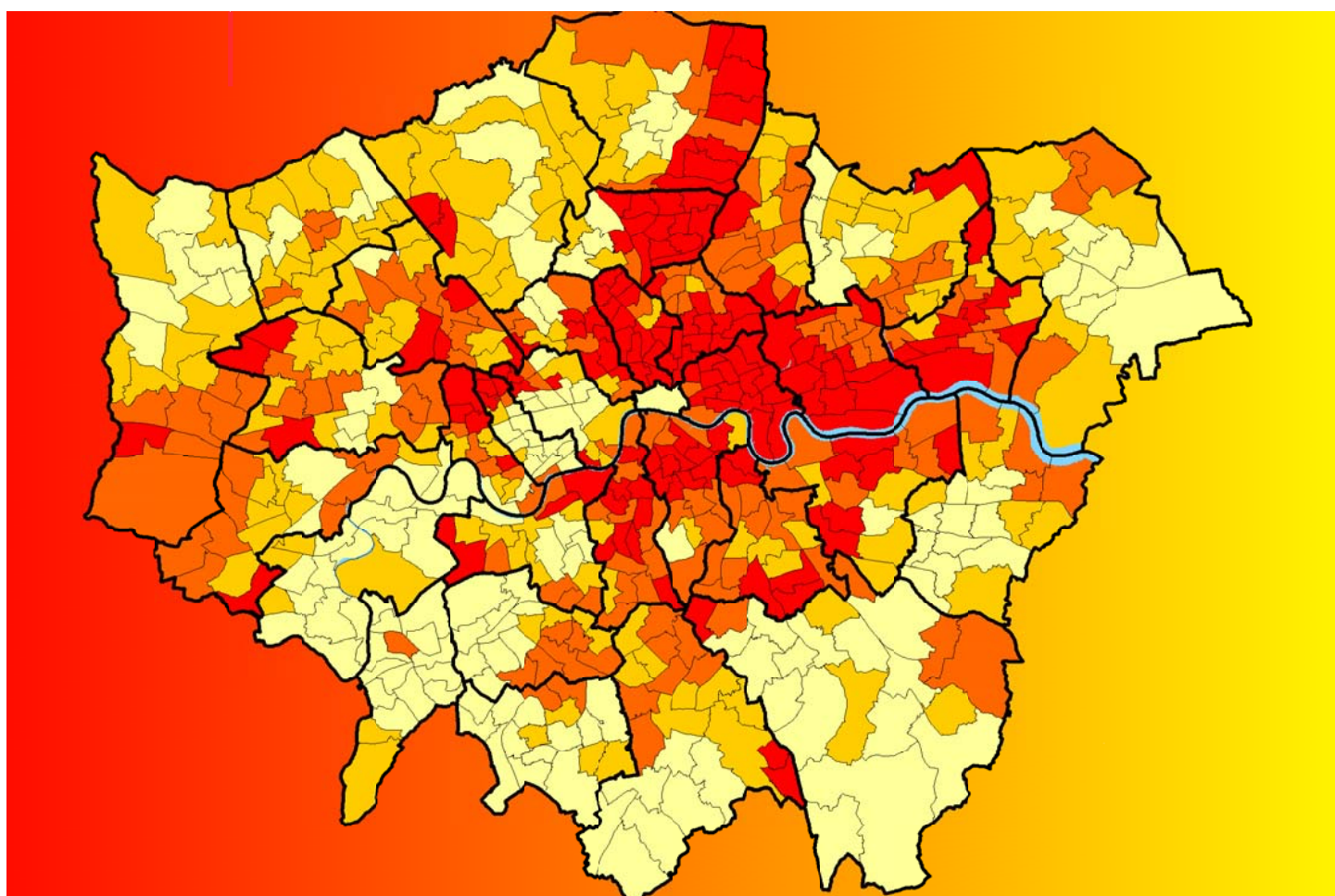


Data Management and Analysis Group

Child Poverty in London: 2007 Update Income and Labour Market Indicators



DMAG Briefing 2007-09

June 2007

Child Poverty in London: 2007 Update Income and labour market indicators

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Cover

The map on the cover is based on Map 1 in the main report and shows the percentage of Children aged 0-15 dependent on workless benefits in April 2005.

Contents

Summary of main findings	i
1. Introduction	1
Context	1
Aim and scope of the Briefing	1
Health warnings regarding the data	2
Further information	2
2. Children living in income poverty	3
Key points	3
Data and definitions	3
Changes in methodology introduced this year	3
Likelihood of income poverty by age (after housing costs)	4
Trends in child poverty rates 1994-2006	7
Future analysis	9
3. Children in families on key benefits	11
Key points	11
Data and definitions	11
Children in benefits families in London	12
Children in benefits families by region	13
Rates and rankings for London Boroughs	15
Rates by London wards	15
Trends over time: 1995-2006	16
4. Children in workless households	19
Key points	19
Introduction	19
Children in workless households in London	20
London's regional position	20
Ethnicity and worklessness	22
Trends in worklessness 1996-2006	23
5. Employment rates of parents	27
Key points	27
Data and definitions	28
Employment rates of parents in Greater London	28
Employment rates of parents in London and the rest of the UK	29
Groups of mothers most likely to have low employment rates	30
Employment rates of parents in couples 1995-2006	31
Employment rates of lone parents 1995-2006	33
6. Labour market position of parents in couple families	35
Key points	35
Data and definitions	35
Combined economic activity of couples with children	35
Combined employment status of couples: London and UK	36
Trends 1995-2006	36
7. Conclusions and further information	41

List of Appendices

Appendix A Households Below Average Income data.....	43
Appendix B DWP data on children in key benefits households.....	45
Appendix C Labour Force Survey/Annual Population Survey	47
Appendix D Data tables	51
Appendix E Glossary of Labour Force Survey terminology (Chapters 4-6).....	65

Summary of main findings

This *Briefing* presents the latest data on child poverty in London and focuses on income and labour market indicators. This annual analysis is designed to inform the work of the *London Child Poverty Commission*. The report brings together data on the living standards of children alongside data on the labour market position of their parents. The report also examines trends over the last ten years to establish whether national improvements in child poverty rates and employment rates have been evident in London.

Children in income poverty

- During 2003-06¹, two out of five children (41 per cent) in London lived under the poverty line after accounting for housing costs. This is over 650,000 children.
- Rates of child poverty are very high in Inner London, where over half of all children live in poverty (51 per cent).
- London has the highest rate of child poverty (after housing costs) compared to other regions. This remains the case whether one adopts the 'official' poverty line of 60 per cent of median income or uses the 50 or 70 per cent measures.
- Trend data over the last twelve years show that national improvements in child poverty rates have not been evident in London where rates remain stubbornly high.

Children in families on key benefits

- In August 2006, over 28 per cent of children in London live in families with at least one adult claiming a key benefit² - around 488,000 children. Three quarters of these children live in lone parent families.
- One quarter of London's children living in families on key benefits were those where the main adult claimant was sick or disabled.
- Of all regions, at 28 per cent, London's children are the most likely to live in families on key benefits. Wales has the second highest at 24 per cent and the national average was 20 per cent. Rates are very high across Inner London, where over one third (36 per cent) of all children live in families on key benefits.
- Of all 376 local authorities in England and Wales, the two with the highest percentage of children in families on key benefits are the London boroughs of Tower Hamlets (51 per cent) and Islington (45 per cent). 17 out of 32 London boroughs appear in the top ten per cent of authorities.
- While the percentage of children in families on key benefits in London has fallen from 34 to 28 per cent over the period 1995-2006 (largely following national trends),

¹ Data relate to three year averages (2003/4-2005/6).

² Key benefits are: Jobseeker's Allowance, Income Support, Incapacity Benefit, Severe Disablement Allowance, Disability Living Allowance

London's position relative to the rest of Great Britain has shown no improvement. Rates in London have remained around 9-11 percentage points higher than national rates throughout the period.

Children in workless households

- Almost one quarter (24 per cent) of all London's children live in workless households (households with no adults in work). Of these, 70 per cent live in lone parent households (Oct-Dec 2006).
- London has, by far, the highest percentage of children living in workless households of all regions. Rates are exceptionally high in Inner London where one third (33 per cent) of all children live in workless households. While the rate is lower in Outer London (19 per cent) it still remains well above the national average.
- Children from certain ethnic groups face a very high risk of living in workless households. The 2001 Census found that 40 per cent of children from Bangladeshi groups lived in workless households. Children from Black ethnic groups also faced very high levels of household worklessness, all above 30 per cent. Rates were lowest for Indian (11 per cent) and White British children (20 per cent).
- During the period 1996-2006, the proportion of children in workless households in London has remained well above the rate in the rest of the UK. While rates in London did show a slight fall between 1996-2001, they have not kept pace with reductions nationally and London's relative position has worsened.

Employment rates of parents³

- Parents living in London have far lower employment rates than those living in the rest of the UK, and differentials are most pronounced among mothers. Just over half of all London's mothers (56 per cent) are in employment relative to 69 per cent in the rest of the UK. Of London's fathers, 86 per cent are in work relative to 91 per cent in the rest of the UK (Oct-Dec 2006).
- The employment rate for lone parents living in London (45 per cent) is well below the rate for lone parents outside London (58 per cent). As most lone parents are women, the rates for lone mothers are similar (45 and 57 per cent).
- For mothers in couples, the differential in rates between London and the rest of the UK is similar though levels of employment are higher (60 and 73 per cent).
- The employment rate for mothers living in Inner London (46 per cent) is far lower than the rate for those in Outer London (62 per cent).
- The Inner and Outer London differential in rates is strongest for couple mothers: less than half (49 per cent) of all couple mothers in Inner London are in work relative to

³ Working age parents with dependent children

two thirds in Outer London and 73 per cent in the rest of the UK. Lone parents in both Inner and Outer London have very low employment rates (40 and 48 per cent) relative to lone parents in the rest of the UK (58 per cent).

- Employment rates were very low for the following groups of mothers in London: those with no qualifications (20 per cent), disabled mothers (34 per cent), BME mothers (46 per cent) and those born outside the UK (44 per cent)⁴.
- During 1995-2006, the employment rates of London's parents have remained well below those outside London and in the case of mothers, rates have shown significant divergence from national trends:
 - The employment rate for mothers in couples living in Inner London has fallen, while rates have increased for those living in Outer London and in the rest of the UK.
 - While the employment rate of London's lone parents has risen over the period, from 38 to 44 per cent (2 year averages), the rise has been less dramatic relative to the increase in rates in the rest of the UK, where the rate increased from 45 to 58 per cent. Consequently, the gap in employment rates between London and the rest of the UK has doubled in size.

Labour market position of couples with children

- Around one in twelve (8 per cent) couple families with children in London are workless (ie neither parent is in work) and well over one third (37 per cent) are those with one parent in work. The remaining 55 per cent are 'work-rich' couple families where both parents work.
- London has a far lower proportion of work-rich couple families (55 per cent) relative to the rest of the UK (70 per cent). In Inner London, rates are exceptionally low and less than half (43 per cent) of couple families are work-rich.
- In Inner London, 15 per cent of couple families have neither parent in work. This is three times higher than the percentage of workless families in Outer London and in the rest of the UK (both 5 per cent).
- Over the period 1995-2006, the proportion of work-rich couple families in London has remained well below rates outside London and London's relative position has worsened.
- London's divergence from national trends has been driven by the distinct patterns of couple families living in Inner London, where there has been a fall in the proportion of work-rich couples and a corresponding increase in families where only one parent works.

⁴ These estimates are from the Annual Population Survey 2005, whereas all other data presented are drawn from Labour Force Survey household datasets.

Conclusions and further work

- London has a high rate of child poverty relative to other regions, and rates in Inner London are exceptionally high. The relative position and circumstances of London's children remain poor according to a range of different income and labour market indicators.
- Certain groups of children in London face a very high risk of exclusion. These include children from certain ethnic groups, children of disabled parents and children in workless lone parent and couple families.
- The capital's high child poverty rates are driven by high levels of worklessness among London's parents, who have far lower employment rates than those parents outside London. Differentials are most pronounced for mothers.
- National improvements in child poverty rates have not been evident in London and London's child poverty rates remain stubbornly high. This finding is consistent with analysis of the employment patterns of London parents over the last ten years, which show marked divergence from national trends.
- The GLA are planning further analysis of data on child poverty in the Summer, including analysis of child poverty rates by ethnicity, disability, family type and housing tenure. The findings will be reported in future Briefings.

1. Introduction

Context

The Government has pledged to eradicate child poverty in the UK by 2020 and central to this will be tackling child poverty in London, which has the highest rate of child poverty⁵ in Britain.

In February 2006, the Greater London Authority and London Councils (formerly the Association of London Government) launched the *London Child Poverty Commission* (LCPC) to work to build an in-depth understanding of the causes of London's high child poverty rate and to consider how best to tackle the problem. The Commission reports to the Mayor and London borough leaders on the capital's progress towards the Government's child poverty targets.

To assist the Commission, the GLA's Data Management and Analysis Group analyses data about children living in poverty in London and the labour market position of parents. These data are reported annually and this Briefing is the second in the series, and updates last year's report (DMAG Briefing 2006/19: Child Poverty in London).

Aim and scope of the Briefing

The aim of the analysis is to:

- Present the latest data on child poverty, using income and labour market indicators.
- Bring together data on the living standards of children alongside data on the labour market position of their parents.
- Assess to what extent national improvements in child poverty rates and labour market participation have been evident in London over the last ten years.
- Identify groups of children and parents most at risk of exclusion.

The analysis focuses on consideration of income and labour market indicators only and is intended to complement other research on wider issues affecting children such as education, housing conditions and health, also reported to the LCPC.

The report presents data on children and then explores the economic position of parents. Data are presented on the following key indicators:

- | | |
|--|-----------|
| • Children in relative income poverty | Section 2 |
| • Children living in families on key benefits | Section 3 |
| • Children living in workless and work-rich households | Section 4 |
| • Employment rates of parents | Section 5 |
| ○ Mothers and fathers | |
| ○ Lone and couple parents | |
| • Economic position of parents in couple families | Section 6 |

⁵ After housing costs are taken into account

In addition to the latest data, time series data are presented for the last 10-12 years and London is compared with the UK or Great Britain (depending on the source). Within London, data are presented for Inner and Outer London (where the sample allows). In the case of benefits data, London borough and ward level data are also presented.

The analysis has been limited by the nature of the available data. For example, analysis of parents has been limited to all those of working age but it is recognised that the age profile of parents is important, especially in relation to area and ethnic comparisons. Data on ethnic group has also been restricted to consideration of broad ethnic categories for some analyses. This is not ideal as it masks the huge diversity of circumstances among different migrant and ethnic group populations.

Health warnings regarding the data

Most of the data presented in this report are based on sample surveys and are estimates not precise measures. In some cases, the sampling variability attached to estimates can be high and this needs to be borne in mind when interpreting data. This particularly affects data for Inner and Outer London, and data over time. For this reason, trend data are best considered over the long term and, in this report, most trend data have been averaged over several periods to improve reliability.

While the data have these and other limitations, they remain the best data available for profiling and monitoring the economic circumstances of children and parents. Details of the approximate confidence intervals attached to all data are provided in the Appendices.

Further information

This report provides a summary of key data, but more detailed reports are available which explore these indicators in far more detail. These include:

Who benefits? An analysis of benefit receipt in London	DMAG Briefing 2007-04
Children dependent on benefits by Parliamentary Constituencies	DMAG Briefing 2006/29
Parents and work in London	DMAG Briefing 2006/06
Trends in household worklessness in London	DMAG Briefing 2005/35
Workless households in London (LFS analysis)	DMAG Briefing 2005/22
Workless households with children (Census analysis)	DMAG Briefing 2003/21

These are available on request by email: dmag.info@london.gov.uk

Appendix A-C provide detail on each of the data sources used

Appendix D provides data tables for reference purposes

Appendix E provides a glossary of key terms

2. Children living in income poverty

Key points

- During 2003-06⁶, two out of five children (41 per cent) in London lived under the poverty line after accounting for housing costs. This is over 650,000 children.
- Rates of child poverty are very high in Inner London, where over half of all children live in poverty (51 per cent).
- London has the highest rate of child poverty (after housing costs) compared to other regions. This remains the case whether one adopts the 'official' poverty line of 60 per cent of median income or uses the 50 or 70 per cent measures.
- Trend data over the last twelve years show that national improvements in child poverty rates have not been evident in London where rates remain stubbornly high.

Data and definitions

This section presents data on the **percentage of children living below the poverty line**. This is defined as those children living in households with less than 60 per cent of median income and is a measure of relative income poverty. This is the headline measure used by the Government to measure its progress on child poverty targets. These data are supplied annually by the Department for Work and Pensions (DWP) and are based on the Households Below Average Income (HBAI) data series, which is derived from the Family Resources Survey (FRS).

Income here relates to the notion of equivalised household income, which is income adjusted to take account of differences in household size and composition. Estimates are routinely produced on income before and after housing costs are paid. Given that housing costs are so high in the Capital, the after housing cost measure is often considered as more meaningful for London analysis.

Unlike national data, which are generally presented on a single year basis, data for London and other regions are presented on the basis of three year averages 2003/04-2005/06, to improve reliability of estimates. Single year estimates are also provided for some analyses for comparison.

Changes in methodology introduced this year

In 2005/06, the published results are based on OECD equivalisation scales for the first time (and re-worked for previous years on this basis). Previously the results have used the McClements equivalisation scale, therefore results in this Briefing are not comparable with those shown in last year's Briefing. Another change is the inclusion of Northern Ireland figures which means the base geography is now the UK and not Great Britain. For comparability, the DWP have kindly supplied the GLA with trend data using the new scale for London and GB, using three year averages, so that the data can be compared on a like

⁶ Data relate to three year averages (2003/4-2005/6).

for like basis. Appendix A provides more detail about the data, definitions and attached confidence intervals.

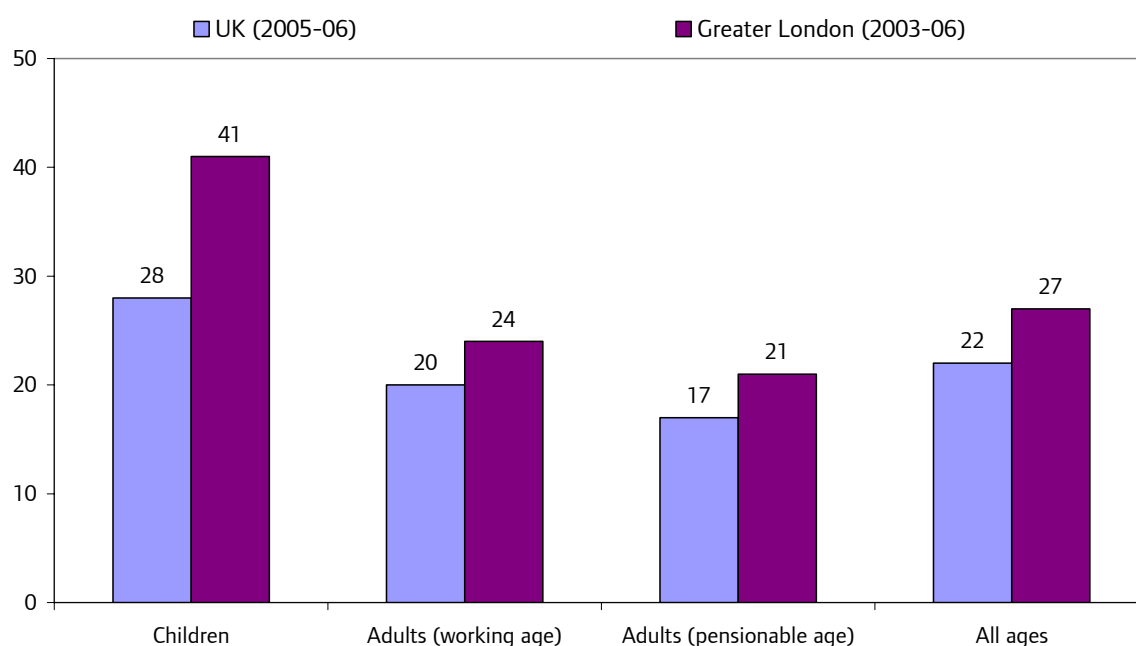
Likelihood of income poverty by age (after housing costs)

Children⁷ are more likely than working age adults or pensioners to live in poverty. In Greater London, 27 per cent of the population live in income poverty (after housing costs) but this rises to 41 per cent for children. Almost one quarter of working age Londoners live in poverty (24 per cent) and just over one fifth of those of pensionable age (Figure 1).

