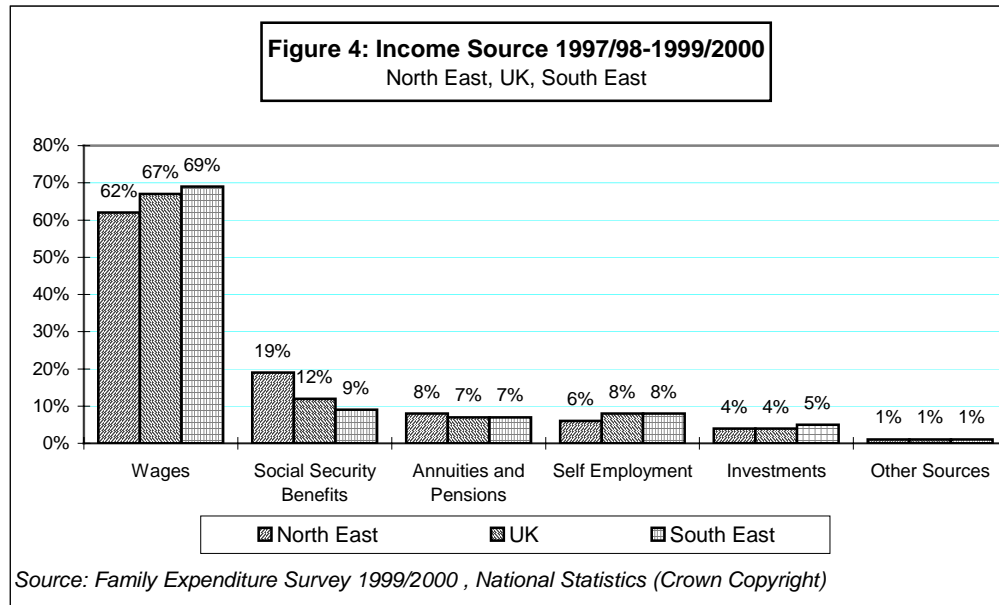


<sup>7</sup> The comparison is not perfect because earnings have to be compared with GB rather than the UK, but this will make very little difference. Even if N. Ireland earnings were 25% below the GB average this would only reduce the UK average by about 0.75 of one percentage point relative to the UK.

<sup>8</sup> The "employment rate" is the proportion of the population of working age (PWA, i.e. aged 16-59/64) who have a job. This is a key measure used by the European Commission. It picks up hidden unemployment.

## 2.3 Sources of Income

Sources of income vary widely between regions, with the proportion from wages, or self-employment, in the North East (68%) being notably lower than in the UK (75%) (Figure 4). North East households obtain significantly less of their income from wages & salaries (62%) than in the UK (67%). The North East is also low on income from self-employment (6%) compared to the UK (8%). Conversely, the North East obtains a much higher proportion of its income from benefits (19%) compared with the UK (12%) and more than twice the proportion in the South East (9%). [Source: Family Expenditure Survey 1999/2000 gives all these proportions of household income averaged over the last 3 years].



## 2.4 Inland Revenue Personal Income

Personal Income is taxable income. It is therefore a much narrower concept than household income. TWRI's view is that it is not a useful indicator. First, it excludes the following three categories of income:

- incomes of *people below the threshold* for income tax.
- those *state benefits which are non-taxable* (such as Incapacity Benefit and Sickness Benefit).
- income from *tax-exempt sources* (ISAs and their predecessors PEPs and TESSAs).

Secondly, the denominator used to calculate the statistics is the number of tax records (roughly the number of tax-payers). This denominator therefore excludes non-taxpaying adults and all children unlike the Household Income per head figures in Section 2.1. Thirdly, the Inland Revenue personal income estimates are not statistically robust at District-level. They are based on very small samples with huge confidence intervals<sup>9</sup>. (Detailed estimates are given in Appendix 1 for information only). Moreover the figures are now dated. They are for incomes in 1996/97.

<sup>9</sup> Note: Personal Income normally excludes an individual's income if it was under £4,195 in 1998/99. Some records exist of people with incomes below the tax threshold. The Inland Revenue have been unable to update their estimates at a sub-regional level since 1996/97 due to problems with their computer systems. It has, however, been possible to adjust for these problems at the regional level. Details are given in Inland Revenue Statistics, 2000.

Inland Revenue Personal Income has, however, two small advantages over, for example, earnings data. Firstly, it relates to residents (whereas NES earnings relate to workplaces). Secondly, it includes self-employment income as well as earnings from employment (by which Inland Revenue mean employees).

Tyne & Wear's mean Personal Income was the lowest in any UK county in 1996/97, at £13,000. Personal income was also notably lower than the UK (£16,000) and North East (£13,600) (81% of UK, and 95% of NE). The North East mean of £13,600, the lowest of any GOR in 1996/97 increased to £15,100 by 1998/99, rising above the comparative figures for Wales and Northern Ireland of £14,500 and £14,900 respectively.

It is striking that "Personal Income from employment" of Tyne & Wear residents ranks lower than in Northumberland or Durham. The reverse is true of Earnings of employees (based on their workplace). In other words the Inland Revenue data provide some evidence that the NES workplace earnings figures are probably high relative to the actual earnings of *residents* in Tyne & Wear.

Within the Tyne & Wear Districts, South Tyneside had the lowest mean Personal Income of any UK District (£10,600) at only 66% of the UK. Personal income in Gateshead and Sunderland (both £12,700) was likewise very low relative to the UK (79% of UK).

