

Statistical bulletin

# Workless households for regions across the UK: 2018

Annual information at a local level about households and the adults and children living in them, by their economic activity status.



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# 1. Main points

- In 2018, the areas with the highest percentage of workless households were generally located outside the south of England.
- Not all locations outside the south of England had high percentages of workless households; 10 of the 50 areas with the lowest percentages in 2018 were in Scotland, Wales, the Midlands and the north of England.
- Hartlepool, Glasgow City and Dundee City were in the top five areas with the highest percentage of workless households in 2017 and 2018.
- Windsor and Maidenhead, Harrow and Bracknell Forest were in the top five areas with the lowest percentage of workless households in both 2017 and 2018.

# 2. Things you need to know about this release

This bulletin provides statistics on the economic status of households and the people living in them in the UK at a regional and local level. The statistics are taken from the Annual Population Survey (APS), cover the period January to December 2018 and only include households where at least one person is aged 16 to 64 years.

Due to the larger sample size at local level within the APS, compared with the Labour Force Survey (LFS), these statistics provide the most timely and highest-quality estimates of the economic status of households for local areas and other sub-regional geographical breakdowns within Great Britain.

At a regional level, the larger sample size of the APS, compared with the LFS, allows a comparison of reasons why people within workless households are not in employment.

Apart from these exceptions, the most up-to-date analysis of the economic status of households at a national and regional level is available in the bulletin, <u>Working and workless households in the UK: January to March 2019</u>. These statistics come from the LFS, cover the period January to March 2019, include data for earlier years and are consistent with the headline national figure.

## **Revisions to the Household Annual Population Survey estimates**

There are revisions to estimates derived from the Household Annual Population Survey back to January to December 2012, resulting from taking on board the latest population estimates.

#### Main definitions

This bulletin uses a number of main definitions.

#### Households

For the purposes of this bulletin, estimates only include those households where at least one person is aged 16 to 64 years.

#### Student households

Households where all adults are aged 16 to 24 years and in full-time education. The definition excludes households where all members are in education but some members are aged 25 years and over. People in full-time education can also be in <a href="employment">employment</a>.

#### Working households

Households, as defined previously, and where all members aged 16 years and over are employed.

#### Workless households

Households, as defined previously, and where no-one aged 16 years and over is in employment. These members may be <u>unemployed</u> or <u>economically inactive</u>. Economically inactive members may be unavailable to work because of family commitments, retirement or study, or they may be unable to work through sickness or disability.

#### Mixed households

Households, as defined previously, which contain both working and workless members, aged 16 years and over.

#### **Data source**

The source for the statistics in this bulletin is the APS household dataset. These data are available for January to December 2018 and they do not contain information on earnings. All members of the household are weighted equally in the household datasets.

This bulletin focuses on county and unitary authority level analysis alongside consistent aggregations within the APS for regions in England and countries within the UK. This bulletin also includes analysis and data about reasons for non-employment in workless households at a regional level.

## How these data should be interpreted

The APS household datasets can be used for analysis of family or household characteristics at the country, regional or local level. This bulletin particularly focuses on the economic status of households and household members in counties and unitary authority areas. For example:

- the number of households with all, some or no people in employment
- the number of adults in each of these household types
- the number of children in each of these household types

Analysis of LFS household datasets was released in <u>Working and workless households in the UK: January to March 2019</u>, which uses household data from the LFS covering the period January to March 2019.

The LFS data should be used for the most up-to-date analysis of the economic status of households for:

- the UK as a whole
- England, Scotland, Wales and Northern Ireland
- the regions of England (except for analysis of reasons for non-employment in workless households)

## The main uses and users of the data and reasons for production

Users of the data in this bulletin include government departments, devolved administrations, local authorities, independent research organisations and members of the media and general public. These data are used to understand how the economic status of households at a local level compares with that in other local areas within the UK and to examine patterns in the data over time.

## 3. Workless households

In 2018, the areas with the highest percentage of workless households (those that include at least one person aged 16 to 64 years and where no-one aged 16 years or over is in work) tended to be located outside the south of England (London, South East, South West, East of England).

The 19 areas with the lowest percentage of workless households were all in the south of England and all but one of the 24 areas with the highest percentage of workless households were outside the south of England.