The percentage of people living in poverty in London is higher than in the UK, but the differential is most pronounced for children. The rate of child poverty in London after housing costs is 13 percentage points higher than the UK figure.

Figure 1 Risk of income poverty by age, London and UK, 2003-06

(Percentage living in households with below 60 per cent of median income after housing costs)



Source: Department for Work and Pensions, Households Below Average Income (UK data relate to a single year, London data relate to 3 year averages).

Table 1 compares levels of child poverty in London to other regions – before and after housing costs are taken into account. Most data are presented on the basis of three year averages, with the exception of UK data which are based on a single year.

During 2003/06, on the before housing costs measure, the North East has the highest regional rate of child poverty (28 per cent), followed by the West Midlands and London

⁷ Children are defined as those aged under 16 or those aged 16-18 in full-time education (who are unmarried)

(both with 26 per cent), Yorkshire and the Humber and Northern Ireland (both with 25 per cent). Once housing costs are considered, London has – by far – the highest regional rate of child poverty at 41 per cent, 9 percentage points higher than the rate for the North East and West Midlands (32 per cent).

Within London, rates are very high in Inner London, where just over half of all children (51 per cent) are living in income poverty after housing costs. In Outer London, over one third of children live in income poverty, much lower than in Inner London but still above the rate in all other regions outside London. This shows the importance of taking housing costs into account as on the before housing cost measure, the poverty rate in Outer London is nearly the same as the national average and well below some other regions.

In the case of Inner London, the child poverty rate remains high relative to all other regions, even on the before housing cost measure, although differentials become far more pronounced once housing costs are accounted for.

Table 1: Risk of falling into low-income groups of children by region, 2003-06
Percentage of children living in households with below 60% median income

	Before Housing Costs	After Housing Costs	All children (millions)
	<i>Three year average</i>		
England	22	29	10.8
<i>of which</i>			
North East	28	32	0.5
North West	24	31	1.5
Yorkshire and the Humber	25	30	1.1
East Midlands	23	27	0.9
West Midlands	26	32	1.2
Eastern	16	24	1.2
London	26	41	1.6
<i>of which</i>			
Inner	35	51	0.5
Outer	21	35	1.0
South East	13	22	1.7
South West	17	26	1.0
Scotland	22	25	1.0
Wales	24	28	0.6
Great Britain	22	29	12.4
Northern Ireland	25	27	0.4
UK ¹	22	30	12.8

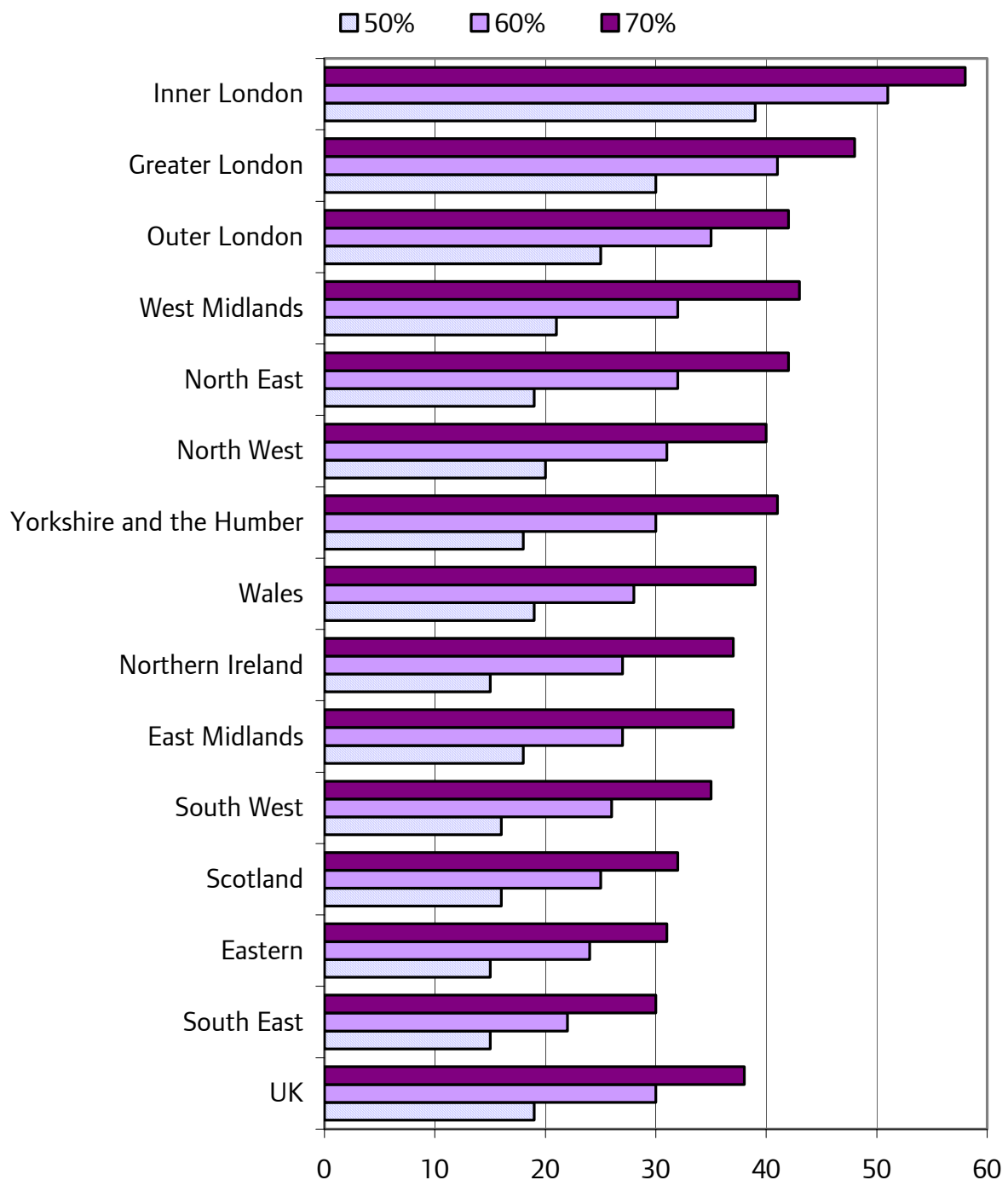
Note: ¹UK figure is based on a single year

Source: Department for Work and Pensions, *Households Below Average Income 2002/03- 2005/06*

Children in poverty by region: comparison of different poverty line measures

Figure 2 shows the proportion of children living below 50 and 70 per cent of median income and compares these with the commonly used 60 per cent measure. On all three measures, London has the highest regional rate of child poverty, after housing costs. While regional differentials remain strong on all measures, London's relative position is worst on the 50 per cent measure.

Figure 2 Children living under the poverty line by region: comparison of 50%, 60% and 70% median income measures, after housing costs, three year averages 2003/4-2005/6



Source: Department for Work and Pensions, Households Below Average Income 2002/03- 2005/06

On the 50 per cent measure, which identifies those children on very low incomes, 30 per cent of London's children live under this poverty line – 11 percentage points higher than the national rate (19 per cent)⁸ and far higher than all other regions.

Almost half (48 per cent) of all London's children live below the 70 per cent median income measure – 10 percentage points higher than the national rate of 38 per cent.

The difference between Inner and Outer London rates remains strong on all measures.

The proportion of children in poverty on the 50 per cent measure remains very high in Inner London (39 per cent) and while the rate is lower in Outer London (25 per cent), it remains higher relative to all other GB regions. Whereas on the 70 per cent measure, the rate in Outer London (42 per cent) moves closer to the national average (38 per cent) and equals the rate in the West Midlands.

Trends in child poverty rates 1994-2006

Figures 3 and 4 show trends in child poverty over the last 12 years for London and Great Britain both before and after housing costs. To provide a like for like comparison, estimates are presented on the basis of three year rolling averages for both London and GB (single year estimates are also shown for comparison). *Appendix Table D1 presents this data.*

On both before and after housing cost measures, London's relative position on child poverty appears to have worsened over the period 1994-2006, although there was a slight fall on the before housing costs measure in the latest figures.

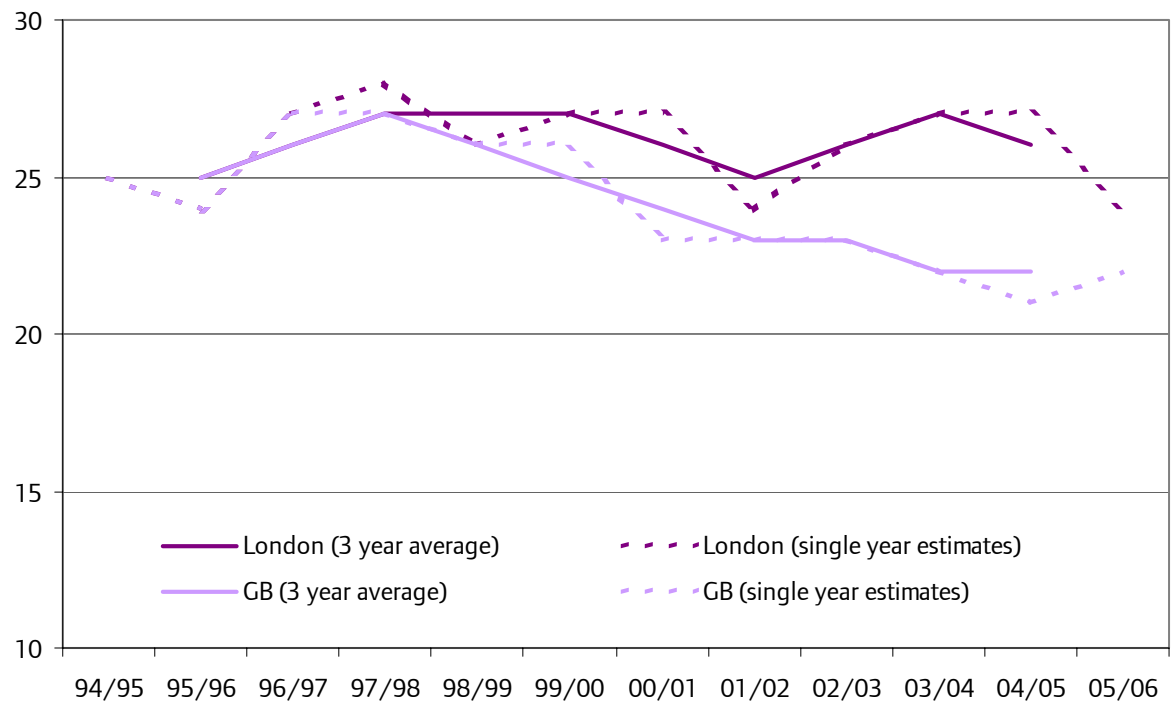
On the before housing costs measure, the child poverty rates in London and GB were the same between 1994/95 and 1997/98. Since then, the national rate has fallen but the London rate has remained around its 1997/98 level (with a dip in 2001/02), leading to a gap in rates of around four percentage points (during 2003/06).

On the after housing costs measure, London child poverty rates have been consistently higher than national figures since the measure began in 1994 (Figure 4). While child poverty rates in London did show some improvement between 1999-2002 on this measure, more recently they have started to rise again.

The chart shows that over the long term London's relative position has not improved. In 1994/97, the percentage of children in poverty in London (three year average) was 42 per cent relative to 33 per cent for GB – a gap of 9 percentage points. The latest data shows that in London the rate for 2003/06 averaged 41 per cent while the GB rate had fallen to 29 per cent – a gap of 12 percentage points.

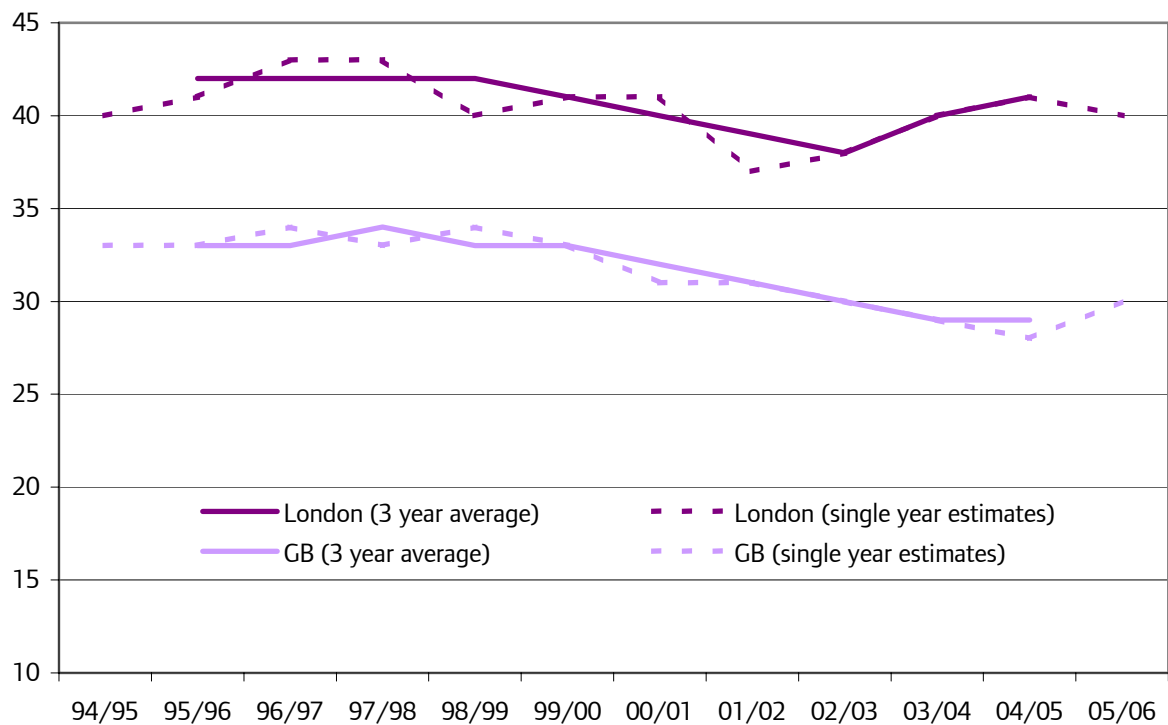
⁸ Rates for the UK here relate to single year estimates not three year averages and are used here as a proxy comparator as three year averages are not routinely published for the UK.

Figure 3 Percentage of children living in households with below 60% median income (Before housing costs), London and GB, 1994-2006



Source: Department for Work and Pensions, Households Below Average Income

Figure 4 Percentage of children living in households with below 60% median income (After housing costs), London and GB, 1994-2006



Source: Department for Work and Pensions, Households Below Average Income

In summary, according to both before and after housing costs measures, child poverty rates in Great Britain have shown consistent improvement since 1996, but these improvements have not been evident in the capital to the same extent where rates have remained stubbornly high.

Future analysis

The GLA are planning further analysis of data on child poverty in the Summer, including analysis of child poverty rates by ethnicity, disability, family type and housing tenure. The findings will be reported in future Briefings.

3. Children in families on key benefits

Key points

- In August 2006, over 28 per cent of children in London lived in families with at least one adult claiming a key benefit⁹ - around 488,000 children. Three quarters of these children live in lone parent families.
- One quarter of London's children in families on key benefits were those where the main adult claimant was sick or disabled.
- Of all regions, at 28 per cent, London's children are the most likely to live in families on key benefits. Wales has the second highest at 24 per cent and the national average was 20 per cent. Rates are very high across Inner London, where over one third (36 per cent) of all children live in families on key benefits.
- Of all 376 local authorities in England and Wales, the two with the highest percentage of children in families on key benefits are the London boroughs of Tower Hamlets (51 per cent) and Islington (45 per cent). 17 out of 32 London boroughs appear in the top ten per cent of authorities.
- While the percentage of children in families on key benefits in London has fallen from 34 to 28 per cent over the period 1995-2006 (largely following national trends), London's position relative to the rest of Great Britain has shown no improvement. Rates in London have remained around 9-11 percentage points higher than national rates throughout the period.

Data and definitions

This section profiles the percentage of children¹⁰ who live in families on key benefits. The data are supplied by the Department for Work and Pensions (DWP) and relate to children in families where an adult of working age claims one or more of the key benefits:

- Jobseeker's Allowance (JSA)
- Incapacity Benefit (IB)
- Severe Disablement Allowance (SDA)
- Disability Living Allowance (DLA)
- Income Support (IS)

The majority of families on these key benefits are in receipt of means-tested benefits and most adults in these families are not in work. For this reason, benefits data provide a good insight into child poverty and are one of the few data sources that provide data at London borough level. Benefits data also give some clues as to why parents are workless (eg poor health, unemployment etc) and which family types are most at risk.

⁹ Key benefits are: Jobseeker's Allowance, Income Support, Incapacity Benefit, Severe Disablement Allowance, Disability Living Allowance

¹⁰ Children refers to dependent children who are aged under 16, together with those aged 16 to 18 still in full-time education

The data do, of course, have limitations. First, not all families in poverty are eligible for 'key' benefits, so the data may miss some important groups (eg children of asylum seekers who are not supported via the mainstream benefits system, but may be living on very low incomes). Second, while the data mainly relate to families on means-tested benefits, they also include a minority not in receipt of such benefits¹¹ who may not necessarily be on low incomes. Third, changes to the administration of benefits may impact on the figures but may not bear any relation to real changes in worklessness or circumstances. For all these reasons, the data should be seen as a proxy indicator of children in low income households. All data are based on a five per cent sample of claimants and are subject to a degree of sampling variation (See Appendix B)

Children in benefits families in London

In August 2006, DWP data show that 28 per cent of all London's children were living in families on key benefits – 488,300 children. The majority of families on key benefits are in receipt of means tested benefits and the main claimant is not in paid work.

Table 2 Children in families on key benefits, Greater London, August 2006

	No. of children	% total
All children	488,300	100
In lone parent families	365,200	75
In couple families	122,800	25
Main claimant group		
JSA claimant (unemployed)	44,500	9
Sick or disabled	126,100	26
Lone parent	308,000	63
Other group	9,700	2
Benefits received		
Single benefit	391,900	80
Income Support (IS) only	322,200	66
Job Seekers Allowance (JSA) only	44,200	9
Incapacity Benefit (IB) only	15,500	3
Disability Living Allowance (DLA) only	10,000	2
Severe Disablement Allowance (SDA) only	**	**
Combinations of IS and disability/sickness benefits	88,300	18
All other combinations	8,000	2

Source: Department for Work and Pensions (5% sample)

** Sample too small for a reliable estimate

Table 2 shows children in benefits families in London by their family type, the type of benefits received and also the main claimant group.

¹¹ For example those in receipt of Disability Living Allowance only or non-income related JSA only.

Three quarters lived in lone parent families and 25 per cent lived in couple families. When analysed by main claimant group, just under two thirds of children were classified into the lone parent claimant group, as some are classified into other primary claim groups (eg someone whose main reason for claiming benefits was because they were sick or disabled but who also happened to be a lone parent).

One quarter of all London’s children in benefits families were those where the main adult claiming was sick or disabled. The majority of those families dependent on disability or sickness benefits (eg Disability Living Allowance or Incapacity Benefit) are also in receipt of income support which is means-tested.

Nine per cent of children are in families dependent primarily on JSA – the main benefit for people who are unemployed and actively seeking work. Of course, people in other claimant groups may also consider themselves unemployed.