## 2.5 CACI Estimates of Household Income

CACI estimates of household income reinforce the data discussed thus far. Unfortunately CACI has refused to allow any release from copyright of any examples of their estimates. CACI's estimates are published as its *Paychecks* series. Essentially CACI's estimates are modelled from the linking of the following three elements; income data from 4 million market research forms (rolled forward where out-of-date), census data (1991) (claiming to use this to ED-level), and CACI's classification of residential neighbourhoods (ACORN). Where data are incomplete, proxy data are inputted (created from the known relationship between income and household characteristics in other areas). This procedure has produced low estimates of household income in the North East.

It is not possible to assess the accuracy of CACI's detailed estimates. (That could have been achieved by an income question in the Census). At county-level, however, they should tally with the ONS estimates of household income. One possible use of the CACI estimates is for implementing "affordable housing" where average incomes may be more appropriate. For this it is helpful that estimates are available down to ward-level.

CACI's county and postal town estimates, *the Wealth of the Nation* report, is purchasable for a fee of £245 +VAT. For the estimates for a county set of wards, *Paychecks*, their price is about £1,000.

## 2.6 Index of Multiple Deprivation 2000

Produced by the DETR, the Index of Multiple Deprivation 2000 (IMD 2000) has been constructed by Oxford University following a review of the Index of Local Deprivation 1998 (ILD 98). IMD 2000 utilises 34 variables from a composite of six weighted 'domains' or 'dimensions' (Income 25%, Employment 25%, Health & Disabilities 15%, Education & Skills 15%, Housing 10% and Geographical Access 10%) to produce an overall index score for each ward. The IMD 2000 allows an analysis of deprivation from each or all of the selected domains within the 113 wards in Tyne & Wear (8414 in England) based on newly available ward-level DSS benefits data.

IMD 2000 has several advantages over its predecessor. These advantages include an extensive use of recent data, the concept of hidden unemployment is now central to the definition of work deprivation and the removal of a 'scale-bias' (which had favoured larger local authorities). IMD 2000 essentially defines income deprivation as dependence on one of the key means-tested benefits, i.e. Income Support, Job Seekers Allowance - Income Based, Family Credit, Disability Working Allowance and (modelled) data on pensioners & disabled people on Council Tax Benefit. In terms of income deprivation, Tyne & Wear has 76 wards in the most deprived quintile (most deprived fifth) in England.

Although not directly analogous, on average for comparable wards, the rank of Tyne & Wear wards is shown to be 79 places more deprived with the IMD 2000 than with the ILD 98. Consequently, 50 of the 113 Tyne & Wear wards are in the worst decile (worst tenth) in England. IMD has recently been utilised in identifying areas for NRF (Neighbourhood Renewal Fund), of which Tyne & Wear will receive £54m over the three years to April 2004.

In terms of the most deprived wards in Tyne & Wear with regards to income, Newcastle has five of the six most deprived wards and seven in the top 20. Of the other Tyne & Wear Districts, Sunderland has five of the 20 most deprived wards in terms of income, South Tyneside four and North Tyneside and Gateshead just two wards.

In IMD 2000, income deprivation is expressed as a percentage rate of people who are dependent upon the key-means tested benefits. The average rate amongst wards in Tyne & Wear is 32.44%. The North East has, on average, the most income deprivation of all regions in England, with a mean ward rank of 2,576. Child poverty, which is a derivative of income deprivation, is defined within IMD 2000 as children living in families in receipt of means tested benefits. The average rate amongst wards in Tyne & Wear is 1,919.8. The North East has the highest rate of child poverty, or proportion of children in families that claim means-tested benefits (42%), compared to 40% in the North West and just 23% in the South East.

**Table 4: Income Deprivation and Child Poverty, Tyne & Wear**

	Average rate of Income Deprivation (%)	Average rate of Child Poverty (%)
Gateshead	30.6	43.8
Newcastle	34.1	46.9
North Tyneside	29.5	39.6
South Tyneside	35.2	46.5
Sunderland	32.5	45.4
<b>Tyne &amp; Wear</b>	<b>32.4</b>	<b>44.6</b>
Median Ward in England <sup>10</sup>	15.7	22.5

Source: *Index of Multiple Deprivation 2000*

<sup>10</sup> These are the percentage rates for the 4,207<sup>th</sup>, or middle, ward in England. Note: These rates are below the population-weighted average for England because large (urban) wards tend to be the most deprived.