As the Annual Population Survey (APS) is a sample survey, all estimates from it and, hence, all specific rankings and their year-on-year changes are subject to sampling variability. However, most of the areas with the highest and lowest percentages of workless households in 2018 had similar rankings in previous years. In particular, for all years from 2006 to 2018, when comparing the percentages of workless households, Glasgow City was continually among the top 10 counties and unitary authorities, and West Berkshire was the only area continually among the bottom 10. Rankings for 2006 to 2018 are included in <u>Table E of the datasets</u>.

Comparing the two latest periods, Hartlepool had the highest percentage of workless households and has also been amongst the top five in each year since 2014. Glasgow City and Dundee City were also amongst the top five in both 2017 and 2018. Windsor and Maidenhead, Harrow and Bracknell Forest were in the five areas with the lowest percentage of workless households in both 2017 and 2018.

To help remove some of the sampling variability seen in these estimates, the average of the ranks for each of the counties and unitary authorities was calculated for the five-year periods 2009 to 2013 and 2014 to 2018. These "average ranks" were then ranked to show which counties and unitary authorities consistently performed well or poorly. A rank of one indicates a high degree of worklessness.

Table 1 shows the 10 areas with the highest average rank of the percentage of workless households over the last five years (2014 to 2018) and the highest average rank of the percentage of workless households over the previous five years (2009 to 2013). Liverpool had the highest average rank in 2009 to 2013 and Hartlepool had the highest rank in 2014 to 2018. Along with Liverpool and Hartlepool, Middlesbrough, Glasgow City, Wolverhampton, Nottingham and North Ayrshire were also in the top 10 for both periods.

Table 1: Average rank of counties and unitary authorities with highest percentage of workless households UK, 2009 to 2013 and 2014 to 2018

Rank 2009 to 2013		2014 to 2018	
1	Liverpool	Hartlepool	
2	Blaenau Gwent	Glasgow City	
3	Glasgow City	Middlesbrough	
4	Middlesbrough	Wolverhampton	
5	Nottingham	Liverpool	
6	Hartlepool	West Dunbartonshire	
7	North Ayrshire	Dundee City	
8	Wolverhampton	North Ayrshire	
9	Manchester	Nottingham	
10	Merthyr Tydfil	Redcar and Cleveland	

Source: Office for National Statistics - Household Annual Population Survey

Table 2 shows the 10 areas with the lowest average rank of the percentage of workless households over the last five years (2014 to 2018) and the lowest average rank of the percentage of workless households over the previous five years (2009 to 2013). The area with the lowest average rank was different for each five-year period: Wokingham was the lowest for 2009 to 2013 and Windsor and Maidenhead was the lowest for 2014 to 2018. Along with these two areas, Bracknell Forest, Richmond upon Thames, Merton, Buckinghamshire and West Berkshire were in the lowest 10 areas for both periods.

Table 2: Average rank of counties and unitary authorities with lowest percentage of workless households UK. 2009 to 2013 and 2014 to 2018

Rank 2009 to 2013		2014 to 2018	
1	Wokingham	Windsor and Maidenhead	
2	West Berkshire	West Berkshire	
3	Windsor and Maidenhead	Bracknell Forest	
4	Merton	Merton	
5	Surrey	Buckinghamshire	
6	Aberdeenshire	South Gloucestershire	
7	Bracknell Forest	Wokingham	
8	Richmond upon Thames	Richmond upon Thames	
9	Buckinghamshire	Harrow	
10	Oxfordshire	Redbridge	

Source: Office for National Statistics - Household Annual Population Survey

### The effect of excluding student households

The <u>datasets</u> accompanying this release include tables of data that exclude student households (where all adults are aged 16 to 24 years and in full-time education).

In these tables, most of the counties and unitary authority areas with the highest and lowest percentages of workless households in 2018 were the same as those when student households were included. In particular, four of the top five and all of the bottom five local authorities remained the same when student households were excluded. In most counties and unitary authority areas, the percentage of workless non-student households was slightly lower than the percentage of all households, reflecting the greater likelihood that student households were workless.

# 4. Working and mixed households

In 2018, the counties and unitary authority areas with high percentages of workless households were not necessarily those with low percentages of working households and the other way around. This was due to the uneven distribution of mixed households across Great Britain. For example, if an area has a high proportion of workless households, it could also have a relatively high percentage of working households if it has a lower-than-average proportion of mixed households.

A household can be mixed for a number of reasons. Some economic inactivity is a result of a personal decision, such as taking early retirement or some instances of opting to look after home or family on a full-time basis, while other inactivity results from circumstances, such as sickness or disability.