Children in benefits families by region

Of all regions across Great Britain, at 28 per cent, London’s children are the most likely to live in families on key benefits. Wales has the second highest at 24 per cent. London’s rate is twice as high as the rate in surrounding regions of the South East (13 per cent) and the East of England (14 per cent).

Figure 5 Percentage of children living in families on key benefits by region, August 2006



Source: Department for Work and Pensions (5% sample)

Table 3 Children living in families on key benefits, London boroughs, August 2006

London borough:	Number of children (0-18)	Percentage of children (%)	Rank out of 408 local authorities in Great Britain (1=highest)
Barking and Dagenham	16,700	36.8	9
Barnet	15,600	20.1	125
Bexley	8,700	16.1	194
Brent	21,000	34.2	15
Bromley	10,900	15.5	206
Camden	14,300	33.4	18
Croydon	20,900	24.6	61
Ealing	19,500	28.3	38
Enfield	23,100	33.2	19
Greenwich	18,600	33.6	17
Hackney	22,300	40.7	4
Hammersmith and Fulham	10,100	30.0	31
Haringey	21,000	39.9	6
Harrow	9,600	18.6	155
Havering	8,500	16.1	193
Hillingdon	13,600	22.2	95
Hounslow	14,300	28.3	39
Islington	16,600	45.2	2
Kensington and Chelsea	5,900	17.3	174
Kingston upon Thames	4,200	12.6	269
Lambeth	20,700	35.8	11
Lewisham	19,200	32.5	22
Merton	8,500	20.0	127
Newham	28,800	40.6	5
Redbridge	15,300	24.2	70
Richmond upon Thames	3,700	9.2	339
Southwark	21,700	37.6	7
Sutton	6,400	14.7	222
Tower Hamlets	26,900	50.9	1
Waltham Forest	18,700	33.8	16
Wandsworth	12,300	24.6	63
Westminster	10,500	27.4	42
Inner London	230,400	35.9	
Outer London	257,900	23.8	
London	488,300	28.3	

Source: GLA calculations based on data from the Department for Work and Pensions and Office for National Statistics (2005 mid-year population estimates)

Notes: Data are not published here for the City of London due to small sample size. Data are based on a 5% sample. Confidence intervals for these data are given in Appendix B.

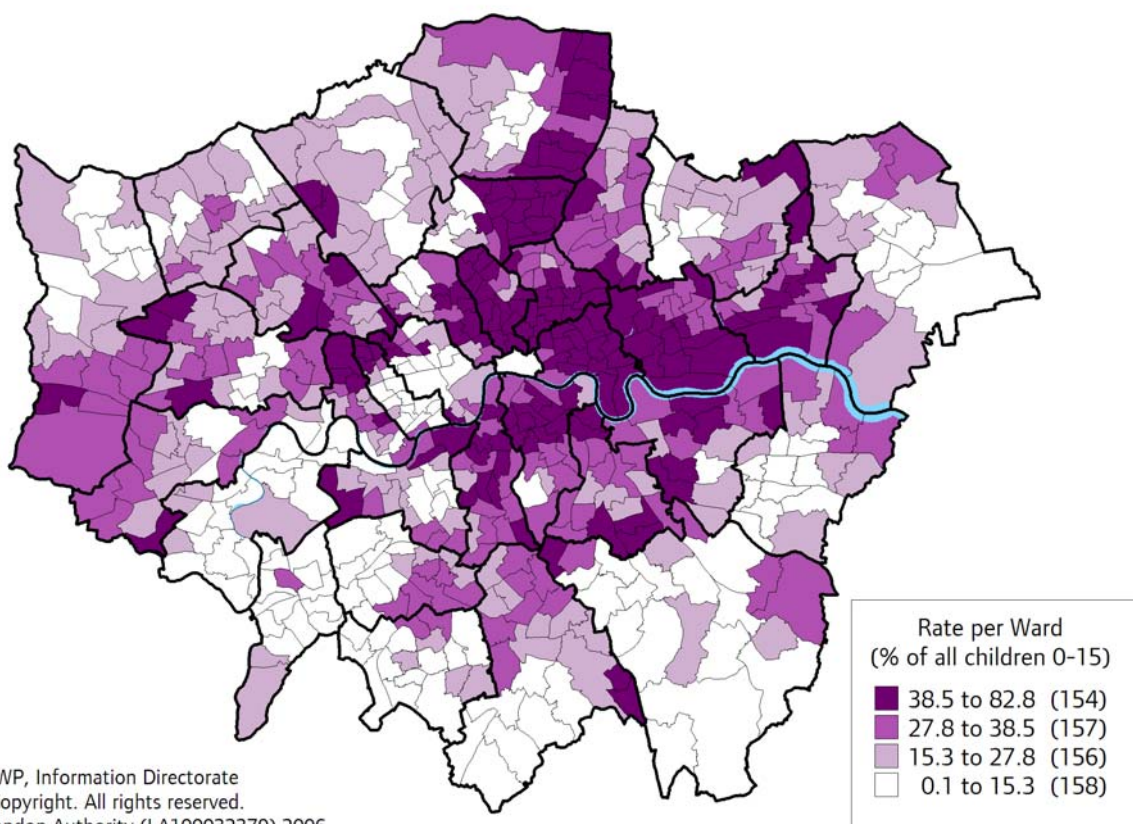
Nearly one in five (20 per cent) of all children across Great Britain in families on key benefits live in London. The rate for Great Britain excluding London from its total is 18 per cent. In Inner London, over one third (36 per cent) of all children live in families on key benefits and in Outer London, nearly a quarter of children (24 per cent) live in benefits families.

Rates and rankings for London Boroughs

Within London, there is considerable variation in rates at London borough level (Table 3). The percentage of children living in benefit families ranges from 9 per cent in Richmond upon Thames up to 51 per cent in Tower Hamlets. In addition to Tower Hamlets, the London boroughs of Islington, Hackney and Newham also have rates above 40 per cent. These four boroughs make up four of the five highest rates of all local authority areas in England and Wales (the other local authority being Manchester).

When all 408 local authorities in Great Britain are ranked from highest to lowest (in terms of the percentage of children in benefits families), 17 out of 32 London boroughs appear in the top ten per cent of authorities. Of the ten authorities with the highest rates, seven are London boroughs, six of which are in Inner London. These are: Tower Hamlets, Islington, Hackney, Newham, Haringey, Southwark and Barking and Dagenham.

Map 1 Percentage of Children aged 0-15 dependent on workless benefits, April 2005



Source: DWP, Information Directorate
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Greater London Authority (LA100032379) 2006

Rates by London wards

In April 2005 a snap shot was taken of the number of children aged 0-15 years who were living in families claiming workless benefits (Income Support, Jobseekers Allowance, Incapacity Benefit / Severe Disablement Allowance and Pension Credit) at ward level. Although, the benefits included are slightly different to the main 'key benefits' analysis they present a similar picture but additionally they allow a ward level analysis.

The four highest rates are all Westminster wards. These wards are deprived as shown by other indicators but the high rates may also be because Westminster has a particularly high population turnover therefore those claiming benefits may still be registered in that borough but now living elsewhere. However, there is a cluster of wards that show high rates, including wards in the north of Hammersmith and Fulham and Kensington and Chelsea as well the wards in Westminster (see Map 1). This area stretches from White City and Shepards Bush, through Notting Hill and ending at Westbourne and the Paddington area.

Otherwise the picture is familiar, with high rates for wards in Tower Hamlets, Haringey and up the Lea Valley, Islington, Hackney and Newham. Tower Hamlets has high rates for all of its wards, with only a 26 percentage points difference between the highest rate (62 per cent) and lowest (36 per cent). Westminster has the ward with the lowest rate as well as the highest. Richmond upon Thames and Kingston upon Thames have no wards with rates above 30 per cent.

Trends over time: 1995-2006

Figure 6 shows trends in rates over time for London and the rest of Great Britain and also for Inner and Outer London. Time series benefit data are often affected by changes to the way benefits are administered. The biggest change that affects this set of data is the incorporation of Child Tax Credit (CTC) which caused a jump in figures in August 2003¹². This shows up as a slight discontinuity in the figures.

Trend data presented here for each year relate to four quarter averages. In London, the percentage of children in benefits families fell from 34 per cent to 28 per cent over the period 1995-2006, following national trends over the same period. In the rest of Great Britain, the rate fell from 23 to 18 per cent.

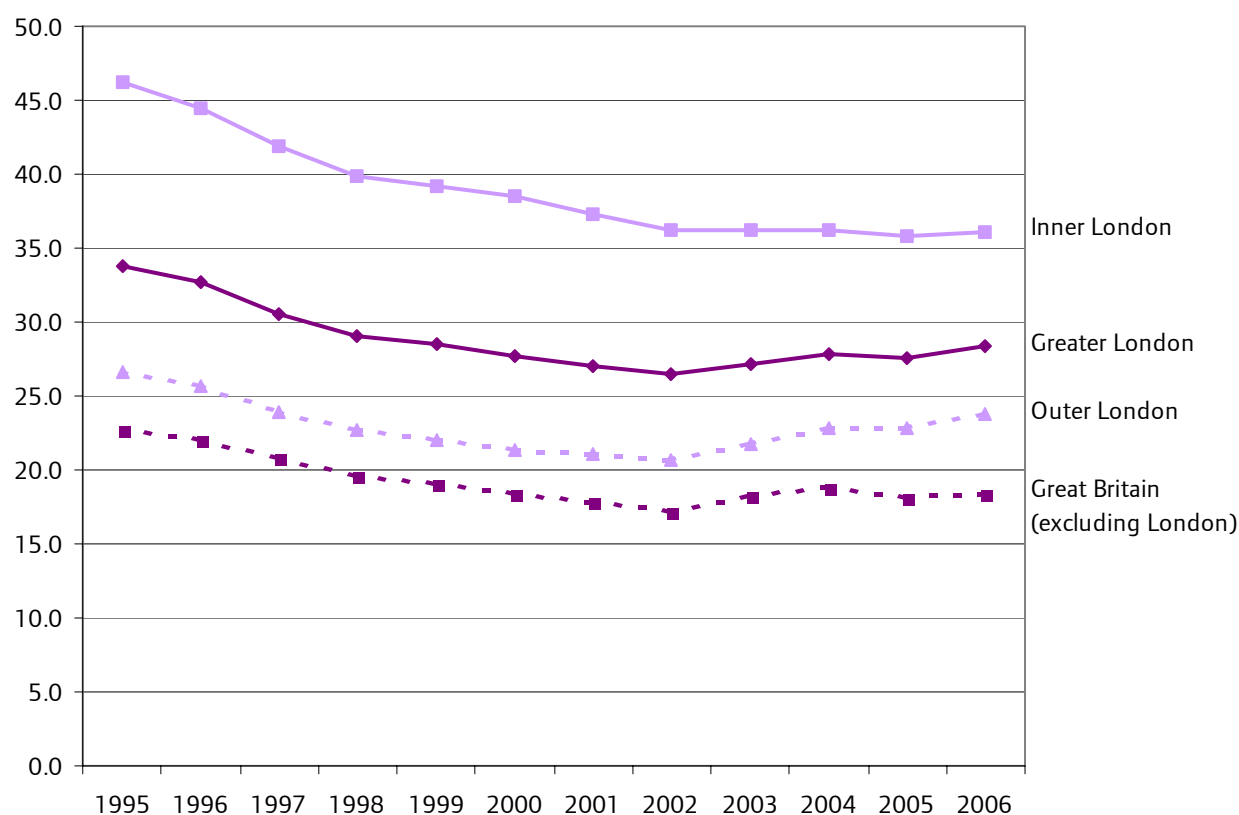
Despite the general fall over the long term, the most recent data for 2006 show a slight rise in rates from 27 to 28 per cent in London. However, this may be reflecting the fact that the population base for 2005 and 2006 rates was static and/or sampling variability attached to the data. For these reasons, it is difficult to be conclusive about the real direction of short-term trends.

¹² This change provided additional information on children/dependants and family type for claimants of non income-related benefits and reduced the number of unknowns. August 2003 data showed that, after CTC data was added for the first time, almost 350,000 children were added to the overall totals for children in families on key benefits.

Data are best viewed over the longer term. Over the last eleven years, London rates have remained between 8-11 percentage points higher than rates in the rest of Great Britain. As with the poverty rates data, London's relative position has shown no improvement over the last decade.

While rates have remained far higher in Inner London than Outer London throughout the period, rates in Inner London have fallen a little more sharply than in Outer London. In Inner London, rates fell from 46 to 36 per cent whereas in Outer London, rates fell from 27 to 24 per cent. This in part reflects the administrative change introduced in 2003, which had less impact on Inner London figures.

Figure 6 Percentage of children in families claiming key benefits, London and the rest of Great Britain, August 1995-2006¹



Source: Department for Work and Pensions (5% sample). Rates are based on Mid Year Estimates from the ONS.

Notes: 2006 Mid Year Estimates were unavailable at time of publication therefore the rate for 2006 is based on 2005 Mid Year Estimates. Quarterly rates are shown in Appendix table D2.

¹ Annual figures are averages for the year based on quarterly data.

Despite the fall in the absolute number of children living in benefits families in Inner London, the relative position of children in Inner London remains poor. In 1995, the proportion of children in benefits families in Inner London was 46 per cent, twice as high as the rate across the rest of GB (23 per cent). By 2006, rates were lower, but the Inner London rate (36 per cent) was still twice as high as the rate in the rest of Great Britain (18 per cent).

4. Children in workless households

Key points

- Almost one quarter (24 per cent) of all London's children live in workless households (households with no adults in work). Of these, 70 per cent live in lone parent households (Oct-Dec 2006).
- London has, by far, the highest percentage of children living in workless households of all regions. Rates are exceptionally high in Inner London where one third (33 per cent) of all children live in workless households. While the rate is lower in Outer London (19 per cent) it still remains well above the national average.
- Children from certain ethnic groups face a very high risk of living in workless households. The 2001 Census found that 40 per cent of children from Bangladeshi groups lived in workless households. Children from Black ethnic groups also faced very high levels of household worklessness, all above 30 per cent. Rates were lowest for Indian (11 per cent) and White British children (20 per cent).
- During the period 1996-2006, the proportion of children in workless households in London has remained well above the rate in the rest of the UK. While rates in London did show a slight fall between 1996-2001, they have not kept pace with reductions nationally and London's relative position has worsened.

Introduction

This update presents data about London's children¹³ according to the labour market position of their parents and focuses on children living in 'workless' households – those households with no adults in work. These children face a very high risk of poverty relative to households that have one or more working parents.

Data are drawn from the UK Labour Force Survey (LFS) household level dataset for October-December 2006, recently released by the Office for National Statistics. The LFS is a sample survey so all data are estimates not precise measures and need to be interpreted with some care. All analysis relates to working age households: those containing at least one person of working age (defined as 16-59 for women and 16-64 for men).

¹³ Children are those aged 0-15.

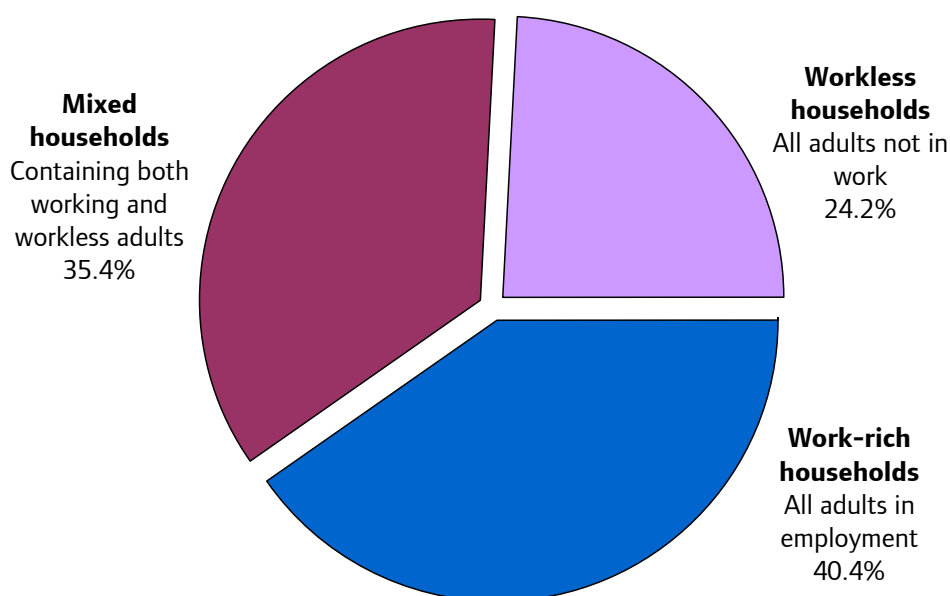
Data refer to three groups of households: work-rich, mixed and workless households, defined as follows:

- Work-rich households: A household where all adults are in employment
- Mixed households: A household containing a mix of working and workless adults
- Workless households: A household where no adults are in employment

Children in workless households in London

In Oct-Dec 2006, LFS estimates suggest that around one quarter (24 per cent) of all London's children lived in workless households (ie households with no adults in work). 40 per cent of London's children lived in work-rich households and the remaining 35 per cent lived in households containing a mix of working and workless adults.

Figure 7 Children by combined economic activity status of adults in the household, Greater London, 2006 (Oct-Dec)



Source: Labour Force Survey Household dataset (Oct-Dec 2006).

Children living in lone parent households are far more likely to be living in workless households than those living in couple households. In London, 60 per cent of children living in lone parent households live in workless households relative to 9 per cent of those in couple households. Children in workless lone parent households account for 70 per cent of all children in workless households.

London's regional position

Compared with other regions, London has, by far, the highest percentage of children living in workless households. At 24 per cent, London's rate is considerably higher than

the rate in the rest of the UK (15 per cent). The region with the second highest rate is the North East where one in five children live in workless households (20 per cent).

Within London, rates are exceptionally high in Inner London where 33 per cent of all children live in workless households. While the rate in Outer London is far lower (19 per cent) it still remains well above the national average.

Table 4 Percentage of children in working age households by combined economic activity status of household by region, Oct-Dec 2006

	Work-rich households	Households containing both working & workless members	Workless households	Total = 100%
UK	54	30	16	100
UK (Excluding London)	56	29	15	100
North East	51	29	20	100
North West	54	27	19	100
Yorkshire & Humberside	54	28	18	100
East Midlands	61	27	12	100
West Midlands	52	31	17	100
Eastern	57	31	13	100
London	40	35	24	100
- Inner London	31	36	33	100
- Outer London	46	35	19	100
South East	58	31	11	100
South West	62	26	12	100
Wales	54	27	19	100
Scotland	61	24	15	100
Northern Ireland	54	34	13	100

Source: Labour Force Survey household dataset, Oct-Dec 2006

Notes: LFS data are survey based estimates subject to a degree of sampling variability. Confidence intervals for these data are provided in Appendix C

London also has a relatively high proportion of children living in households with a mix of employed and non-employed adults (35 per cent compared with 29 per cent outside London). Within London, this percentage is high in both Inner (36 per cent) and Outer London (35 per cent).