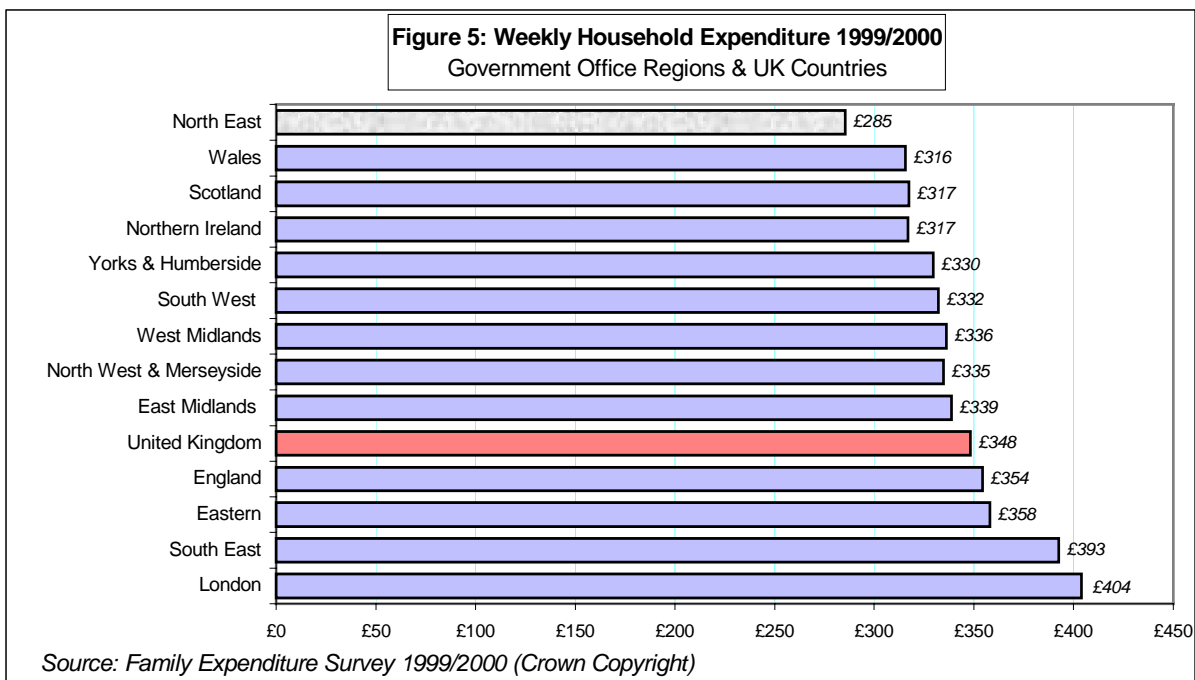
### 3 TOTAL HOUSEHOLD EXPENDITURE IN THE NORTH EAST

#### 3.1 Expenditure 1999/2000

According to the Family Expenditure Survey, FES (Figure 5), the North East had the lowest weekly household expenditure of any region in the UK in the three years to 1999/2000. This is even weaker than the rank for household *income* for the region, which is second-lowest in the FES.

The percentage gap between the North East and the UK is narrower for expenditure (18%) than for income (20%). This could well be due to greater spending by running down savings (and other forms of wealth) than in the UK and/or saving a lower proportion of income than in the UK. The North East's high unemployment and large proportion of people who are otherwise without work make both these phenomena likely.

North East average household weekly spending was £285.40 (over £14,800pa) or around £60 (or 18%, £3,300pa) less than the UK average. London had the highest weekly spending; at £403.90 (£21,000 pa), some 29% higher than the North East. The rankings of regions on expenditure broadly reflect the distribution on income.



Note: ONS averaged the data over the three years 1997/98 to 1999/2000 to give more reliable results. The total number of households in the sample over 3 years was 985 in the North East - the smallest of all regions.

#### 3.2 Trends in household expenditure

Household expenditure remained relatively stable at around 88% of the UK level (varying within about 4 percentage points of this level since 1981) for the Northern Region (Table 4). Household expenditure is slightly lower in the North East (between 82-85% of the UK). It is not, however, possible to make strong inferences from these data due to the small FES sample sizes and consequent wide confidence intervals.



Table 5: Weekly Household Expenditure (1981-2000)

	North	UK	Difference	Index NR÷UK	Indexed 1981=100	
				UK=100	North	UK
1981	£109.94	£118.30	-£8.36	92.9	100	100
1982	£116.13	£129.64	-£13.51	89.6	106	110
1983	£119.00	£138.12	-£19.12	86.2	108	117
1984	£124.16	£146.52	-£22.36	84.7	113	124
1985	£131.16	£156.87	-£25.71	83.6	119	133
1986	£144.95	£170.39	-£25.44	85.1	132	144
1987	£150.21	£183.24	-£33.03	82.0	137	155
1988	£164.38	£196.44	-£32.06	83.7	150	166
1989	£191.68	£216.05	-£24.37	88.7	174	183
1990	£204.37	£236.07	-£31.70	86.6	186	200
1991	£210.52	£253.10	-£42.58	83.2	192	214
1992	£235.53	£271.83	-£36.30	86.6	214	230
1993	£245.94	£276.68	-£30.74	88.9	224	234
1994	£239.64	£283.58	-£43.94	84.5	218	240
1995	£258.20	£289.86	-£31.66	89.1	235	245
1996/97	£272.13	£309.07	-£36.94	88.0	248	261
	North East	UK	Difference	Index NE÷UK	Indexed 1996/97=100	
				UK=100	North East	UK
1996/97	£264.88	£309.07	-£44.19	85.7	100	100
1997/98	£277.30	£328.80	-£51.50	84.3	105	106
1998/99 *	£282.90	£332.60	-£49.70	85.1	107	108
1999/2000 *	£285.40	£348.20	-£62.80	82.0	108	113

Source: Family Expenditure Survey, National Statistics (Crown Copyright)