Three of the four areas with the lowest percentage of workless households in 2018 were in the South East, whereas only one of the 50 areas with the lowest percentage of working households were in the South East. In 2018, Middlesbrough, Hartlepool and Wolverhampton were the only areas that were in the bottom 10 for working households and top 10 for workless households.

## 5. Children in workless households

The <u>datasets</u> accompanying this release include the percentages of adults and children in each of the three types of households (working, mixed and workless). The counties and unitary authority areas with higher percentages of adults in workless households are mainly those with higher percentages of workless households but this is not necessarily true for children in workless households.

As the data are from a sample survey, all estimates and, hence, all year-on-year changes are subject to sampling variability. This is especially true for subsets of the data such as children in workless households.

At a regional level, the South East, South West and East of England had the lowest percentages of children in workless households in 2018, with all percentages below 10%. In contrast, the North East and Northern Ireland had the highest percentages of children in workless households at 16.8% and 15.3% respectively.

Between 2013 and 2018, all regions saw a decrease in the percentage of children in workless households (Table 3). London had the largest decrease of 8.7 percentage points from 17.3% to 10.1%, whereas Northern Ireland had the smallest decrease of 0.8 percentage points from 16.1% to 15.3%.

Table 3: Percentage of children in workless households UK, 2013 and 2018

Area name	2013	2018	
UK	K02000001	14.4	10.5
England	E92000001	14.3	10.1
North East	E12000001	18.1	16.8
North West	E12000002	18.0	11.7
Yorkshire and The Humber	E12000003	15.8	12.7
East Midlands	E12000004	12.5	10.7
West Midlands	E12000005	18.2	12.1
East	E12000006	10.4	8.7
London	E12000007	17.3	10.1
South East	E12000008	9.3	6.0
South West	E12000009	10.3	8.1
Wales	W92000004	16.6	12.6
Scotland	S92000003	13.9	11.6
Northern Ireland	N92000002	16.1	15.3

Source: Office for National Statistics - Household Annual Population Survey

## 6. Reasons for worklessness in workless households

The larger sample size of the Annual Population Survey (APS), when compared with the Labour Force Survey (LFS), allows for a national and regional analysis of the reasons why adults aged 16 to 64 years in workless households were not in employment. This analysis covers people aged 16 to 64 years where the household, as before, includes at least one person aged 16 to 64 years and has no-one aged 16 years and over in work.

In 2018, as with every period covered in this release since 2006, the most common reason for worklessness in such households in the UK and in all regions and countries of the UK, was sickness or disability. Wales had the highest percentage at 38.4%, more than 10 percentage points higher than the South East, which was the lowest at 27.7%.

London had the lowest percentage of people aged 16 to 64 years who were in workless households due to early retirement, at 8.9%, over two percentage points lower than the next lowest region, while the South East and the East of England had the highest percentages at 22.5% and 22.4% respectively.

# 7. Quality and methodology

The Annual Population Survey Quality and Methodology Information report contains important information on:

- the strengths and limitations of the data and how it compares with related data
- users and uses of the data
- · how the output was created
- the quality of the output including the accuracy of the data

## Concepts and definitions

Estimates within this statistical bulletin only cover households that contain at least one person aged 16 to 64 years.

A household is defined as a single person, or a group of people living at the same address who have the address as their only or main residence and either share one main meal a day or share living accommodation (or both).

A working household is a household that contains at least one person aged 16 to 64 years, where all individuals aged 16 years and over are in employment.

A mixed household is a household that contains at least one person aged 16 to 64 years, where at least one person aged 16 years and over is in employment and at least one other is either unemployed or inactive.

A workless household is a household that contains at least one person aged 16 to 64 years, where no-one aged 16 years or over is in employment.

Children refer to all children under 16 years old.

## Sampling variability

The Annual Population Survey (APS) is a sample survey and is, therefore, subject to a margin of uncertainty, as different samples give different results. Analysis in this bulletin focuses on counties and unitary authority areas with some areas of low population combined to provide larger sample sizes (see Section 4 for details). Datasets also include data for smaller areas, for example, districts within counties.

The datasets include measures of sampling variability (in hidden columns in each spreadsheet) and also include shading that indicates estimates that are not considered reliable for practical purposes. These data can be summed to provide more robust estimates for combined areas.

#### Household datasets

The figures in this bulletin come from APS household datasets. These are weighted differently to person datasets, in that each person in a household is given the same weight. This ensures that weighted estimates at the household level are consistent. When using the household datasets to give estimates of the total number of people, the different weighting procedure will give marginally different estimates to those from the person datasets.

Details of the policy governing the release of new data are available.