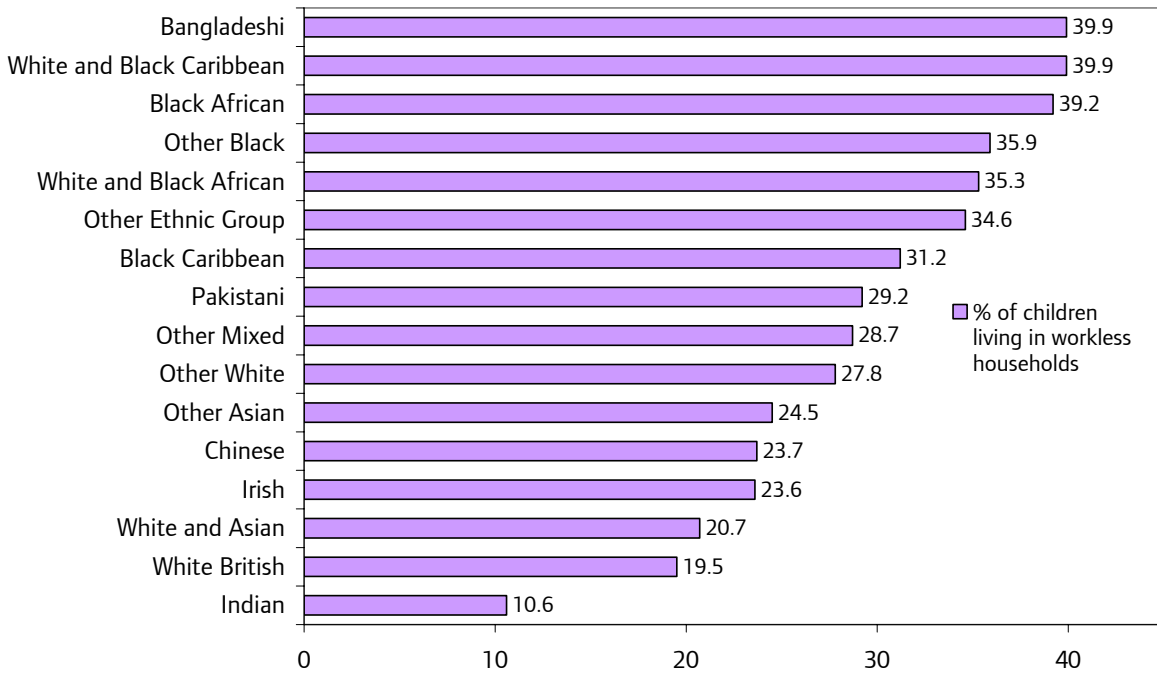
Consequently, the proportion of London's children who live in work-rich households is the lowest of all regions (40 per cent) and far below the rate in the rest of the UK (56 per cent). Within London, the percentage of children in work-rich households is 31 per cent in Inner London and 46 per cent in Outer London.

Ethnicity and worklessness

Research by the GLA¹⁴ has shown that children from certain ethnic groups face a very high likelihood of living in workless households. LFS estimates for Oct-Dec 2006 show that almost one third (31 per cent) of London's Black, Asian and minority ethnic (BAME) children live in workless households relative to 18 per cent of White children. Of all children living in workless households in London, 59 per cent are from BAME groups. In Inner London, three quarters (74 per cent) of children living in workless households are from BAME groups.

There is enormous diversity within London's BAME population which is best explored using 2001 Census data¹⁵, which provides more robust (albeit less up to date) estimates. Figure 8 shows the percentage of London's children living in workless households by ethnic group in 2001.

Figure 8 Percentage of dependent children living in workless households by ethnic group, Greater London, 2001



Source: 2001 Census (Theme Table TT012)

According to the 2001 Census, almost one quarter (24 per cent) of London's children were living in workless households. Rates range from as low as 11 per cent for Indian children up to 40 per cent for both Bangladeshi children and those from mixed White and Black Caribbean backgrounds. Indian children are the only group to have lower rates than White British children. Children from Black ethnic groups also faced high levels of

¹⁴ DMAG Briefing 2003/21 Workless households with dependent children in London

¹⁵ Unlike LFS estimates, Census estimates relate to all households not just working age households. Further, Census estimates relate to dependent children (those aged 0 to 15 or a person aged 16 to 18 who is a full time student in a family with parents, whereas LFS estimates presented here relate to children aged 0-15.

household worklessness – all above 30 per cent: 39 per cent of Black African children and 31 per cent of Black Caribbean children lived in workless households.

Trends in worklessness 1996-2006

Figures 9 and 10 show the percentage of children living in workless and work-rich households over the period 1996-2006 for London and the rest of the UK. ONS publish quarterly household LFS data twice a year¹⁶. The data are prone to large confidence intervals, particularly data for Inner and Outer London, and in 2006 there were changes to the time periods covered by the two quarterly surveys. For these reasons, to improve the reliability of trend data, the analysis uses two year rolling averages (using four estimates over each two year period).

Throughout the period 1996-2006, the percentage of children who live in workless households in London has remained well above the rate in the rest of the UK and rates across Inner London have remained exceptionally high.

In line with national trends, London rates did show some improvement over the period 1996/97 to 2000/01, falling from 27 per cent to 25 per cent¹⁷. Rates in the rest of the UK showed an even stronger fall over the same period (from 18-15 per cent). Rates remained relatively stable until 2004 when London's rate began to increase slightly, showing further divergence from national trends.

The most recent survey data for 2006 suggests a very slight improvement in London's position. However, due to the nature of survey data, which is prone to sampling variability, it is too early to tell whether this is evidence of real improvement.

Considered over the long term, the gap in rates between London and the rest of the UK has not only persisted but has in fact widened from 8 to 11 percentage points¹⁸. This divergence is even stronger if one considers how much higher the London rate is relative to the GB rate. In 1996/97, the worklessness rate in London was 46 per cent higher than the rate nationally. By 2005/06, the London rate was 75 per cent higher than the GB rate.

The improvement in London rates up till 2000/01 was largely driven by a fall in worklessness in Inner London where the percentage of children living in workless households fell from an average of around 38 per cent during 1998/99 down to 33 per cent during 2000/01. Rates have since increased again to average around 35 per cent during 2005/06. In Outer London, rates have remained fairly constant over the period (19-20 per cent).

¹⁶ Data are produced for two calendar quarters each year: April-June and October-December. Prior to 2006, LFS household data were based on seasonal quarters: Spring (Mar-May) and Autumn (Sept-Nov).

¹⁷ Two year averages relating to 1996/97 and 2000/01

¹⁸ These data relate to the change in rates between 1996/97 and 2005/06 (as derived from two year averages)

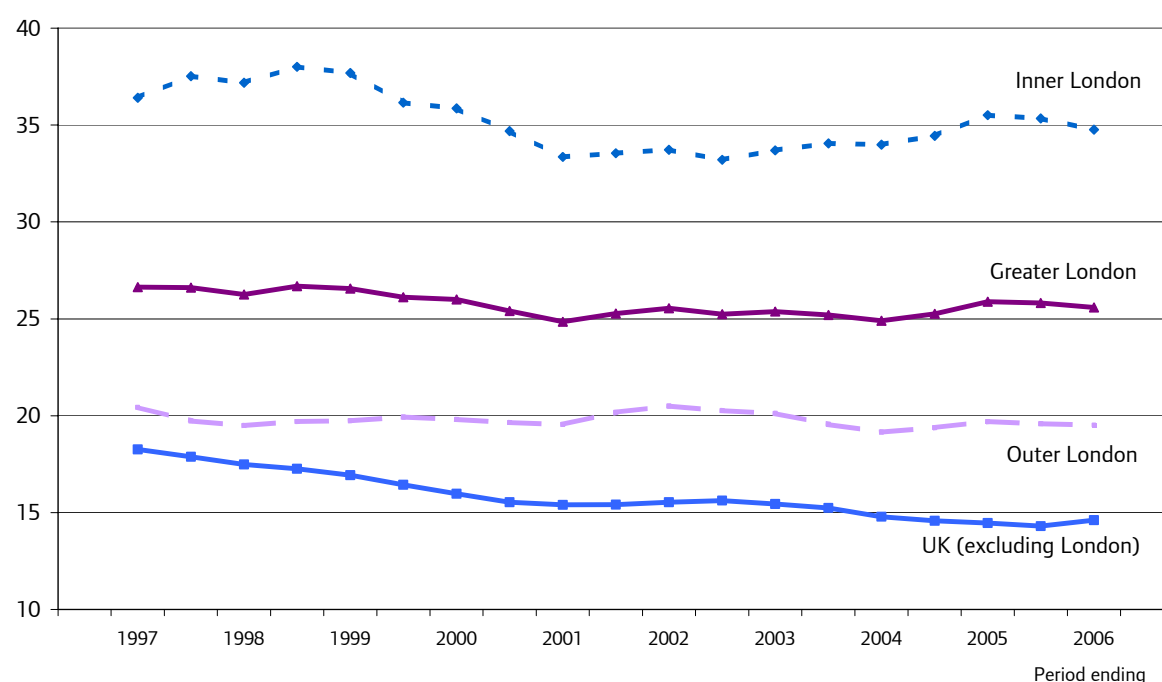
The percentage of children living in households with a mix of workless and working adults has remained fairly stable in Outer London and in the Rest of the UK, but rates in Inner London have shown an increase from 31 per cent in 1996/97 up to 36 per cent in 2005/06, leading to slight increase in the Greater London figures.

The remainder of children live in work-rich households – those with all adults in work. Figure 10 shows how the proportion of children living in work-rich households has changed over the last ten years. Consistent with the earlier analysis, London trends show some divergence from national trends.

Over the period, the proportion of children in work-rich households in London has remained around the 40 per cent mark. There was some improvement between 1998 and 2001 with rates peaking at 42 per cent, but in recent years, rates have shown a decline from 42 to 39 per cent between 2000/01 and 2005/06, driven by falls in Inner London. In the rest of the UK, the percentage of children in work-rich households has risen steadily from 52 per cent to 56 per cent over the period 1996-2005, though most of this increase occurred before 2001.

As a result, the gap between London and rest of UK rates has widened. In 1996/97, the proportion of children in work-rich households in London averaged 40 per cent, 12 percentage points lower than the rate in the rest of UK (52 per cent). During 2005/06, London's rate averaged 39 per cent, 17 percentage points lower than the rate outside London (56 per cent).

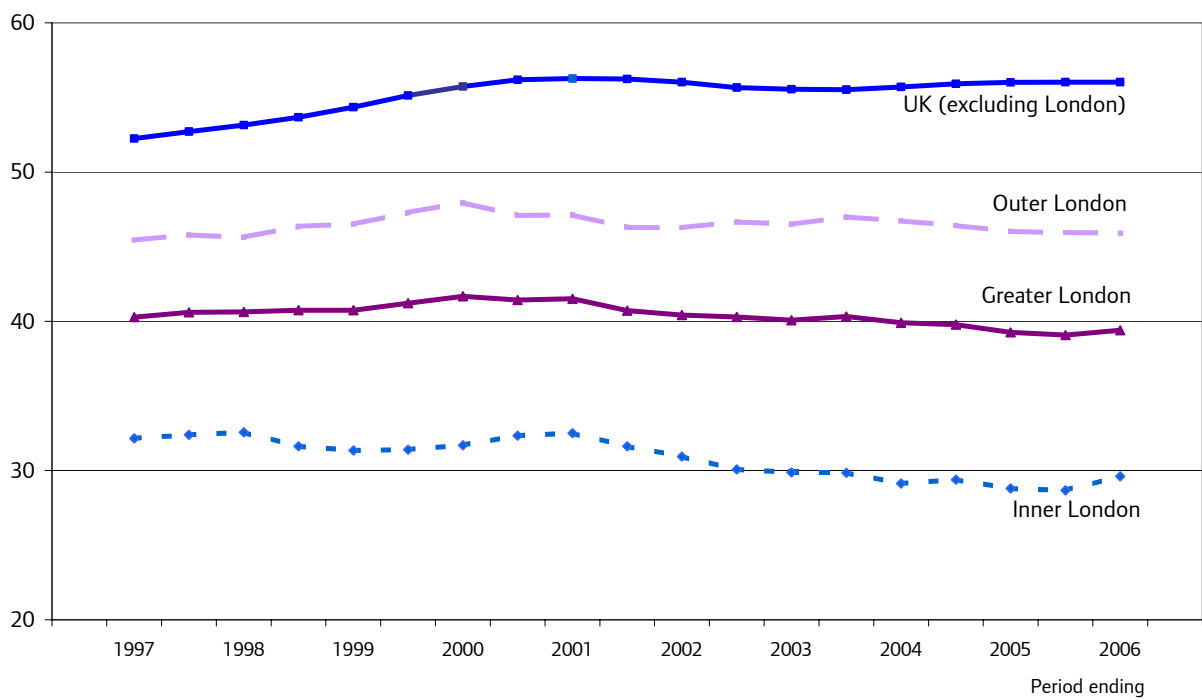
Figure 9 Percentage of children living in workless households, London & UK, 1996-2006



Source: Labour Force Survey Household datasets 1995-2006.

Notes: Data are two year moving averages. Household data are produced twice per year so each average is based on four survey estimates.

Figure 10 Percentage of children living in work-rich households, London & UK, 1996-2006



Source: Labour Force Survey Household datasets 1995-2006.

Notes: Data are two year moving averages. Household data are produced twice per year so each average is based on four survey estimates.

5. Employment rates of parents

Key points

- Parents living in London have far lower employment rates than those living in the rest of the UK, and differentials are most pronounced among mothers. Just over half of all London's mothers (56 per cent) are in employment relative to 69 per cent in the rest of the UK. Of London's fathers, 86 per cent are in work relative to 91 per cent in the rest of the UK (Oct-Dec 2006).
- The employment rate for lone parents living in London (45 per cent) is well below the rate for lone parents outside London (58 per cent). As most lone parents are women, the rates for lone mothers are similar (45 and 57 per cent).
- For mothers in couples, the difference in employment rates between London and the rest of the UK is similar though levels of employment are higher (60 and 73 per cent).
- The employment rate for mothers living in Inner London (46 per cent) is far lower than the rate for those in Outer London (62 per cent), a difference of 16 percentage points.
- The Inner and Outer London differential in rates is strongest for couple mothers: less than half (49 per cent) of all couple mothers in Inner London are in work relative to two thirds in Outer London and 73 per cent in the rest of the UK. Lone parents in both Inner and Outer London have very low employment rates (40 and 48 per cent) relative to lone parents in the rest of the UK (58 per cent).
- Employment rates are very low for the following groups of mothers in London: those with no qualifications (20 per cent), disabled mothers (34 per cent), BME mothers (46 per cent) and those born outside the UK (44 per cent)¹⁹.
- During 1995-2006, the employment rates of London's parents have remained well below those outside London and in the case of mothers, rates have shown significant divergence from national trends:
 - The employment rate for mothers in couples living in Inner London has fallen, while rates have increased for those living in Outer London and in the rest of the UK.
 - While the employment rate of London's lone parents has risen over the period, from 38 to 44 per cent (2 year averages), the rise has been less dramatic relative to the increase in rates in the rest of the UK, where the rate increased from 45 to 58 per cent. Consequently, the gap in employment rates between London and the rest of the UK has doubled in size.

¹⁹ These estimates are from the Annual Population Survey 2005, whereas all other data presented are drawn from Labour Force Survey household datasets.

Data and definitions

The labour market position of London's parents is key to understanding what is driving the high child poverty rates evidenced in the capital. This section profiles the employment rates of London's parents, compares them to rates for parents outside London and looks at trends over time.

Most data presented here are drawn from the UK Labour Force Survey (LFS) household level datasets, supplied by the Office for National Statistics. These data are published for two quarters each year. The LFS is a sample survey so all data are estimates and have a degree of sampling variability attached to them, especially estimates for Inner and Outer London. In addition, analysis is also presented from a special analysis of the Annual Population Survey 2005 dataset²⁰, to profile the characteristics of parents most likely to be workless. More details about the LFS, the APS and attached confidence intervals are provided in Appendix C. The analysis that follows concentrates the employment patterns of working age parents with dependent children²¹.

Employment rates²² of parents in Greater London

In Oct-Dec 2006, the employment rate for London's working age women was 63 per cent, considerably lower than the rate for men (76 per cent). The gender differential is mainly explained by the fact that women are more likely than men to take time out of the labour market to care for children. Employment rates of men and women without dependent children are close (71 and 69 per cent respectively) whereas the rate for mothers is 31 percentage points lower than the rate for fathers.

Table 5 Employment rates (%) by family status and gender, Greater London, Oct-Dec 2006

	Persons	Male	Female	Gender gap in rates ²³
Persons working age	70	76	63	13
All parents	68	86	56	31
- In couples	74	87	60	27
- Lone parents	45	**	45	**
No dependent children	70	71	69	3

Source: Labour Force Survey household dataset, Oct-Dec 2006

** Estimate not available due to small sample size

The data in Table 5 also show how important family responsibilities are in understanding the employment patterns of women and men. The employment rate for women with

²⁰ The APS recently replaced the annual Labour Force Survey (LFS) and provides a larger sample than household LFS datasets, and provides data on individuals as opposed to households.

²¹ Dependent children are children aged under 16 and those aged 16-18 who are never married and in full-time education. Parents are defined as fathers or mothers who have dependent children living with them (or those away at boarding school or halls of residence). Adoptive and step-parents are included but foster parents and those who live in a separate household from their children are not. Only parents of working age are included in the analysis (age 16-59 for women and age 16-64 for men).

²² The *employment rate* is a measure of labour market participation and expresses the number in employment as a percentage of the population.

²³ All data rounded to the nearest percentage point.

children is 56 per cent relative to 69 per cent for women without children. Conversely, the male employment rate is affected in the opposite way and men with children have a higher employment rate (86 per cent) than those without children (71 per cent).

For parents, employment rates are lowest for lone parents (45 per cent). Most lone parents are female so the rate for lone mothers is also 45 per cent (no estimate is available for lone fathers, due to small sample size). The employment rate for couple mothers (60 per cent) is far lower than the rate for couple fathers (87 per cent).

Employment rates of parents in London and the rest of the UK

The employment rate for working age Londoners is generally low (70 per cent)²⁴ relative to the rate across the rest of the UK (76 per cent), but differentials are most pronounced among parents, especially women. Just over half of all London's mothers (56 per cent) are in employment relative to 69 per cent in the rest of the UK. The size of the differential between London and the rest of the UK is similar for both lone mothers and mothers in couples, though rates are much lower for lone mothers (45 and 57 per cent).

Table 6 Employment rates of parents, London & UK, Oct-Dec 2006

	Employment rates (%), persons working age				Differential (percentage points, rounded)	
	Inner London	Outer London	Greater London	UK	London- RUK	Inner- Outer
				(excluding London)		
All parents	59	73	68	79	-11	-14
All mothers	46	62	56	69	-14	-16
- Couple mothers	49	66	60	73	-13	-17
- Lone mother	(40)	49	45	57	-12	-(9)
All fathers	80	89	86	91	-5	-10
- Couple fathers	81	91	87	92	-4	-9
All lone parents*	40	48	45	58	-14	-8

Source: Labour Force Survey household dataset, Oct-Dec 2006

*Estimate not available for lone fathers due to small sample size. Data based on relatively small samples (<100) are shown in brackets to emphasise their higher levels of sampling variability. All data rounded to the nearest percentage points.

Within London, the employment rate for mothers living in Inner London (46 per cent) is far lower than the rate for those in Outer London (62 per cent). The differential in rates between Inner and Outer London is very wide for couple mothers (17 percentage points). Less than half of all couple mothers (49 per cent) in Inner London are in work relative to two thirds in Outer London and 73 per cent in the rest of the UK. Lone mothers in both Inner and Outer

²⁴ Statistic produced from household level LFS dataset for Oct-Dec 2006. This may differ slightly from published employment rates for London for the same period, which are usually drawn from individual level LFS datasets.

London have very low employment rates (40 and 49 per cent) relative to lone mothers in the rest of the UK (57 per cent).