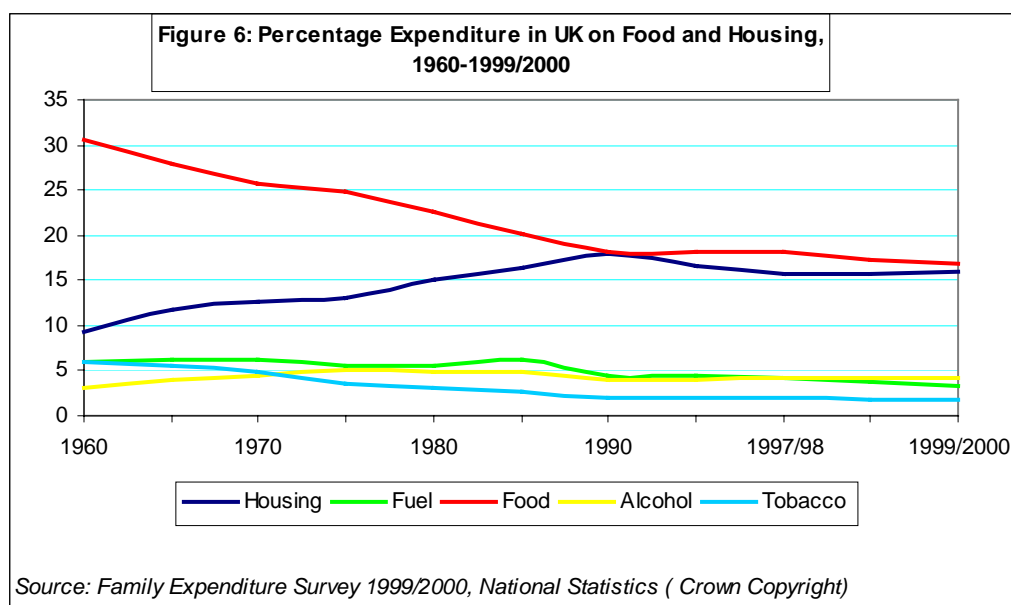
*Note:*\* Figures for 1998/99 and 1999/2000 refer to 3-year averages over the respective periods 1996/97 to 1998/99 and 1997/98 to 1999/2000.

## 4 EXPENDITURE BY CATEGORY

### 4.1 Long-term Changes in the UK 1960-2000

Since 1960, expenditure on housing has risen dramatically as a proportion of total household expenditure to roughly match food since 1990 as the largest single item (Figure 6). In 1960, housing accounted for under 10% of the weekly budget, whilst food took over 30%. By 1999/2000 expenditure on food and housing had almost converged at around 17% and 16%, respectively. The proportion of spending on housing rose constantly until 1990 before stabilised (reflecting lower interest rates and, for some years, lower house prices as a multiple of earnings).

The proportion of spending on fuel has remained remarkably constant, falling below 5% after 1991. Similarly spending on alcohol has remained fairly constant at around 4%. The overall proportion of spending on tobacco has gradually fallen from about 6% in 1960 to less than 2% in recent years.



Note: Intervals are narrower for the last three years given.

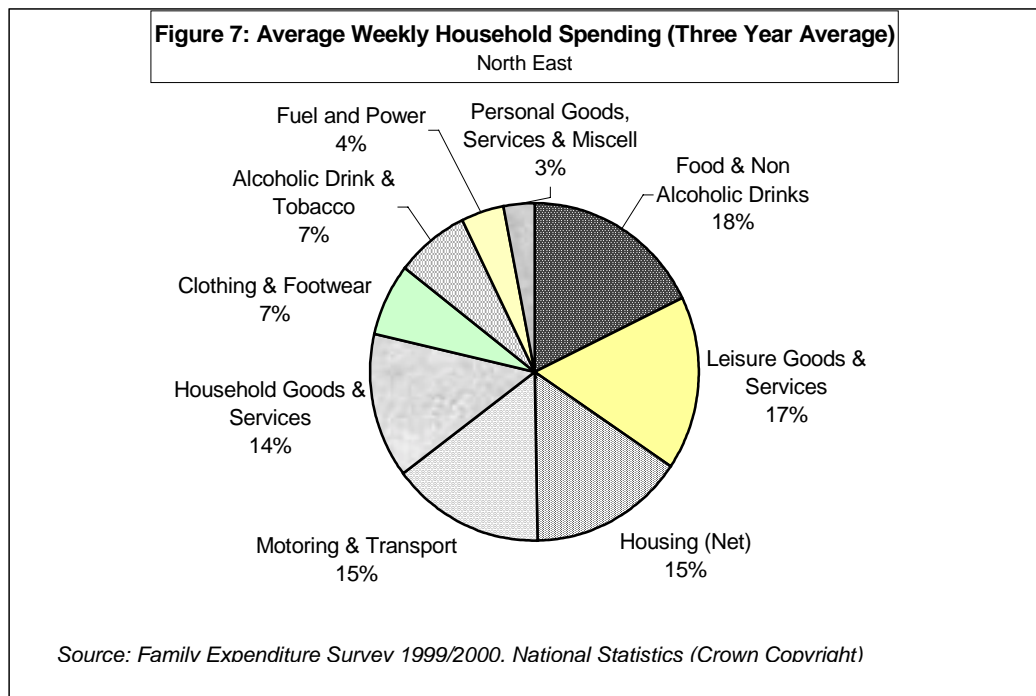
Expenditure by category is examined below, in declining size order. About half of all expenditure is accounted for by the largest three categories; food, leisure goods & services and housing (Figure 7).

### 4.2 North East Expenditure by Categories, 1999/2000

**Table 6: Average Weekly Expenditure by categories, 1999/2000**

	NE (£)	UK (£)	Diff. (£)	NE (%)	UK (%)	Diff. (%)
Expenditure per household:	285.40	348.20	-62.80	100.0	100.0	0.0
Food & Non Alcoholic Drinks	50.10	58.50	-8.40	17.6	16.8	0.8
Leisure Goods & Services	47.20	59.70	-12.50	16.5	17.2	-0.6
Housing	43.50	55.20	-11.70	15.2	15.9	-0.6
Motoring & Transport	42.30	59.20	-16.90	14.8	17.0	-2.2
Household Goods & Services	39.20	47.60	-8.40	13.7	13.7	0.1
Alcoholic Drink & Tobacco	20.60	20.50	0.10	7.2	5.9	1.3
Clothing & Footwear	19.70	21.00	-1.30	6.9	6.0	0.9
Fuel & Power	12.00	11.90	0.10	4.2	3.4	0.8
Personal Goods & Services	9.90	13.30	-3.40	3.5	3.8	-0.4

Source: Family Expenditure Survey, 1999/2000, National Statistics (Crown Copyright)



### Food (and Non-Alcoholic Drinks) 18%

Spending on food (and non-alcoholic drinks), at an average of £50 per week (£59 in the UK), was the largest element of household expenditure. The proportion of spending on food (and non-alcoholic drinks), at around 18%, was marginally higher than in the UK (17%) (see Figure 7 and Table 6). This category includes restaurants and café meals - the largest single item under food (at over £7pw); take-aways and snack foods; state school meals and meals at work.