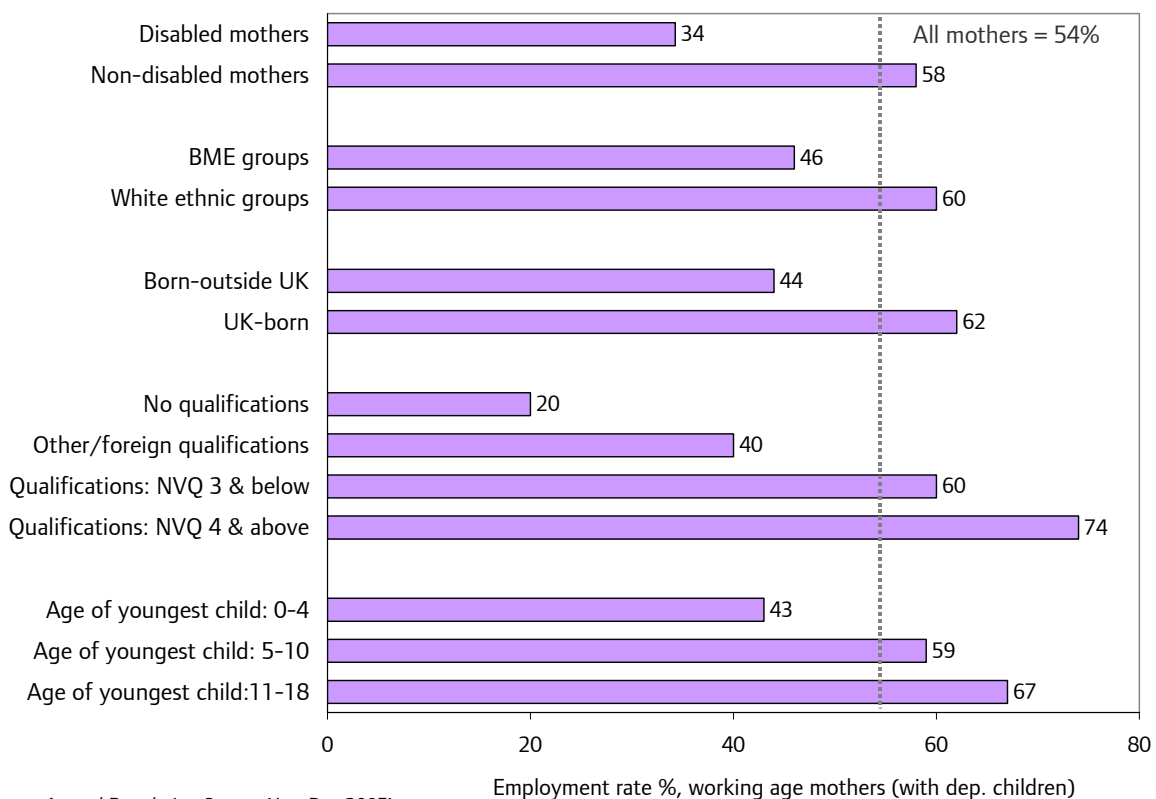
The same patterns are evident for male parents but employment rates are generally far higher and differentials less pronounced. The employment rate for London's fathers (86 per cent) is lower than the rate for fathers in the rest of the UK (91 per cent). Fathers in Inner London have an employment rate of 80 per cent, considerably lower than for fathers in Outer London (89 per cent).

The gender gap in employment rates between mothers and fathers is strongest in Inner London – where the employment rates of fathers is 34 percentage points higher than the rate for mothers. Outside London, where rates are higher, the gender gap is 22 percentage points.

Groups of mothers most likely to have low employment rates

Recent GLA research²⁵ profiled the employment rates of parents according to their characteristics. By way of illustration, Figure 11 shows employment rates of London mothers according to their characteristics.

Figure 11 Employment rates of mothers²⁶ by key characteristic, Greater London, 2005



Source: Annual Population Survey (Jan-Dec 2005)

²⁵ Women and the labour market: key facts, DMAG Briefing 2006/33

²⁶ Working age women with dependent children in the family

The research found that certain groups of mothers are far less likely than others to be in employment. Employment rates were lowest for those with no qualifications (20 per cent), disabled mothers (34 per cent), BME mothers (46 per cent) and those born outside the UK (44 per cent). Mothers with younger children are less likely to be in work than those with older children, as are those with three or more children.

Employment rates of parents in couples 1995-2006

Figures 12 and 13 show the employment rate over the period 1995-2006 for mothers and fathers in couples. Rates in Greater London are compared to those in the rest of the UK, and rates across Inner and Outer London are also shown. ONS publish household LFS data for two quarters in each year²⁷. The data are prone to large confidence intervals, particularly data for Inner and Outer London, and in 2006 there were changes to the time periods covered by the two quarterly surveys. For these reasons, to improve the reliability of trend data, the analysis uses two year rolling averages (using four estimates over each two year period).

During 1995-2006, the employment rate of mothers in couples in London has remained well below the rate in the rest of the UK and the gap between the two has widened. During the period, the employment rate of couple mothers in London has remained around the 59-61 per cent mark whereas outside London employment rates of couple mothers have shown a steady increase from 68 to 73 per cent²⁸ (most of which took place before 2001). Over this period, the gap in rates between London and the rest of the UK has increased from 9 to 13 percentage points.

Data for Greater London disguise two distinct trends across Inner and Outer London. The employment rate for couple mothers in Outer London has increased from 63 to 67 per cent over the period, largely following national trends. Whereas, in Inner London, the employment rate of couple mothers has actually fallen from 51 to 48 per cent, which has driven London's overall divergence from the national trend over the period.

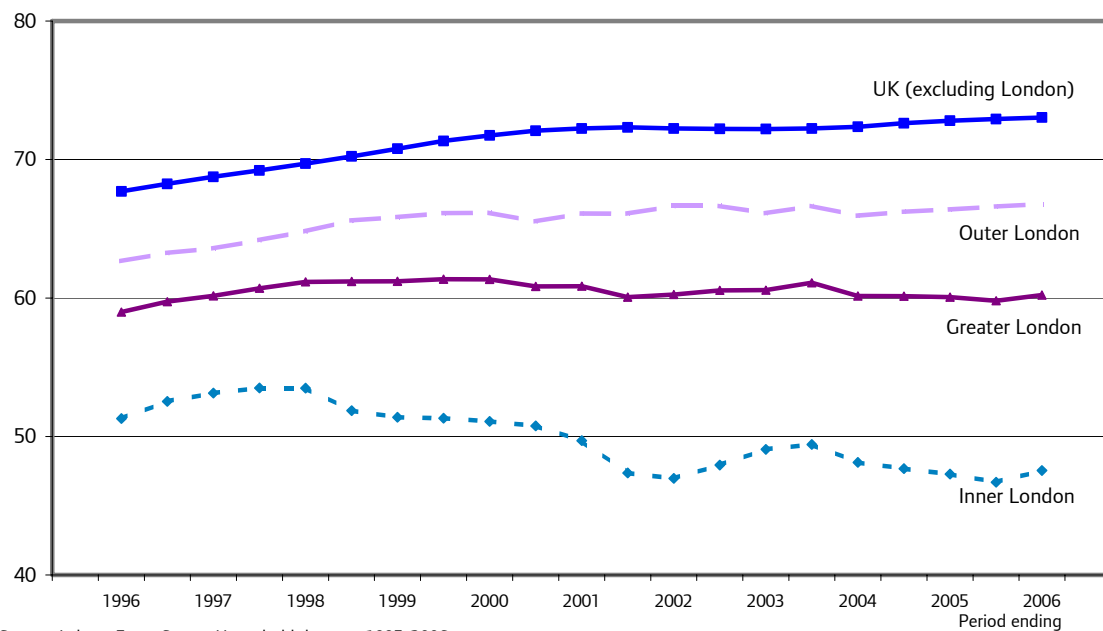
Figure 13 shows trends in employment rates for fathers in couples. Nationally, employment rates of couple fathers have increased slowly over the period. In London, rates have followed a similar pattern though the increase has been less steady, faltering slightly in 2001/2002.

The rise in employment rates of couple fathers has been far stronger in Inner London than Outer London, although from a lower base. Rates for couple fathers in Inner London rose from 74 to 81 per cent during 1995-2006, while rates in Outer London increased from 87 to 89 per cent over the same period.

²⁷ Data are produced for two calendar quarters each year: April-June and October-December. Prior to 2006, LFS household data were based on seasonal quarters: Spring (Mar-May) and Autumn (Sept-Nov).

²⁸ Change figures quoted relate to change between 1995/96 to 2005/06 (two year averages)

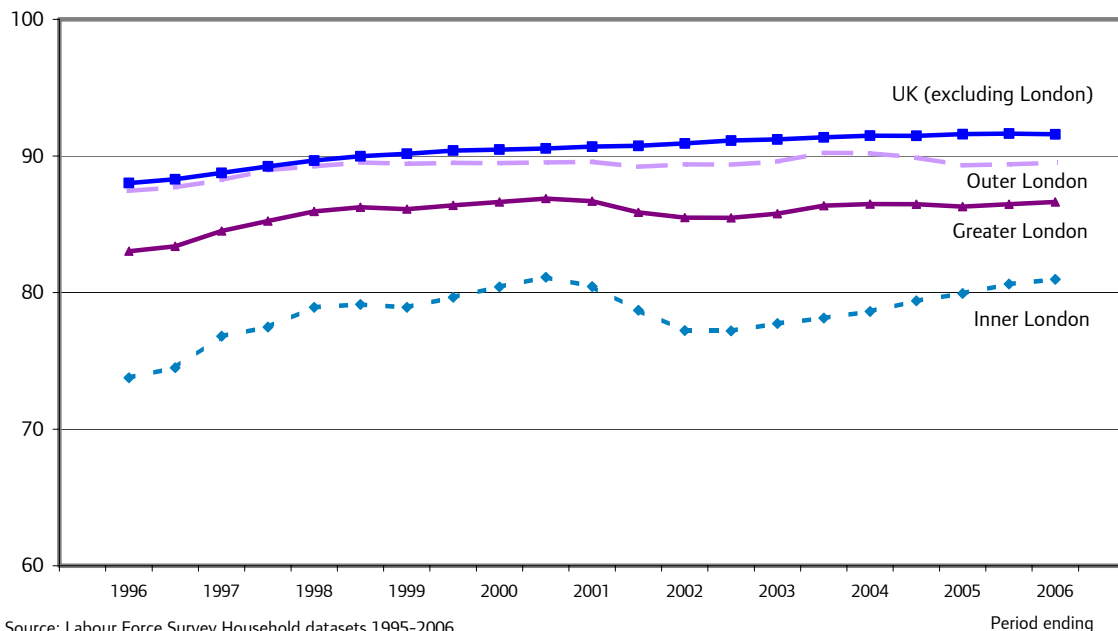
Figure 12 Employment rates of couple mothers, London & UK, 1995-2006



Source: Labour Force Survey Household datasets 1995-2006.

Notes: Data are two year moving averages. Household data are produced twice per year so each average is based on four survey estimates.

Figure 13 Employment rates of couple fathers, London & UK, 1995-2006



Source: Labour Force Survey Household datasets 1995-2006.

Notes: Data are two year moving averages. Household data are produced twice per year so each average is based on four survey estimates.

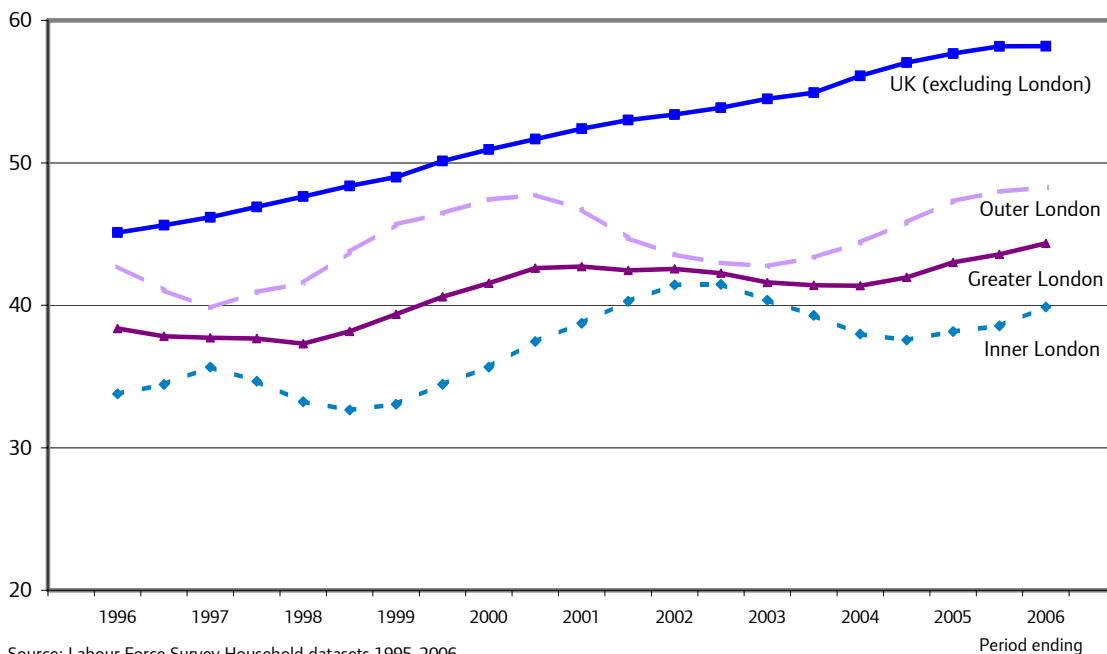
Employment rates of lone parents 1995-2006

Figure 14 shows the employment rate of lone parents over the same period. Nationally, there has been a strong and steady increase in the employment rate of lone parents. The employment rate for lone parents who live outside London, in the rest of the UK, increased from 45 to 58 per cent²⁹ between 1995 and 2006. In London, while rates have shown some improvement, the increase has been less dramatic. Over the period, the lone parent employment rate in London went up from 38 to 44 per cent. As a result, trends in lone parent employment rates in London have shown increasing divergence from national trends. Between 1995-2006, the gap in lone parent employment rates between London and the rest of the UK has doubled in size from 7 to 14 percentage points.

The improvement in rates in London was also less steady relative to national trends and between 2000/01 and 2003/04 the rate in London actually showed a marginal decline from 43 to 41 per cent. More recently, rates have recovered rising to a high of 44 per cent (2 year average 2005/06).

Trends in Inner and Outer London have been more volatile. It is quite possible these fluctuations are, to some extent, reflecting higher levels of sampling variability attached to the data. While the data are not robust enough to interpret with any degree of precision, both series appear to point to some departure from national trends over the period, but with a visible recovery in rates in recent years.

Figure 14 Employment rates of lone parents, London & UK, 1995-2006



Source: Labour Force Survey Household datasets 1995-2006.

Notes: Data are two year moving averages. Household data are produced twice per year so each average is based on four survey estimates.

²⁹ Change figures quoted relate to change between 1995/6 to 2005/06 (two year averages)

6. Labour market position of parents in couple families

Key points

- Around one in twelve (8 per cent) couple families with children in London are workless (ie neither parent is in work) and well over one third (37 per cent) are those with one parent in work. The remaining 55 per cent are 'work-rich' couple families where both parents work.
- London has a far lower proportion of work-rich couple families (55 per cent) relative to the rest of the UK (70 per cent). In Inner London, rates are exceptionally low and less than half (43 per cent) of couple families are work-rich.
- In Inner London, 15 per cent of couple families have neither parent in work. This is three times as high as the percentage of workless families in Outer London and in the rest of the UK (both 5 per cent).
- Over the period 1995-2006, the proportion of work-rich couple families in London has remained well below rates outside London and London's relative position has worsened.
- London's divergence from national trends has been driven by the distinct patterns of couple families living in Inner London, where there has been a fall in the proportion of work-rich couples and a corresponding increase in families where only one parent works.

Data and definitions

This section explores the labour market position of parents in couple families. All data are drawn from the UK Labour Force Survey (LFS) household level datasets. These datasets enable analysis of the combined economic position of both parents within a couple. The LFS is a sample survey so all data are estimates, not precise measures. As such, all data have a degree of sampling variability attached to them and need to be interpreted with some care (See Appendix C).

Couple families³⁰ with children are defined as married or co-habiting couples with dependent children³¹. Here, the analysis covers couple families where the head of the family is of working age.

Combined economic activity of couples with children

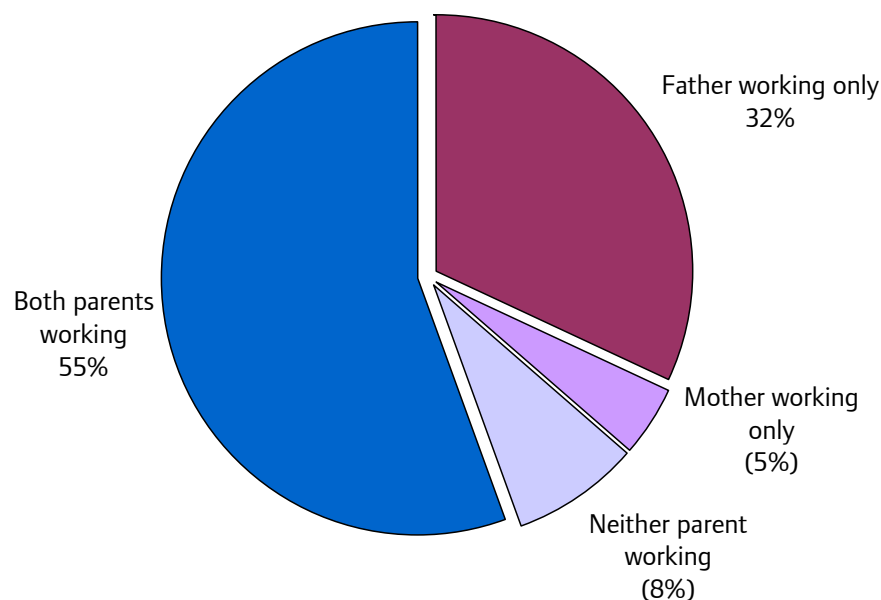
Most couple families with children have at least one parent in work. Figure 15 shows the combined economic activity of couples with children in London; 55 per cent of London's couple families with children are work-rich (both parents are in work) while 37 per cent

³⁰ Same sex couples are not covered by the analysis as the Labour Force Survey does not collect comprehensive data on same sex couples and parenting so these are excluded.

³¹ Those aged 0-15 and those aged 16-18 who have never married and who have no children of their own.

have at least one parent working, most of whom are fathers. The remaining 8 per cent of couple families with children are workless (ie neither parent is in work).

Figure 15 Combined economic activity of couple families with dependent children, Greater London, Oct-Dec 2006



Source: Labour Force Survey household dataset, Oct-Dec 2006

Notes: Estimates based on small samples (ie <100) are shown in brackets to emphasise the higher levels of sampling variability attached to these estimates.

Combined employment status of couples: London and UK

Figure 16 considers the combined economic activity of couple families with children in London and in the rest of the UK. London couple families with children are much less likely than those outside London to have both parents working. In London, 55 per cent of couple families have both parents in work relative to 70 per cent in the rest of the UK. The proportion of families where both parents work is very low in Inner London (43 per cent) relative to Outer London (61 per cent).

In Inner London, 15 per cent of families with children have neither parent in work. This is three times higher than the percentage of workless families in Outer London and in the rest of the UK (both 5 per cent).