### Leisure Goods & Services 17%

Spending on leisure goods & services was close behind food, at an average of £47 per week (£60 in the UK). The proportion of spending on leisure goods and services, at 17%, was equivalent to the UK figure. The main items in this category are holidays abroad; TVs, videos, computers and audio equipment; gifts; gambling; and TV rental & licences.

### Housing 15%

The FES measures household expenditure net of housing benefits, rebates and allowances received. These reduce gross housing costs by £10 per week in the UK. Conversely, the FES includes housing maintenance costs under this heading (£7.50 per week in the UK).

Net spending on housing, at £44 per week, was around £11 a week less in the North East than the UK. This is probably due to cheaper housing, a higher proportion renting rather than buying and also a large older population (not only retired people) who are more likely to own their homes outright. The proportion of spending on housing in the North East at 15% was slightly lower than the UK (16%).

### **Motoring & Transport 15%**

Spending on motoring & transport showed the biggest difference between the North East and the UK, constituting around 15% of weekly spending in the North East compared to 17% in the UK. In money terms, average weekly spending was £42.30 per week in the North East and £59.20 in the UK. The smaller proportion of spending on motoring & transport clearly reflects the smaller proportion of households with cars in the region (59% of households have at least one car, or van compared to 71% in the UK overall).

The average North East household spent just over £36pw on motoring, of which less than £15 was on purchase of motor vehicles (UK £22) and under £11 on petrol etc. (UK £13.40). North East households spent £6 per week on fares and other travel costs (UK £8.70).

### **Household Goods & Services 14%**

Spending on household goods & services accounted for about 14% of weekly spending in the North East and in the UK overall, equating to £39.20 and £47.60 per week respectively. The largest items were furniture (about £8pw), telephones (about £5pw) and kitchen/garden equipment & household hardware (approximately £3.50pw).

### **Clothing & Footwear 7%**

Average weekly spending on clothing & footwear in the North East, at around £19.70, made up around 7% of expenditure. In money terms, average weekly spending was £21.00 in the UK, equating to 6% of expenditure.

### **Alcohol & Tobacco 7%**

Spending on alcohol & tobacco made up around 7% of weekly spending, in the North East, compared to 6% in the UK. In money terms, weekly spending was almost identical at (£20.60) in the North East and £20.50 for the UK overall. This is one of only 2 categories in which North East households spent absolutely more (in £) than the UK average (the other being fuel & power). The FES records higher spending on beer & cider at £9.70pw (UK £8.50) and on cigarettes £5.80 (UK £5.50). The differences are, however, within the margin of error. Moreover the FES is unlikely to pick up expenditure on smuggled tobacco which is now estimated by the Treasury to cost £2.5bn a year in lost duty.

### **Fuel, Light & Power 4%**

In money terms, spending in the North East on fuel, light and power, was marginally higher at £12.00 than in the UK (£11.90). In proportionate terms North East households spend approximately 4% on fuel & power, compared to just over 3% for UK households overall, due to lower incomes as well as a colder climate.

### **Personal Goods & Services 4%**

Average weekly spending on personal goods and services, at around £9.90, accounted for just under 4% of expenditure. In money terms, average weekly spending was £13.30 in the UK, also equating to slightly less than 4% of expenditure. The largest items in this category are cosmetics & hair products (£2.30pw) and hairdressing & beauty treatment (£1.80pw). It also includes toiletries, travel goods and medicines/prescriptions.

## 5 OWNERSHIP OF HOUSEHOLD GOODS

An alternative way of measuring expenditure is to measure ownership rates for key household goods. Ownership rates have the advantage of not being prone to distortion by differences between areas in price levels in the way income or expenditure data in £ could be. The FES now reports 15, averaging the data for the last three years. The figures should be regarded as rough estimates. The confidence intervals on these percentage estimates are not given by National Statistics but are likely to be several percentage points. The smaller the region (e.g. North East) the less robust the estimates.

These ownership rates are consistent with the other evidence of low incomes and expenditure in the North East. They provide evidence, in the absence of regional price indices, that North East incomes are not only low in nominal terms but in real (i.e. inflation-adjusted) terms. Of the 11 main goods categories, the North East is particularly low on Personal Computers, Internet Connections, Telephones (both land lines and mobiles), Cars and Dishwashers.

### **North East relatively high: Microwaves & Central Heating**

The 1999/2000 FES shows the North East to have a high proportion of households with microwaves, central heating and washing machines (Table 6).

The North East has the highest proportion of households of any UK region with microwaves and central heating. Around 83% of households have microwaves (UK 78%), and 95% have central heating (UK 89%). The high proportion with central heating most likely stems from the cooler climate in the North East coupled with the large proportion of public sector housing.

### **North East close to average: Video Recorders & Washing Machines**

Ownership rates for video recorders (83%, UK 85%) and washing machines (93%, UK 91%) are very similar to the UK average.

### **North East low: Personal Computers, CD Players, Internet Connection & Mobile Phones**

Only Northern Ireland has a lower proportion (15% and 11% respectively) than the North East in terms of ownership of mobile phones (23%, UK 31%) and connection to the internet (14%, UK 19%). Personal computers (26%, UK 33%) are also very low relative to the UK and posing questions for the region both in terms of social exclusion and the adoption of e-commerce within the 'New economy'. The North East also lies below the national average in terms of ownership of CD players at 63% of households, well below the equivalent UK figure of 68%.

### **North East lowest: Telephones, Car Ownership & Dishwashers**

The 1999/2000 FES shows that the North East has a lower proportion of households with telephones, cars and dishwashers than any other UK region.

Around 92% of households have telephones (UK 95%). Only 59% of households in the North East own at least one car (or van) - much lower than the UK average (71%). 14 percent of households own two cars, compared to 22% in the UK and 27% in the South East. The proportion of households with dishwashers (15%) is also lower than any other UK region, and well below the national average of 22%.

Table 7: % of Households Owning Selected Durable Goods by Region, 1999/2000 (based on 3 years' data)

<b>Microwave</b>		<b>Central Heating</b>		<b>Washing Machine</b>	
<b>North East</b>	<b>83</b>	<b>North East</b>	<b>95</b>	East Midlands	<b>94</b>
Yorks & Humberside	<b>82</b>	Eastern	<b>95</b>	Scotland	<b>94</b>
Wales	<b>82</b>	Northern Ireland	<b>93</b>	Northern Ireland	<b>93</b>
North West & Merseyside	<b>80</b>	East Midlands	<b>91</b>	<b>North East</b>	<b>93</b>
East Midlands	<b>80</b>	South East	<b>91</b>	Yorks & Humberside	<b>93</b>
Scotland	<b>80</b>	Wales	<b>90</b>	Wales	<b>92</b>
South East	<b>78</b>	Scotland	<b>90</b>	Eastern	<b>91</b>
<b>United Kingdom</b>	<b>78</b>	<b>United Kingdom</b>	<b>89</b>	<b>United Kingdom</b>	<b>91</b>
Eastern	<b>78</b>	London	<b>89</b>	North West & Merseyside	<b>91</b>
England	<b>78</b>	England	<b>89</b>	England	<b>91</b>
West Midlands	<b>78</b>	South West	<b>87</b>	South East	<b>90</b>
South West	<b>77</b>	West Midlands	<b>85</b>	South West	<b>90</b>
Northern Ireland	<b>76</b>	Yorks & Humberside	<b>84</b>	West Midlands	<b>89</b>
London	<b>70</b>	North West & Merseyside	<b>83</b>	London	<b>87</b>
<b>Video Recorder</b>		<b>CD Player</b>		<b>Personal Computer</b>	
East Midlands	<b>87</b>	South East	<b>72</b>	London	<b>39</b>
North West & Merseyside	<b>87</b>	Eastern	<b>69</b>	South East	<b>39</b>
South East	<b>86</b>	London	<b>69</b>	East Midlands	<b>35</b>
Eastern	<b>85</b>	England	<b>69</b>	Eastern	<b>35</b>
<b>United Kingdom</b>	<b>85</b>	East Midlands	<b>69</b>	England	<b>35</b>
Yorks & Humberside	<b>85</b>	North West & Merseyside	<b>68</b>	West Midlands	<b>35</b>
England	<b>85</b>	<b>United Kingdom</b>	<b>68</b>	<b>United Kingdom</b>	<b>33</b>
West Midlands	<b>85</b>	South West	<b>68</b>	North West & Merseyside	<b>32</b>
Scotland	<b>84</b>	West Midlands	<b>67</b>	Yorks & Humberside	<b>32</b>
<b>North East</b>	<b>83</b>	Scotland	<b>67</b>	South West	<b>32</b>
South West	<b>83</b>	Yorks & Humberside	<b>66</b>	Scotland	<b>28</b>
London	<b>83</b>	<b>North East</b>	<b>63</b>	<b>North East</b>	<b>26</b>
Wales	<b>83</b>	Wales	<b>61</b>	Wales	<b>25</b>
Northern Ireland	<b>82</b>	Northern Ireland	<b>56</b>	Northern Ireland	<b>21</b>
<b>Mobile Phone</b>		<b>Internet Connection</b>		<i>Note: Confidence intervals for these estimates will vary inversely with size of region, with wider margins for the North East than for most regions.</i>	
London	<b>39</b>	London	<b>25</b>		
South East	<b>37</b>	South East	<b>24</b>		
Eastern	<b>35</b>	Eastern	<b>22</b>		
West Midlands	<b>33</b>	West Midlands	<b>20</b>		
East Midlands	<b>32</b>	England	<b>20</b>		
England	<b>32</b>	East Midlands	<b>19</b>		
<b>United Kingdom</b>	<b>31</b>	<b>United Kingdom</b>	<b>19</b>		
South West	<b>29</b>	South West	<b>19</b>		
North West & Merseyside	<b>27</b>	North West & Merseyside	<b>18</b>		
Yorks & Humberside	<b>27</b>	Yorks & Humberside	<b>15</b>		
Wales	<b>27</b>	Wales	<b>15</b>		
Scotland	<b>24</b>	Scotland	<b>14</b>		
<b>North East</b>	<b>23</b>	<b>North East</b>	<b>14</b>		
Northern Ireland	<b>15</b>	Northern Ireland	<b>11</b>		
<b>Telephone</b>		<b>Car (or Van)</b>		<b>Dishwasher</b>	
Eastern	<b>97</b>	Eastern	<b>78</b>	South East	<b>30</b>
South East	<b>96</b>	South East	<b>77</b>	South West	<b>26</b>
London	<b>95</b>	South West	<b>77</b>	Eastern	<b>25</b>
England	<b>95</b>	East Midlands	<b>75</b>	Northern Ireland	<b>25</b>
<b>United Kingdom</b>	<b>95</b>	West Midlands	<b>72</b>	London	<b>23</b>
Yorks & Humberside	<b>95</b>	England	<b>72</b>	England	<b>23</b>
East Midlands	<b>95</b>	<b>United Kingdom</b>	<b>71</b>	<b>United Kingdom</b>	<b>22</b>
West Midlands	<b>94</b>	Wales	<b>69</b>	East Midlands	<b>22</b>
North West & Merseyside	<b>94</b>	Yorks & Humberside	<b>68</b>	West Midlands	<b>21</b>
South West	<b>94</b>	North West & Merseyside	<b>68</b>	Yorks & Humberside	<b>19</b>
Wales	<b>94</b>	Northern Ireland	<b>66</b>	Scotland	<b>19</b>
Scotland	<b>93</b>	London	<b>64</b>	North West & Merseyside	<b>19</b>
Northern Ireland	<b>93</b>	Scotland	<b>62</b>	Wales	<b>17</b>
<b>North East</b>	<b>92</b>	<b>North East</b>	<b>59</b>	<b>North East</b>	<b>15</b>