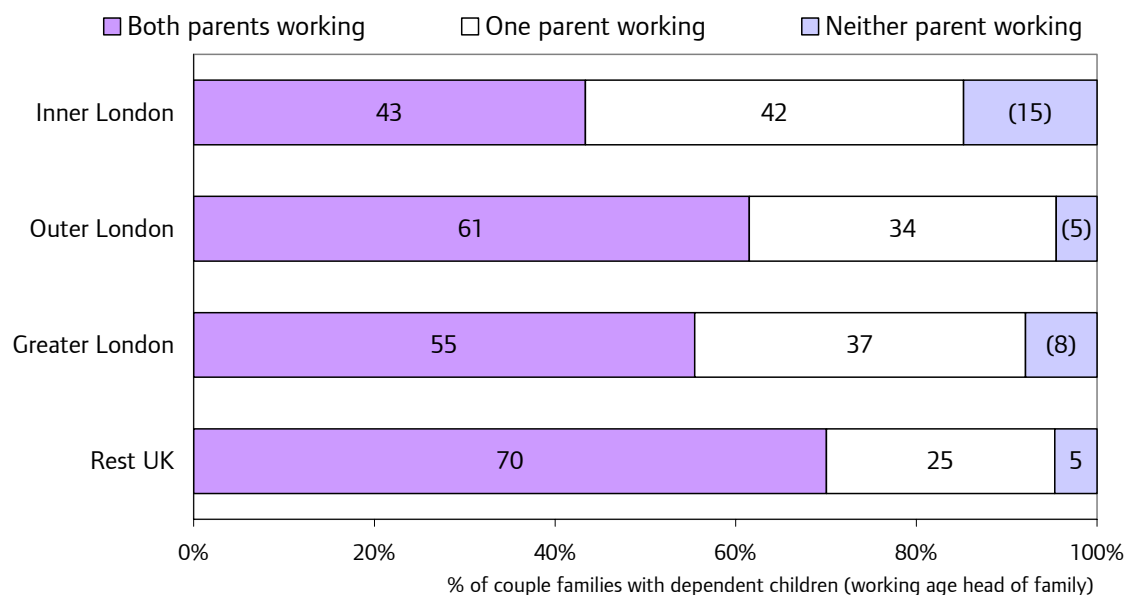
London couples are also more likely to have one parent working (37 per cent) relative to those outside London (25 per cent). In Inner London, 42 per cent of couple families have one parent in work.

Trends 1995-2006

Figures 17-19 show the percentage of couple families with children by the labour market position of the parents over the period 1996-2006. Rates in Greater London are compared to those in the rest of the UK. ONS publish quarterly household LFS data twice

a year³². The data are prone to large confidence intervals, particularly data for Inner and Outer London, and in 2006 there were changes to the time periods covered by the two quarterly surveys. For these reasons, to improve the reliability of trend data, the analysis uses two year rolling averages (using four estimates over each two year period).

Figure 16 Employment status of parents in couple, London & UK, Oct-Dec 2006



Source: Labour Force Survey household dataset, Oct-Dec 2006

Notes: Estimates based on small samples (ie <100) are shown in brackets to emphasise the higher levels of sampling variability attached to these estimates.

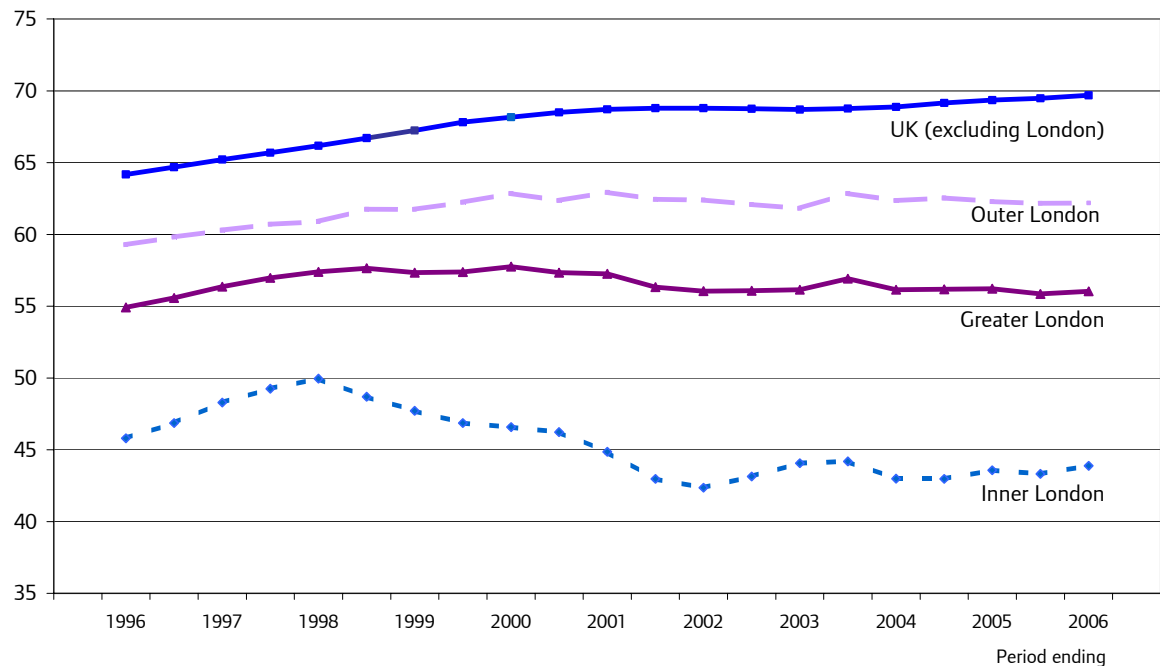
The data show that the differentials between London and the rest of the UK have persisted throughout the period. Consistent with previous analysis, London rates also show some divergence from national trends.

In London, the percentage of work-rich couple families increased from 55 to 57 per cent over the period 1995/96 and 2000/01. Outside London, the improvement was more pronounced and the percentage of work-rich couple families increased from 64-69 per cent over the same period. Since 2000, the percentage of work-rich families in London has remained fairly stable, but outside London, the percentage has continued to increase, at a slow steady rate up to 70 per cent.

Nationally, the proportion of workless couple families has fallen slowly over the period from 8 to 5 per cent. Whereas in London, there has been little significant change since 1998 and rates have largely stabilised at around 9-10 per cent, twice the rate in the rest of the UK (5 per cent).

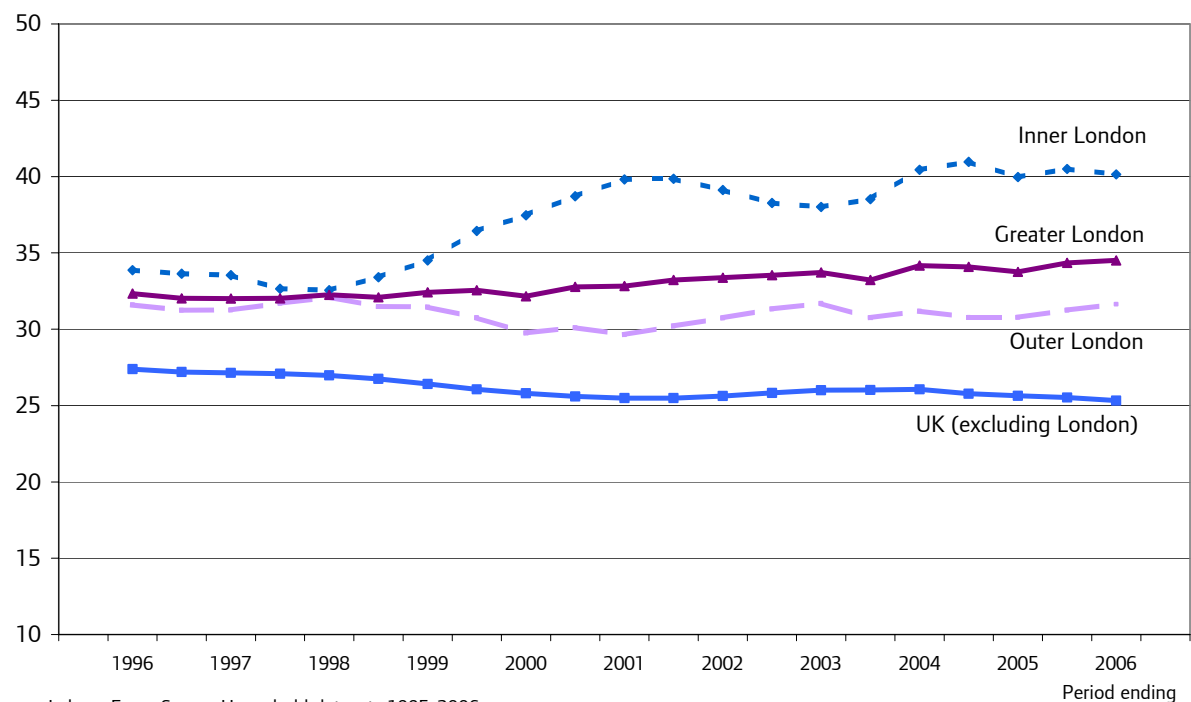
³² Data are produced for two calendar quarters each year: April-June and October-December. Prior to 2006, LFS household data were based on seasonal quarters: Spring (Mar-May) and Autumn (Sept-Nov).

Figure 17 Percentage of couple families with both parents in work, London & UK, 1995-2006 (2 year moving averages)



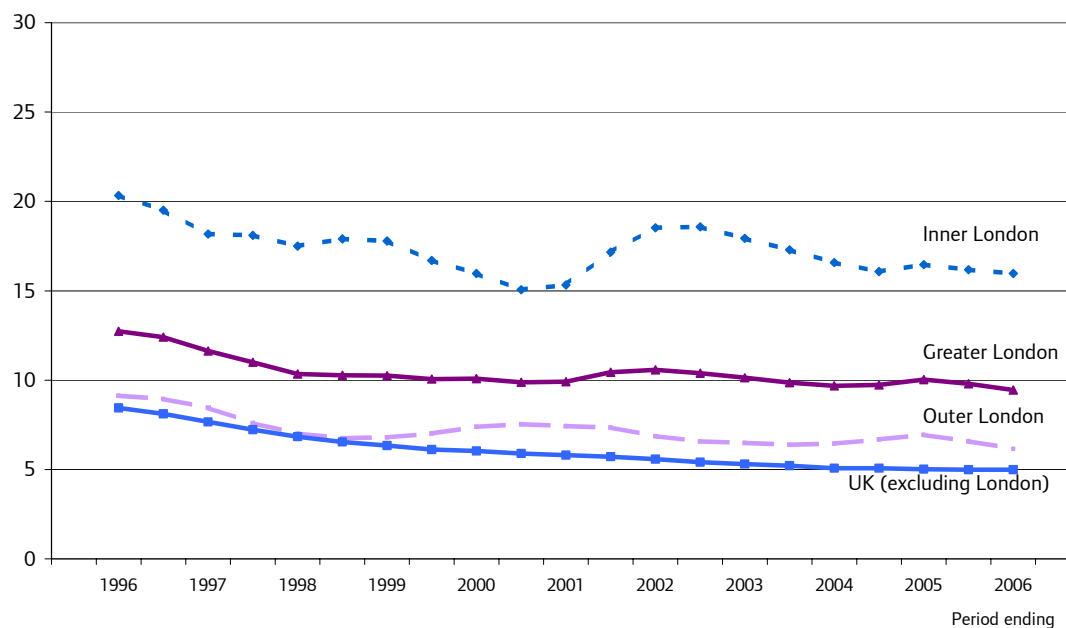
Source: Labour Force Survey Household datasets 1995-2006.
 Notes: Data are two year moving averages. Household data are produced twice per year so each average is based on four survey estimates.

Figure 18 Percentage of couple families with one parent in work, London & UK, 1995-2006 (2 year moving averages)



Source: Labour Force Survey Household datasets 1995-2006.
 Notes: Data are two year moving averages. Household data are produced twice per year so each average is based on four survey estimates.

Figure 19 Percentage of couple families with neither parent in work, London & UK, 1995-2006 (2 year moving averages)



Source: Labour Force Survey Household datasets 1995-2006.
 Notes: Data are two year moving averages. Household data are produced twice per year so each average is based on four survey estimates.

London-wide trends disguise quite different patterns across Inner and Outer London. While trends in Outer London have been fairly close to those outside London, trends in Inner London show strong divergence from national trends since around 1997/98. In Inner London, the proportion of work-rich couple families has fallen from 50 per cent down to 44 per cent in 2005/06. There has been a corresponding increase in the proportion of families in Inner London with one parent in work (from 33 to 40 per cent).

Considering the general trends over the entire period 1995-2006, the proportion of work-rich couple families in London has remained well below rates outside London and the gap between the two has in fact widened from 9 to 14 percentage points³³. This is consistent with a corresponding change in the proportion of couple families where one parent works. In London, the percentage of such families has increased slightly whereas the rest of the UK has seen a slight decrease, leading to a widening of the gap between the two (from five to nine percentage points).

The divergence from national trends largely reflects the distinct patterns of couple families living in Inner London, where there has been a fall in the proportion of couples with both parents in work and an increase in families where one parent works. This is consistent with analysis on parents in section five which highlighted the falling employment rates of couple mothers living in Inner London.

³³ Percentage point gap data based on calculations based on 2 year averages.

7. Conclusions and further information

Conclusions

This report has presented the latest data on child poverty in London and brings together data on the living standards of children alongside data on the labour market position of their parents, and considers trends over the last ten years. The analysis has found:

- London has a high rate of child poverty relative to other regions, and the rate in Inner London is exceptionally high.
- The relative position and circumstances of London's children remain poor according to a range of different income and labour market indicators.
- Certain groups of children in London face a very high risk of exclusion. These include children from certain ethnic groups, children of disabled parents and children in workless lone parent and couple families.
- The labour market position of parents is central to understanding the circumstances of London's children. Parents in London have far lower employment rates than parents outside London, and differentials are most pronounced for mothers.
- Trend data over the last twelve years show that national improvements in child poverty rates have not been evident in London where the child poverty rate remains stubbornly high.
- This finding is consistent with analysis of the employment patterns of London parents over the same period, which show marked divergence from national trends
 - The employment rate of mothers in couples in London has remained well below the rate outside London and the gap between the two has widened. This divergence is mainly due to a fall in the employment rate of mothers living in Inner London over the period.
 - While the employment rate of London's lone parents has risen, the rise has been less pronounced than nationally, leading to the gap in employment rates between London and the rest of the UK increasing.
- The GLA is planning further analysis of data on child poverty in Autumn 2007, including analysis of child poverty rates by ethnicity, disability, family type and housing tenure. The findings will be reported in future Briefings.

Appendix A Households Below Average Income data

Data and definitions

The data presented in section 2 on income poverty are drawn from the Households Below Average Income (HBAI) series which is based on data from the Family Resources Survey (FRS). The FRS is an annual survey of UK households carried out by the Department for Work and Pensions. The survey comprises around 28,000 UK households, including 2,500 London households.

Section 2 refers to children living under the poverty line. This is defined as those children living in households with below 60 per cent of median income and is a measure of relative income poverty. This is the headline measure used by the Government to measure its progress on child poverty targets. Children are defined as those aged under 16 or those aged 16-18 in full-time education (who are unmarried).

Income here relates to the notion of equivalised household income, which is income adjusted to take account of differences in household size and composition. This enables 'like for like' comparisons of the disposable income and effective living standards of different types of households. Income estimates are routinely produced before and after housing costs are paid. Given that housing costs are so high in the Capital, the after housing cost measure is often considered as more meaningful for London analysis.

While estimates are available for Greater London, and more recently for Inner and Outer London, they are subject to large confidence intervals. By way of illustration, confidence intervals attached to single year HBAI data for 2004/05 are shown below in table A1.

A1. Percentage of children below 60 per cent median income in 2004/05 with 95% confidence intervals

Percentage of children	Before Housing Costs		After Housing Costs		All children (millions)
	60%	confidence interval	60%	confidence interval	
England	19	18 - 20	28	26 - 29	10.9
<i>of which</i>					
North East	26	21 - 31	31	26 - 36	0.5
North West and Merseyside	20	17 - 22	28	24 - 31	1.5
Yorkshire and the Humber	24	20 - 28	27	23 - 32	1.1
East Midlands	20	17 - 24	24	20 - 28	0.9
West Midlands	24	20 - 27	29	25 - 33	1.2
East of England	13	10 - 17	22	18 - 26	1.2
London	24	21 - 27	41	37 - 44	1.6
<i>of which</i>					
Inner London	34	28 - 40	53	47 - 59	0.5
Outer London	18	15 - 22	34	30 - 39	1.1
South East	13	11 - 15	23	20 - 26	1.8
South West	15	12 - 18	22	18 - 25	1.0
Scotland	19	17 - 21	23	21 - 25	1.0
Wales	23	17 - 28	27	21 - 33	0.6

Source: Department and Work and Pensions, Households Below Average Income, 2004/05

To minimise problems with confidence intervals when comparing data over time or when looking at smaller groups within the population, data are averaged over three years to improve the reliability of estimates. However, three year data still have significant confidence intervals attached and readers need to bear this in mind when interpreting the data.

Further information about the Households Below Average Income data series can be found at the DWP website:

<http://www.dwp.gov.uk/asd/hbai.asp>

Appendix B DWP data on children in key benefits households

Data and definitions

Section 3 profiles the percentage of children who live in families on key benefits. The data are supplied by the Department of Work and Pensions and are based on a five per cent sample of claimants. *Children* refers to dependent children who are aged under 16, together with those aged 16 to 18 still in full-time education. The data relate to children in families where an adult of working age claims one or more of the five key benefits:

- **Jobseeker's Allowance (JSA)**
JSA was introduced on October 7th 1996 and is a contributory or income-related benefit paid to people under State Pension age who are available for and actively seeking work of at least forty hours per week. They agree with Jobcentre Plus any restrictions on their availability for work and the steps they intend to take in order to find work.
 - **Incapacity Benefit (IB)**
IB is paid to people who have been incapable of work because of sickness or disability for at least four days in a row and who have paid sufficient contributions throughout their working lives.
 - **Disability Living Allowance (DLA)**
DLA is paid to people who have become disabled before the age of 65 and who need assistance with personal care and/or mobility.
 - **Income Support (IS)**
Income Support (IS) is available to those under 60 who have a low income. Until October 2003, IS was also payable to males aged 60 to 64 and was called Minimum Income Guarantee (MIG). From October 2003 Pension Credit replaced MIG. However both MIG and Pension Credit claimants aged 60 to 64 are included in the children and families client group datasets as IS claimants.
 - **Severe Disablement Allowance (SDA)**
SDA was paid to those unable to work for 28 weeks in a row or more because of illness or disability. Since April 2001 it has not been possible to make a new claim for Severe Disablement Allowance.
- and** where that adult either:
- receives an additional allowance of benefit for children or young adult dependants (i.e. those aged 16-18 and still in full-time education); or
 - receives contribution-based Jobseeker's Allowance (JSA) or JSA National Insurance credits only, with children or young adult dependants recorded in the assessment; or
 - receives Child Tax Credit (CTC).

The family type is derived from a combination of information about a claimant's dependent children and whether the claimant has a partner, as recorded for benefit or child tax credit (CTC) administration purposes.

Confidence intervals

DWP benefit and client group datasets consist of five per cent samples of claimants and the statistics produced from them are subject to sampling error. The statistics produced, by rating up frequencies obtained from the 5% samples, are estimates of the true population values and, by chance, may be either lower or higher than the true population value. An indication of the effect of these sampling errors can be gained from the table B1. The true value will most probably lie somewhere in a range around this estimate. The size of this range is usually indicated by a 95% confidence interval, and there is only a 1 in 20 chance that the true value lies outside this range. Further information may be obtained from <http://www.dwp.gov.uk/asd/cga.asp>

Table B1 Confidence intervals attached to data on children in key benefit families (DWP, 5% sample)

Estimated value	95%	Confidence interval as % of
1,000	270	27
2,000	382	19
3,000	468	16
4,000	540	14
5,000	604	12
6,000	662	11
7,000	715	10
8,000	764	10
9,000	811	9
10,000	854	9
20,000	1,208	6
30,000	1,480	5
40,000	1,709	4
50,000	1,910	4
100,000	2,702	3
200,000	3,821	2
300,000	4,679	2
400,000	5,403	1
500,000	6,041	1
600,000	6,618	1
700,000	7,148	1
800,000	7,641	1
900,000	8,105	1
1,000,000	8,543	1

Source: Department for Work and Pensions

Appendix C Labour Force Survey/Annual Population Survey

The Labour Force Survey

The Labour Force Survey (LFS) is carried out by the Office for National Statistics (ONS) and is the largest household survey in the UK and has been carried out in various guises since 1973. The survey questionnaire is large and collects a wide range of data about people and their labour market circumstances. The survey is residence-based and mainly provides data about those who live in an area. Some (more limited) data are also available on the basis of workplace. In this report, all data presented are residence based. Full technical detail on LFS sampling and fieldwork is available from ONS (LFS User Guide Volume 1: Background and Methodology³⁴).

The LFS collects information from around 60,000 households in the UK each quarter and is a panel survey in that the same people are interviewed again. Each quarter's sample is made up of five "waves" of around 12,000 households. Each wave is interviewed in five successive quarters, such that in any one quarter, one wave will be receiving their first interview, one their second, and so on, with one receiving their fifth and last interview.

The core quarterly surveys provide the data that underpin various cuts of the data for different purposes. In this report, most LFS data are based on the **LFS household level data** sets, and this is supplemented by data from the **Annual Population Survey** (annual dataset derived from LFS quarterly data plus special boosts).

LFS household datasets

These are designed specifically for household and family analysis and are available for two quarters per year. In 2006, the months covered by the household datasets changed from seasonal to calendar quarters. Previously data were made available on the basis of Spring (Mar-May) and Autumn (Sept-Nov) quarter. From 2006 onwards, data are available for the period: April-June and Oct-Dec. Household level datasets are distinct from individual level datasets as they use different weightings and have additional variables added to facilitate household and family level analysis.

Most snapshot data presented here is based on the LFS household dataset for Oct-Dec 2006, kindly supplied to the GLA by ONS (via the ESRC data archive). Additionally, a range of time series data were specially commissioned by the GLA from the LFS dataservice to complement the snapshot data.

The data presented have three key limitations which need to be borne in mind:

- Sampling variability attached to estimates
- Issues regarding LFS estimates of household and grossing
- The degree of missing data for respondents

Sample size and confidence intervals

³⁴ Available at the ONS website: <http://www.statistics.gov.uk/statbase/Product.asp?vlnk=1537>

As the LFS is a sample survey, all data are estimates NOT precise measures. As such, all data have a degree of sampling variability attached to them and need to be interpreted with some care. This particularly affects estimates for sub-groups within the population and in practice limits how far the analysis can go. Confidence intervals can be substantive for quarterly data which are based on a smaller sample than annualised data (See table C1).

For example, the LFS household dataset for Autumn 2004 holds 54,000 household records relating to 128,000 individuals across the UK. The sample for London comprises 5,600 households and 13,500 individuals. Of these, 4,500 were working age households containing 12,000 individuals).

C1 Sampling variability of estimates of children living in workless households by region¹: levels and rates for Autumn 2004 and changes from Autumn 2003

	Autumn 2004		Sampling variability		Changes over the previous year		Sampling variability of these changes	
	Level 000s	Rate %	Level 000s	Rate %	Level 000s	Rate %	Level 000s	Rate %
Children in workless households								
England	1,416	15.1	±64	±0.7	-94	-1.0	±86	±0.9
North East	85	19.9	±14	±2.9	-28	-4.3	±19	±3.9
North West	226	16.7	±28	±1.9	-27	-1.3	±38	±2.6
Yorkshire & Humber	141	15.4	±20	±2.0	0	0.0	±26	±2.7
East Midlands	100	12.2	±18	±2.1	-18	-2.8	±24	±2.8
West Midlands	145	14.3	±21	±2.0	-19	-1.7	±29	±2.7
East of England	105	10.6	±18	±1.7	-12	-0.6	±24	±2.3
London	377	25.2	±40	±2.4	10	0.3	±54	±3.3
Inner London	203	34.9	±31	±4.5	10	1.6	±41	±6.1
Outer London	174	19.0	±26	±2.7	0	-0.5	±35	±3.6
South East	141	9.4	±20	±1.3	-3	-0.6	±28	±1.8
South West	94	11.0	±17	±1.9	2	0.1	±23	±2.6
Wales	87	15.8	±15	±2.6	-9	-2.1	±21	±3.5
Scotland	140	16.5	±20	±2.2	-1	0.5	±27	±3.0
Northern Ireland	62	16.5	±11	±2.7	-14	-3.2	±15	±3.7
Great Britain	1,643	15.2	±68	±0.6	-104	-0.9	±91	±0.8
United Kingdom	1,704	15.3	±67	±0.6	-119	-1.0	±90	±0.8

Source: Office for National Statistics (Labour Force Survey)

¹ The figures in this table have not been adjusted for people living in households with unknown economic status.

In this report, all LFS data are rounded to the nearest thousand and in the narrative most data are rounded to the nearest percentage point to emphasise the fact they are estimates not precise measures. Users should not read too much into small differences in rates between two groups.

LFS estimates of households and grossing

LFS sample data are weighted and grossed up to be representative of the population generally. However, the data on the number of households generated here are significantly lower relative to other sources of demographic data. LFS grossing factors take account of the composition of the local population by age and gender but are not controlled to data on the composition of households by type. The household datasets are weighted to the post-Census population estimates published in February and March 2003. Since then, ONS has published more up to date population estimates but these have not yet been incorporated into any of the LFS micro-datasets. ONS is currently modernising its systems to enable revised population estimates to be incorporated into the micro-data in a more timely manner in future.

In general, LFS household estimates for London tend to be significantly lower than other estimates. This also suggests the possibility that certain household types may be under-represented in the overall sample given that the weighting.

Missing data on the combined economic activity of household members

The issue of estimation is exacerbated by the problem of missing data. For some households, data about the economic activity of all household members were not known. In October-December 2006, data were missing for around three per cent of children in households in London (that is data was missing about their parent's economic activity in three per cent of cases).

ONS make adjustments for missing data in relation to national estimates, but the adjustment procedure is not suitable for sub-national data or for smaller groups in the population (eg ethnic groups). For this reason, ONS estimates of the combined economic activity of children in households for regions are published using unadjusted data. The GLA has adopted the same approach for this analysis and all data presented in this report are unadjusted for missing data on economic activity (ie the analysis is run on data which excludes cases where data are unknown). For consistency, we have also published unadjusted data for the UK to enable regional comparisons. This has two main implications:

- Data published here for the UK will differ slightly from UK estimates published in ONS press releases where UK data are adjusted.
- Numbers of children in work-rich, mixed and workless households are underestimated as they exclude missing data, so are not presented here. Instead data tables show rates. (More detail is available on request).

Estimates may be more prone to some error as the characteristics of households with missing data may not be the same as the characteristics of those households where the economic activity status of all members is known.

Suppression of very unreliable data

In the past, ONS advice was generally not to publish LFS household estimates below suppression thresholds (10,000 for household datasets). More recently, ONS took a

decision to leave it to individual users to decide on appropriate suppression levels. All data presented here are well above the old ONS suppression thresholds. In the main report, all estimates below 55,000 (a sample size of 100) are shown in brackets to emphasise their higher levels of sampling variability. Where estimates are based on very small samples they are suppressed entirely (ie generally less than 50). Estimates for Inner and Outer London are particularly vulnerable to high sampling variability.

To improve reliability of estimates over time, four quarters data have been averaged providing 2 year rolling averages based on four observations. These help smooth out volatile movements in the data which are reflecting sampling errors not real change. This procedure has been applied to all LFS time series data presented in this report.

Annual Population Survey

The APS is a special dataset which brings quarterly (individual level) data together with special annual boosts of the survey. The APS dataset comprises two key elements:

- The annual local area Labour Force Survey (in its entirety) which includes:
 - Data from the core LFS quarterly surveys
 - LFS annual boosts for England, Wales and Scotland
- APS boost: A new additional boost to the existing LFS sample, for a core set of topics. These topics are a sub-set of the existing range of LFS questions.

The APS dataset has been used to complement data from the household LFS as it provides a larger sample than the quarterly LFS. Recent GLA research³⁵ used the APS to look at the characteristics of parents in detail. More detail on the APS and comparisons with household LFS estimates can be found in *Parents and Work in London*, DMAG Briefing 2006/6.

³⁵ *Parents and Work in London*, DMAG Briefing 2006/6

Appendix D Data tables

Contents

D1	Percentage of children living in households below 60 per cent median income (equivalised), London & Great Britain, 1994-2006
D2	Children in key benefit families, London and UK, 1995-2006 (quarterly rates)
D3	Children in key benefit families, London and UK, 1995-2006 (annual rates)
D4	Children living in workless households, London & UK, 1996-2006
D5	Children living in mixed households, London & UK, 1996-2006
D6	Children living in work-rich households, London & UK, 1996-2006
D7	Employment rates of mothers in couples, working age, London and UK 1995-2006
D8	Employment rates of fathers in couples, working age, London and UK 1995-2006
D9	Employment rates of lone parents, working age, London and UK 1995-2006
D10	Work-rich couple families with dependent children, London and Rest of UK 1995-2006
D11	Couple families with dependent children with one parent in work, London and Rest of UK 1995-2006
D12	Workless couple families with dependent children, London and Rest of UK 1995-2006

D1 Percentage of children living in households below 60 per cent median income (equivalised), London & Great Britain, 1994-2006

	Greater London		Great Britain	
	Before housing costs	After housing costs	Before housing costs	After housing costs
	Three year averages		Three year averages	
1994/97	25	42	25	33
1995/98	26	42	26	33
1996/99	27	42	27	34
1997/00	27	42	26	33
1998/01	27	41	25	33
1999/02	26	40	24	32
2000/03	25	39	23	31
2001/04	26	38	23	30
2002/05	27	40	22	29
2003/06	26	41	22	29
	Single year estimates		Single year estimates	
1994/95	25	40	25	33
1995/96	24	41	24	33
1996/97	27	43	27	34
1997/98	28	43	27	33
1998/99	26	40	26	34
1999/00	27	41	26	33
2000/01	27	41	23	31
2001/02	24	37	23	31
2002/03	26	38	23	30
2003/04	27	40	22	29
2004/05	27	41	21	28
2005/06	24	40	22	30

Source: Department for Work and Pensions, Households Below Average Income
Notes: Based on OECD equivalisation scales.

Table D2 Children in key benefit families, London & UK, 1995-2006 (quarterly rates)

Date	Greater London	Inner London	Outer London (excluding London)	GB
May 1995	34.0	46.4	26.7	22.8
August 1995	33.8	46.0	26.6	22.7
November 1995	33.7	46.0	26.4	22.5
February 1996	33.0	44.7	26.1	22.6
May 1996	33.0	44.9	26.0	22.4
August 1996	32.9	44.9	25.8	22.1
November 1996	31.8	43.6	24.9	21.3
February 1997	31.4	42.9	24.5	21.4
May 1997	30.8	42.3	23.9	21.0
August 1997	30.3	41.4	23.7	20.7
November 1997	29.9	41.0	23.3	20.0
February 1998	29.4	40.3	23.0	19.9
May 1998	29.3	40.2	22.8	19.6
August 1998	29.2	40.1	22.7	19.6
November 1998	28.5	39.0	22.2	19.1
February 1999	28.5	39.1	22.2	19.2
May 1999	28.5	39.5	22.0	19.1
August 1999	28.5	39.3	22.1	19.1
November 1999	28.2	38.9	21.9	18.7
February 2000	28.1	39.2	21.6	18.7
May 2000	27.8	38.9	21.2	18.4
August 2000	27.7	38.5	21.3	18.5
November 2000	27.4	37.8	21.2	18.0
February 2001	27.3	37.5	21.2	18.2
May 2001	27.0	37.3	21.0	17.9
August 2001	27.3	37.6	21.2	17.9
November 2001	26.7	36.5	20.9	17.3
February 2002	26.4	36.0	20.6	17.4
May 2002	26.5	36.1	20.8	17.3
August 2002	26.7	36.5	20.9	17.3
November 2002	26.4	36.3	20.5	16.8
February 2003	26.4	35.9	20.7	16.9
May 2003	26.4	35.7	21.0	17.1
August 2003	28.1	36.8	22.9	19.8
November 2003	27.8	36.4	22.6	19.2
February 2004	27.5	35.9	22.5	19.2
May 2004	27.9	36.3	22.9	19.1
August 2004	27.9	36.4	22.9	18.7
November 2004	28.0	36.5	23.0	18.4
February 2005	27.9	36.1	23.0	18.6
May 2005	27.9	35.9	23.1	18.6
August 2005	26.6	34.8	21.7	17.0
November 2005	28.1	36.2	23.4	18.2
February 2006	28.3	36.2	23.6	18.4
May 2006	28.5	36.3	23.8	18.4
August 2006	28.3	35.9	23.8	18.3

Source: Department for Work and Pensions. 5% sample

Rates are based on Mid Year Estimates from the ONS.

Notes: 2006 Mid Year Estimates were unavailable at time of publication therefore the rates for 2006 are based on 2005 Mid Year Estimates.

Table D3 Children in key benefit families, London & UK, 1995-2006 (annual rates)

Date	Greater London	Inner London	Outer London	GB (excluding London)
1995	33.9	46.2	26.6	22.7
1996	32.7	44.5	25.7	22.1
1997	30.6	41.9	23.9	20.8
1998	29.1	39.9	22.6	19.5
1999	28.5	39.2	22.1	19.0
2000	27.7	38.6	21.3	18.4
2001	27.1	37.2	21.1	17.8
2002	26.5	36.2	20.7	17.2
2003	27.2	36.2	21.8	18.2
2004	27.8	36.3	22.8	18.8
2005	27.6	35.8	22.8	18.1
2006	28.4	36.1	23.8	18.4

Source: Department for Work and Pensions. 5% sample.

Rates are based on Mid Year Estimates from the ONS.

Notes: These are averages for the year based on the quarterly figures in Table D2. 2006 Mid Year Estimates were unavailable at time of publication therefore the rates for 2006 are based on 2005 Mid Year Estimates.

D4 Children living in workless households (those with no adults in employment), London & UK, 1996-2006

		Children living in workless households as % of all children in households								Divergence measures (difference in rates)	
		Quarterly estimates				2 year averages (period ending)				Absolute (London- Rest UK)	Relative (Absolute difference as % of rest UK rate)
LFS quarter:		Inner London	Outer London	Greater London	UK (exc. London)	Inner London	Outer London	Greater London	UK (exc. London)		
Spring	1996	35.7	20.8	26.6	19.1						
Autumn	1996	37.0	20.8	27.1	18.6						
Spring	1997	35.0	20.0	25.8	17.8						
Autumn	1997	38.0	20.3	27.1	17.6	36.4	20.4	26.6	18.3	8.4	45.8
Spring	1998	40.1	17.9	26.5	17.6	37.5	19.7	26.6	17.9	8.7	48.8
Autumn	1998	35.6	19.8	25.7	16.9	37.2	19.5	26.2	17.5	8.8	50.2
Spring	1999	38.2	20.8	27.5	16.9	38.0	19.7	26.7	17.3	9.4	54.6
Autumn	1999	36.8	20.4	26.6	16.3	37.7	19.7	26.6	16.9	9.6	56.9
Spring	2000	34.0	18.7	24.7	15.6	36.1	19.9	26.1	16.4	9.7	58.9
Autumn	2000	34.5	19.3	25.2	15.1	35.9	19.8	26.0	16.0	10.0	62.8
Spring	2001	33.5	20.2	25.1	15.1	34.7	19.6	25.4	15.5	9.9	63.6
Autumn	2001	31.4	20.0	24.3	15.7	33.3	19.5	24.8	15.4	9.5	61.4
Spring	2002	34.8	21.2	26.4	15.7	33.5	20.2	25.3	15.4	9.9	63.9
Autumn	2002	35.2	20.6	26.3	15.6	33.7	20.5	25.5	15.5	10.0	64.4
Spring	2003	31.5	19.2	23.9	15.5	33.2	20.3	25.2	15.6	9.6	61.6
Autumn	2003	33.4	19.4	24.9	15.0	33.7	20.1	25.4	15.4	9.9	64.3
Spring	2004	36.2	19.0	25.7	14.9	34.0	19.5	25.2	15.2	9.9	65.3
Autumn	2004	34.9	19.0	25.2	13.8	34.0	19.1	24.9	14.8	10.1	68.4
Spring	2005	33.3	20.2	25.3	14.6	34.4	19.4	25.3	14.6	10.7	73.3
Autumn	2005	37.6	20.7	27.4	14.5	35.5	19.7	25.9	14.5	11.4	79.0
April-June	2006	35.5	18.5	25.4	14.3	35.3	19.6	25.8	14.3	11.5	80.5
Oct-Dec	2006	32.6	18.7	24.2	15.0	34.8	19.5	25.6	14.6	11.0	75.2

Source: Office for National Statistics, Labour Force Survey household datasets

Notes: Data relate to children aged 0-15 living in working age households (those containing at least one adult of working age). From 2006 onwards, data relate to calendar quarters (eg April-June) as opposed to seasonal quarters (Spring: March-May). All data are subject to a considerable degree of sampling variability, particularly data for Inner and Outer London which are based on relatively small samples. For this reason, 2 year averages are also presented which provide more reliable trend data.

D5 Children living in mixed households (those with both working and workless adults), London & UK, 1996-2006

		Children living in mixed households as % of all children in households								Divergence measures (difference in rates)	
		Quarterly estimates				2 year averages (period ending)				Absolute (London- Rest UK)	Relative (Absolute difference as % of rest UK rate)
LFS quarter:		Inner London	Outer London	Greater London	UK (exc. London)	Inner London	Outer London	Greater London	UK (exc. London)		
Spring	1996	33.2	34.6	34.1	29.9						
Autumn	1996	31.6	33.9	33.0	28.9						
Spring	1997	30.9	34.1	32.9	29.7						
Autumn	1997	30.1	33.9	32.4	29.4	31.4	34.1	33.1	29.5	3.6	12.2
Spring	1998	27.8	36.1	32.9	29.6	30.1	34.5	32.8	29.4	3.4	11.5
Autumn	1998	32.3	35.5	34.3	28.9	30.3	34.9	33.1	29.4	3.7	12.7
Spring	1999	31.3	30.3	30.7	28.4	30.4	33.9	32.6	29.1	3.5	12.1
Autumn	1999	32.5	33.2	32.9	28.0	31.0	33.8	32.7	28.7	4.0	13.9
Spring	2000	33.7	32.2	32.8	28.5	32.5	32.8	32.7	28.4	4.2	14.9
Autumn	2000	32.3	33.3	32.9	28.3	32.4	32.2	32.3	28.3	4.0	14.2
Spring	2001	33.4	34.4	34.1	28.4	33.0	33.3	33.2	28.3	4.9	17.3
Autumn	2001	37.1	33.4	34.8	28.3	34.1	33.3	33.6	28.3	5.3	18.7
Spring	2002	36.5	33.0	34.3	28.5	34.8	33.5	34.0	28.3	5.7	20.0
Autumn	2002	34.3	32.1	33.0	28.6	35.3	33.2	34.0	28.4	5.6	19.7
Spring	2003	39.0	33.9	35.8	29.5	36.7	33.1	34.5	28.7	5.8	20.1
Autumn	2003	36.0	34.6	35.2	29.4	36.4	33.4	34.6	29.0	5.6	19.1
Spring	2004	35.1	33.3	34.0	29.4	36.1	33.5	34.5	29.2	5.3	18.0
Autumn	2004	37.4	34.7	35.8	29.7	36.9	34.1	35.2	29.5	5.7	19.2
Spring	2005	36.1	34.2	34.9	29.5	36.2	34.2	35.0	29.5	5.5	18.5
Autumn	2005	34.1	34.9	34.6	29.4	35.7	34.3	34.8	29.5	5.3	18.1
April-June	2006	36.3	34.1	35.0	30.0	36.0	34.5	35.1	29.6	5.4	18.3
Oct-Dec	2006	36.0	35.1	35.4	28.6	35.6	34.6	35.0	29.4	5.6	19.2

Source: Office for National Statistics, Labour Force Survey household datasets

Notes: Data relate to children aged 0-15 living in working age households (those containing at least one adult of working age). From 2006, data relate to calendar quarters (eg April-June) as opposed to seasonal quarters (Spring: March-May). Data are subject to a considerable degree of sampling variability, particularly data for Inner and Outer London which are based on relatively small samples. For this reason, 2 year averages are also presented which provide more reliable trend data.