## APPENDIX 1: PERSONAL INCOME

Table A1: "Personal Income" in North East Counties, Tyne &amp; Wear Districts and UK Regions, 1996/97 and 1998/99 (mean or average)

	Self-employment Income (£)		Employment Income (£)		Total Income (£)	
	1996/97	1998/99	1996/97	1998/99	1996/97	1998/99
North East GOR	13,200	14,600	13,400	14,900	13,600	15,100
Cleveland	15,400*	-	13,600	-	13,600	-
Durham	11,800*	-	13,800	-	13,400	-
Northumberland	14,400*	-	15,200*	-	15,700	-
Tyne & Wear	12,500	-	12,700	-	13,000	-
Gateshead	-	-	-	-	12,700*	-
Newcastle	-	-	-	-	14,200*	-
North Tyneside	-	-	-	-	14,600*	-
South Tyneside	-	-	-	-	10,600*	-
Sunderland	-	-	-	-	12,700*	-
North West & Merseyside GOR	13,900	15,800	14,200	15,200	14,600	15,800
Yorkshire & Humberside	13,900	15,000	13,800	15,100	14,500	15,800
East Midlands GOR	13,900	15,900	14,200	15,800	14,700	16,300
West Midlands GOR	13,500	15,100	14,200	15,600	14,600	16,200
Eastern GOR	15,500	17,900	16,600	18,500	17,200	19,200
London GOR	18,400	22,300	19,400	21,800	20,300	22,600
South East GOR	15,200	18,900	17,900	19,800	18,200	20,700
South West GOR	12,800	14,600	13,800	15,400	14,700	16,100
England	14,800	17,300	15,700	17,400	16,300	18,100
Wales	12,100	13,300	13,400	14,300	13,400	14,500
Scotland	15,100	16,400	14,600	15,800	15,200	16,400
Northern Ireland	14,000	16,600	13,100	14,200	13,700	14,900
United Kingdom	14,700	17,000	15,400	17,100	16,000	17,700

Source: Inland Revenue Statistics, 2000, Government Statistical Service

This source also gives medians.

Note: Estimates are uncertain. \* Indicates the value has a greater than 5% chance of being more than + or - 25% from the estimate.

"Personal Income" relates to individuals whereas household income refers to a domestic unit. These Inland Revenue figures estimate 'personal income' or 'taxable income' very roughly. They are based upon very small samples. TWRI believes the sample size could be as low as about a hundred or so per Local Authority District. The Inland Revenue sample is stratified, with only about "1 in 1,400 employees and occupational pensioners with smaller 1997/98 tax liabilities".

The table only covers "individuals for whom Inland Revenue tax offices hold records. There may be no record if an individual's income is less than the PAYE threshold (£4,195 in 1998/99). No attempt has been made to estimate the missing data.... The...table includes some individuals who earn above the PAYE threshold but whose allowances and reliefs render them not liable to tax."

Personal Income, given above, is biased by two major opposite effects compared with household income: upwards by its general exclusion of people below the income tax threshold. Downwards by its exclusion of income from non-taxable sources (especially some state benefits) and to a lesser extent, probably, from tax-free sources (ISAs etc.).

## APPENDIX 2: HOUSEHOLD DISPOSABLE INCOME PRE-ESA95 DATA

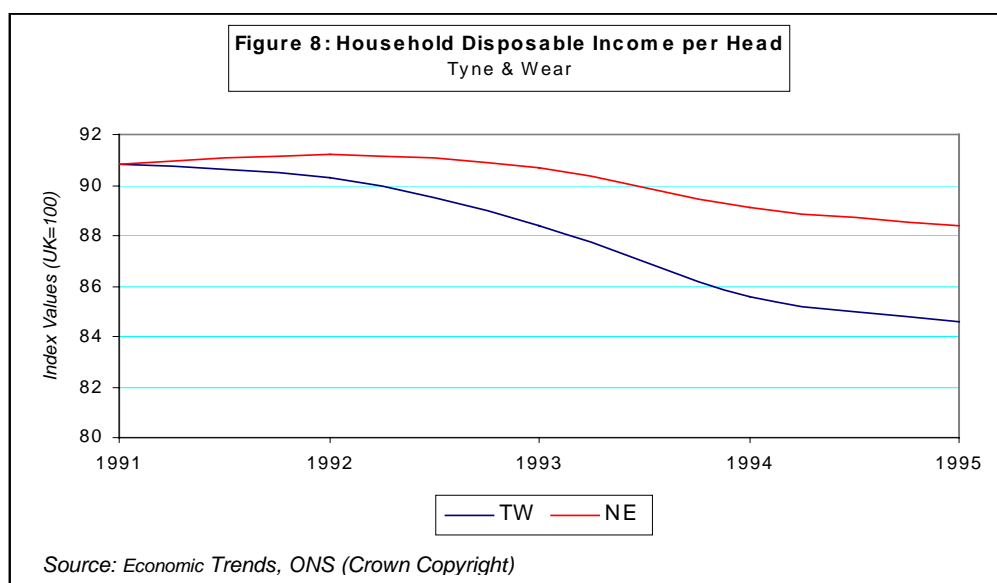
### Pre-ESA95 data on Tyne & Wear (to 1995 only) are presented here:

The new, ESA95, time series to 1998 is used in the main text but this was for regions only (p6):

Household income and household disposable income are persistently low in Tyne & Wear and falling relative to the UK. The Office for National Statistics (ONS) estimated total *household income* in 1995 in Tyne & Wear to be £8,476 per head. This was the lowest estimate for any UK County and 17% below the UK estimate of £9,153 per head<sup>11</sup>. It is also 4% below the average for the North East (£8,869 per head).

In 1995, *Household Disposable Income* (HDI) in Tyne & Wear was the lowest of any UK County. At £7,166, the estimate for Tyne & Wear was about 85% of the UK (£8,471) and around 96% of the North East estimate (£7,492). Household Disposable Income in Tyne & Wear and the North East has been low relative to the UK since 1991 and the gap has been steadily widening (Figure 1). This is more marked in Tyne & Wear than for the North East.

HDI is measured after the effect of direct taxes, national insurance and pension contributions. The (mildly) re-distributive effect of the tax system tends to narrow the range of HDI index values compared with those for Household Income. HDI only captures the effect of direct taxes. Indirect taxes have to be paid out of HDI and their incidence is regressive.



Further evidence on HDI, and other variables, over periods of ten years or more are given in TWRI's report *Economic Trends in Tyne & Wear* (1998). This report highlighted the divergence between business indicators (improving during 1987-93) whilst income-related indicators have continued to deteriorate (all relative to national, usually UK, comparators).

<sup>11</sup> Source: Economic Trends, June 1998, ONS (Crown Copyright).



**A2.1 Gross Disposable Household Income per head indices, UK (excl. the Continental Shelf) = 100.**

	1990	1991	1992	1993	1994	1995	1996	1997 (p)	1998 (p)
Scotland	98.5	98.5	100.2	99.3	97.1	97.2	96.8	94.4	95.5
N. Ire	84.5	83.2	81.9	83.9	86.3	87.5	85.4	85.7	84.2
Wales	88.8	91.0	91.2	90.0	90.3	91.3	90.3	89.3	88.3
NE	89.0	91.0	92.1	91.0	88.7	88.1	88.3	86.8	85.7

This table is the basis of Figure 1. p = provisional.

**A2.2 Household Disposable Income per head (£).**

	1996	1997 (p)	1998 (p)
UK	8,865	9,399	9,552
UK excl. Continental Shelf	8,855	9,389	9,542
Scotland	8,570	8,866	9,113
N. Ireland	7,559	8,048	8,033
Wales	7,997	8,380	8,428
NE	7,819	8,151	8,177

p = provisional.

**A2.3 Sources of Household Income, 1998 (£m)**

	Scotland	N. Ireland	Wales	North East
Compensation of employees	38,941	9,699	17,995	17,154
All pensions	8,572	1,701	5,124	3,817
Net property income	5,933	1,647	2,686	2,264
Other Social Benefits	6,173	3,127	3,817	3,471
Gross Operating Surplus	3,036	750	1,823	1,287
Gross Mixed Income	2,657	1,195	1,753	1,105
Net Other Income	2,712	793	1,480	1,428
TOTAL INCOME	68,023	18,912	34,679	30,523
Tax & other deductions	-21,280	-5,322	-9,938	-9,290
Disposable Income	46,743	13,590	24,741	21,233

**A2.4 Sources of Household Income, 1998 (%)**

	UK	Scotland	N. Ireland	Wales	North East
Compensation of employees	56.2	57.2	51.3	51.9	56.2
All pensions	12.5	12.6	9.0	14.8	12.5
Net property income	8.5	8.7	8.7	7.7	7.4
Other Social Benefits	8.1	9.1	16.5	11.0	11.4
Gross Operating Surplus	5.5	4.5	4.0	5.3	4.2
Gross Mixed Income	5.3	3.9	6.3	5.1	3.6
Net Other Income	3.9	4.0	4.2	4.3	4.7
TOTAL INCOME	100	100	100	100	100
Tax & other deductions*	-31.4	-31.3	28.1	28.7	30.4
Disposable Income #	69	69	72	71	70

\* Implied by the table above. # As stated by National Statistics.

Source (for tables A2.1-4): ONS News Release on Regional Household Sector Income (Nov. 2000).