D6 Children living in work-rich households (those with all adults in employment), London & UK, 1996-2006

		Children living in work-rich households as % of all children in households				Divergence measures (difference in rates)					
LFS quarter:		Quarterly estimates				2 year averages (period ending)				Absolute	Relative
		Inner London	Outer London	Greater London	UK (exc. London)	Inner London	Outer London	Greater London	UK (exc. London)	(London-Rest UK)	(Absolute difference as % of rest UK rate)
Spring	1996	31.1	44.6	39.4	50.9						
Autumn	1996	31.4	45.4	39.9	52.5						
Spring	1997	34.2	45.9	41.4	52.6						
Autumn	1997	31.9	45.9	40.5	53.1	32.1	45.4	40.3	52.3	-12.0	-22.9
Spring	1998	32.0	46.0	40.6	52.8	32.4	45.8	40.6	52.7	-12.1	-23.0
Autumn	1998	32.1	44.7	40.0	54.2	32.6	45.6	40.6	53.1	-12.5	-23.5
Spring	1999	30.5	48.8	41.8	54.7	31.6	46.4	40.7	53.7	-12.9	-24.1
Autumn	1999	30.7	46.4	40.5	55.8	31.3	46.5	40.7	54.4	-13.6	-25.0
Spring	2000	32.3	49.1	42.5	55.9	31.4	47.3	41.2	55.1	-13.9	-25.2
Autumn	2000	33.3	47.4	41.9	56.6	31.7	48.0	41.7	55.7	-14.1	-25.2
Spring	2001	33.0	45.3	40.8	56.5	32.3	47.1	41.4	56.2	-14.8	-26.3
Autumn	2001	31.4	46.6	40.8	56.1	32.5	47.1	41.5	56.3	-14.8	-26.2
Spring	2002	28.8	45.8	39.3	55.8	31.6	46.3	40.7	56.2	-15.5	-27.6
Autumn	2002	30.5	47.4	40.7	55.8	30.9	46.3	40.4	56.0	-15.6	-27.9
Spring	2003	29.6	46.9	40.3	55.0	30.1	46.7	40.3	55.7	-15.4	-27.6
Autumn	2003	30.6	46.0	39.9	55.6	29.9	46.5	40.1	55.6	-15.5	-27.9
Spring	2004	28.7	47.8	40.3	55.7	29.8	47.0	40.3	55.5	-15.2	-27.4
Autumn	2004	27.6	46.3	39.1	56.5	29.1	46.7	39.9	55.7	-15.8	-28.4
Spring	2005	30.6	45.6	39.8	55.9	29.4	46.4	39.8	55.9	-16.1	-28.9
Autumn	2005	28.3	44.4	37.9	56.0	28.8	46.0	39.3	56.0	-16.8	-29.9
April-June	2006	28.2	47.5	39.6	55.7	28.7	45.9	39.1	56.0	-17.0	-30.3
Oct-Dec	2006	31.4	46.2	40.4	56.5	29.6	45.9	39.4	56.0	-16.6	-29.7

Source: Office for National Statistics, Labour Force Survey household datasets

Notes: Data relate to children aged 0-15 living in working age households (those containing at least one adult of working age). From 2006, data relate to calendar quarters (eg April-June) as opposed to seasonal quarters (Spring: March-May). Data are subject to a considerable degree of sampling variability, particularly data for Inner and Outer London which are based on relatively small samples. For this reason, 2 year averages are also presented which provide more reliable trend data.

D7 Employment rates of mothers in couples, working age, London and UK 1995-2006

		Employment rates of mothers (with dependent children) in couples								Divergence measures (difference in rates)	
		Quarterly estimates				2 year averages (period ending)				Absolute (London- Rest UK)	Relative (Abs. diff. as % of rest UK rate)
LFS quarter:		Inner London	Outer London	Greater London	UK (exc. London)	Inner London	Outer London	Greater London	UK (exc. London)		
Spring	1995	50.2	61.7	58.1	66.8						
Autumn	1995	49.0	62.8	58.3	67.4						
Spring	1996	52.4	63.0	59.6	67.6						
Autumn	1996	53.5	63.2	59.9	69.0	51.3	62.7	59.0	67.7	-8.7	-12.9
Spring	1997	55.2	64.0	61.1	69.0	52.5	63.3	59.7	68.2	-8.5	-12.5
Autumn	1997	51.4	64.1	60.0	69.4	53.1	63.6	60.2	68.7	-8.6	-12.5
Spring	1998	53.9	65.4	61.7	69.5	53.5	64.2	60.7	69.2	-8.5	-12.3
Autumn	1998	53.5	65.7	61.8	70.9	53.5	64.8	61.2	69.7	-8.5	-12.3
Spring	1999	48.7	67.2	61.2	71.1	51.9	65.6	61.2	70.2	-9.0	-12.9
Autumn	1999	49.4	65.1	60.1	71.6	51.4	65.8	61.2	70.8	-9.6	-13.5
Spring	2000	53.7	66.5	62.3	71.8	51.3	66.1	61.4	71.3	-10.0	-14.0
Autumn	2000	52.5	65.8	61.7	72.5	51.1	66.2	61.3	71.7	-10.4	-14.5
Spring	2001	47.4	64.7	59.2	72.5	50.8	65.5	60.8	72.1	-11.2	-15.6
Autumn	2001	45.2	67.4	60.1	72.3	49.7	66.1	60.9	72.2	-11.4	-15.8
Spring	2002	44.3	66.4	59.2	72.1	47.4	66.1	60.1	72.3	-12.3	-17.0
Autumn	2002	51.0	68.1	62.5	72.1	47.0	66.6	60.2	72.2	-12.0	-16.6
Spring	2003	51.3	64.7	60.4	72.3	47.9	66.6	60.6	72.2	-11.7	-16.1
Autumn	2003	49.7	65.3	60.2	72.2	49.1	66.1	60.6	72.2	-11.6	-16.1
Spring	2004	45.8	68.5	61.3	72.2	49.4	66.6	61.1	72.2	-11.1	-15.4
Autumn	2004	45.8	65.2	58.7	72.6	48.1	65.9	60.1	72.4	-12.2	-16.9
Spring	2005	49.5	65.9	60.3	73.4	47.7	66.2	60.1	72.6	-12.5	-17.2
Autumn	2005	48.1	65.9	59.9	72.9	47.3	66.4	60.1	72.8	-12.7	-17.5
April-June	2006	43.5	69.4	60.2	72.8	46.7	66.6	59.8	72.9	-13.1	-18.0
Oct-Dec	2006	49.1	65.9	60.3	73.1	47.5	66.8	60.2	73.0	-12.8	-17.6

Source: Office for National Statistics, Labour Force Survey household datasets

Notes: Data relate to mothers of working age (16-59). From 2006 onwards, data relate to calendar quarters (eg April-June) as opposed to seasonal quarters (Spring: March-May). All data are subject to a considerable degree of sampling variability, particularly data for Inner and Outer London which are based on relatively small samples. For this reason, 2 year averages are also presented which provide more reliable trend data.

D8 Employment rates of fathers in couples, working age, London and UK 1995-2006

		Employment rates of fathers (with dependent children) in couples								Divergence measures (difference in rates)	
		Quarterly estimates				2 year averages (period ending)				Absolute (London- Rest UK)	Relative (Abs. diff. as % of rest UK rate)
LFS quarter:		Inner London	Outer London	Greater London	UK (exc. London)	Inner London	Outer London	Greater London	UK (exc. London)		
Spring	1995	73.8	87.3	83.1	87.8						
Autumn	1995	70.5	87.1	81.8	87.9						
Spring	1996	76.1	86.9	83.4	87.6						
Autumn	1996	74.8	88.5	83.8	88.7	73.8	87.4	83.0	88.0	-5.0	-5.7
Spring	1997	76.7	88.3	84.5	88.9	74.5	87.7	83.4	88.3	-4.9	-5.6
Autumn	1997	79.7	89.3	86.3	89.8	76.8	88.2	84.5	88.8	-4.3	-4.8
Spring	1998	78.7	89.8	86.3	89.5	77.5	89.0	85.2	89.2	-4.0	-4.5
Autumn	1998	80.6	89.5	86.7	90.5	78.9	89.2	85.9	89.7	-3.7	-4.1
Spring	1999	77.5	89.5	85.7	90.2	79.1	89.5	86.2	90.0	-3.7	-4.2
Autumn	1999	78.8	88.9	85.7	90.5	78.9	89.4	86.1	90.2	-4.1	-4.5
Spring	2000	81.7	90.1	87.4	90.4	79.6	89.5	86.4	90.4	-4.0	-4.4
Autumn	2000	83.6	89.4	87.7	90.7	80.4	89.5	86.6	90.5	-3.8	-4.2
Spring	2001	80.3	89.7	86.8	90.6	81.1	89.5	86.9	90.6	-3.7	-4.0
Autumn	2001	76.2	89.1	84.9	91.0	80.4	89.6	86.7	90.7	-4.0	-4.4
Spring	2002	74.7	88.6	84.2	90.6	78.7	89.2	85.9	90.7	-4.9	-5.4
Autumn	2002	77.7	90.2	86.1	91.5	77.2	89.4	85.5	90.9	-5.4	-6.0
Spring	2003	80.2	89.5	86.7	91.4	77.2	89.4	85.5	91.1	-5.7	-6.2
Autumn	2003	78.3	90.0	86.2	91.3	77.7	89.6	85.8	91.2	-5.4	-5.9
Spring	2004	76.3	91.2	86.5	91.3	78.1	90.2	86.4	91.4	-5.0	-5.5
Autumn	2004	79.6	90.1	86.7	92.0	78.6	90.2	86.5	91.5	-5.0	-5.5
Spring	2005	83.3	88.3	86.6	91.4	79.4	89.9	86.5	91.5	-5.0	-5.5
Autumn	2005	80.5	87.7	85.4	91.8	79.9	89.3	86.3	91.6	-5.3	-5.8
April-June	2006	79.0	91.5	87.2	91.4	80.6	89.4	86.5	91.6	-5.2	-5.6
Oct-Dec	2006	81.0	90.5	87.3	91.8	81.0	89.5	86.6	91.6	-5.0	-5.4

Source: Office for National Statistics, Labour Force Survey household datasets

Notes: Data relate to fathers of working age (16-64). From 2006 onwards, data relate to calendar quarters (eg April-June) as opposed to seasonal quarters (Spring: March-May). All data are subject to a considerable degree of sampling variability, particularly data for Inner and Outer London which are based on relatively small samples. For this reason, 2 year averages are also presented which provide more reliable trend data.

D9 Employment rates of lone parents, working age, London and UK 1995-2006

		Employment rates of lone parents (with dependent children)								Divergence measures (difference in rates)	
		Quarterly estimates				2 year averages (period ending)				Absolute (London- Rest UK)	Relative (Abs. difference as % of rest UK rate)
LFS quarter:		Inner London	Outer London	Greater London	UK (exc. London)	Inner London	Outer London	Greater London	UK (exc. London)		
Spring	1995	32.9	44.4	38.9	44.7						
Autumn	1995	29.9	43.3	36.9	45.1						
Spring	1996	35.8	41.9	38.8	44.9						
Autumn	1996	36.5	41.2	38.9	45.7	33.8	42.7	38.4	45.1	-6.7	-14.9
Spring	1997	35.6	37.8	36.7	46.7	34.5	41.1	37.8	45.6	-7.8	-17.1
Autumn	1997	34.8	38.3	36.5	47.3	35.7	39.8	37.7	46.2	-8.5	-18.3
Spring	1998	31.8	46.4	38.6	47.8	34.7	40.9	37.7	46.9	-9.2	-19.7
Autumn	1998	30.8	43.8	37.5	48.7	33.2	41.6	37.3	47.6	-10.3	-21.7
Spring	1999	33.3	46.5	40.1	49.7	32.7	43.7	38.2	48.4	-10.2	-21.1
Autumn	1999	36.4	46.1	41.3	49.8	33.0	45.7	39.4	49.0	-9.6	-19.6
Spring	2000	37.5	49.5	43.5	52.3	34.5	46.4	40.6	50.1	-9.5	-19.0
Autumn	2000	35.6	47.7	41.3	51.9	35.7	47.4	41.6	50.9	-9.4	-18.4
Spring	2001	40.4	47.8	44.4	52.6	37.5	47.8	42.6	51.7	-9.1	-17.5
Autumn	2001	41.5	42.0	41.7	52.7	38.7	46.7	42.7	52.4	-9.7	-18.5
Spring	2002	43.6	41.4	42.4	54.8	40.3	44.7	42.5	53.0	-10.5	-19.9
Autumn	2002	40.2	43.0	41.7	53.4	41.4	43.6	42.6	53.4	-10.8	-20.3
Spring	2003	40.6	45.5	43.1	54.5	41.5	43.0	42.3	53.9	-11.6	-21.5
Autumn	2003	37.0	41.1	39.1	55.2	40.4	42.8	41.6	54.5	-12.9	-23.7
Spring	2004	39.3	43.8	41.7	56.5	39.3	43.4	41.4	54.9	-13.5	-24.6
Autumn	2004	35.0	47.2	41.6	58.2	38.0	44.4	41.4	56.1	-14.7	-26.3
Spring	2005	38.9	51.1	45.5	58.2	37.6	45.8	42.0	57.0	-15.1	-26.4
Autumn	2005	39.4	47.1	43.3	57.8	38.2	47.3	43.0	57.7	-14.6	-25.4
April-June	2006	40.9	46.5	43.9	58.5	38.6	48.0	43.6	58.2	-14.6	-25.1
Oct-Dec	2006	40.3	48.4	44.7	58.2	39.9	48.3	44.3	58.2	-13.8	-23.8

Source: Office for National Statistics, Labour Force Survey household datasets

Notes: Data relate to lone parents of working age (16-59/64). From 2006 onwards, data relate to calendar quarters (eg April-June) as opposed to seasonal quarters (Spring: March-May). All data are subject to a considerable degree of sampling variability, particularly data for Inner and Outer London which are based on relatively small samples. For this reason, 2 year averages are also presented which provide more reliable trend data.

D10 Work-rich couple families with dependant children, London and Rest of UK 1995-2006

		Work-rich couple families (those where both adults are in work) as % of all couple families								Divergence measures (difference in rates)	
		Quarterly estimates				2 year averages (period ending)				Absolute (London- Rest UK)	Relative (Absolute difference as % of rest UK rate)
LFS quarter:		Inner London	Outer London	Greater London	UK (exc. London)	Inner London	Outer London	Greater London	UK (exc. London)		
Spring	1995	45.6	58.2	54.3	63.4						
Autumn	1995	43.4	58.9	53.9	63.9						
Spring	1996	47.4	59.6	55.7	63.9						
Autumn	1996	46.8	60.4	55.8	65.4	45.8	59.3	54.9	64.2	-9.2	-14.4
Spring	1997	49.9	60.4	56.9	65.5	46.9	59.8	55.6	64.7	-9.1	-14.1
Autumn	1997	49.1	60.8	57.1	66.0	48.3	60.3	56.4	65.2	-8.8	-13.6
Spring	1998	51.2	61.3	58.1	65.8	49.2	60.7	57.0	65.7	-8.7	-13.3
Autumn	1998	49.6	61.1	57.4	67.4	49.9	60.9	57.4	66.2	-8.8	-13.3
Spring	1999	44.9	63.9	57.9	67.6	48.7	61.8	57.6	66.7	-9.1	-13.6
Autumn	1999	45.2	60.7	55.9	68.1	47.7	61.7	57.3	67.2	-9.9	-14.7
Spring	2000	47.8	63.3	58.3	68.1	46.9	62.2	57.4	67.8	-10.4	-15.4
Autumn	2000	48.4	63.6	58.9	68.8	46.6	62.9	57.8	68.2	-10.4	-15.3
Spring	2001	43.5	61.9	56.2	68.9	46.2	62.4	57.3	68.5	-11.2	-16.3
Autumn	2001	39.8	63.0	55.5	68.9	44.9	62.9	57.3	68.7	-11.5	-16.7
Spring	2002	40.2	61.3	54.6	68.5	43.0	62.4	56.3	68.8	-12.5	-18.1
Autumn	2002	45.9	63.4	57.8	68.8	42.4	62.4	56.0	68.8	-12.7	-18.5
Spring	2003	46.6	60.7	56.4	68.8	43.1	62.1	56.1	68.8	-12.7	-18.4
Autumn	2003	43.4	61.9	55.8	68.7	44.1	61.8	56.1	68.7	-12.5	-18.3
Spring	2004	40.8	65.5	57.7	68.8	44.2	62.9	56.9	68.8	-11.9	-17.2
Autumn	2004	41.1	61.4	54.7	69.2	43.0	62.4	56.1	68.9	-12.7	-18.5
Spring	2005	46.5	61.4	56.5	69.9	43.0	62.5	56.2	69.1	-13.0	-18.8
Autumn	2005	45.8	60.8	56.0	69.5	43.6	62.3	56.2	69.3	-13.1	-18.9
April-June	2006	39.8	65.1	56.3	69.3	43.3	62.2	55.9	69.5	-13.6	-19.6
Oct-Dec	2006	43.4	61.5	55.5	70.1	43.9	62.2	56.0	69.7	-13.6	-19.6

Source: Office for National Statistics, Labour Force Survey household datasets

Notes: Data relate to couple families where the head of family is of working age. From 2006 onwards, data relate to calendar quarters (eg April-June) as opposed to seasonal quarters (Spring: March-May). All data are subject to a considerable degree of sampling variability, particularly data for Inner and Outer London which are based on relatively small samples. For this reason, 2 year averages are also presented which provide more reliable trend data.

D11 Couple families with dependent children with one parent in work, London and Rest of UK 1995-2006

LFS quarter:		Couple families with one parent in work as % of all couple families with children								Divergence measures (difference in rates)	
		Quarterly estimates				2 year averages (period ending)				Absolute (London- Rest UK)	Relative (Absolute difference as % of rest UK rate)
		Inner London	Outer London	Greater London	UK (exc. London)	Inner London	Outer London	Greater London	UK (exc. London)		
Spring	1995	33.3	32.7	32.9	27.8						
Autumn	1995	33.2	32.0	32.4	27.4						
Spring	1996	34.1	30.7	31.8	27.5						
Autumn	1996	34.9	30.9	32.3	26.8	33.9	31.6	32.3	27.4	5.0	18.1
Spring	1997	32.3	31.3	31.6	27.1	33.6	31.2	32.0	27.2	4.8	17.8
Autumn	1997	32.8	32.0	32.3	27.2	33.5	31.3	32.0	27.1	4.9	17.9
Spring	1998	30.6	32.5	31.9	27.3	32.7	31.7	32.0	27.1	4.9	18.2
Autumn	1998	34.5	32.6	33.2	26.4	32.6	32.1	32.3	27.0	5.3	19.5
Spring	1999	35.7	28.8	31.0	26.1	33.4	31.5	32.1	26.7	5.3	20.0
Autumn	1999	37.2	31.9	33.6	25.9	34.5	31.5	32.4	26.4	6.0	22.7
Spring	2000	38.3	29.7	32.4	25.8	36.4	30.8	32.6	26.1	6.5	24.9
Autumn	2000	38.6	28.6	31.6	25.4	37.5	29.8	32.2	25.8	6.4	24.7
Spring	2001	40.8	30.2	33.5	25.3	38.7	30.1	32.8	25.6	7.2	28.1
Autumn	2001	41.6	30.1	33.8	25.5	39.8	29.6	32.8	25.5	7.3	28.8
Spring	2002	38.5	32.0	34.0	25.8	39.9	30.2	33.2	25.5	7.7	30.4
Autumn	2002	35.6	30.7	32.2	25.9	39.1	30.7	33.4	25.6	7.8	30.3
Spring	2003	37.4	32.6	34.1	26.1	38.3	31.3	33.5	25.8	7.7	29.8
Autumn	2003	40.6	31.6	34.5	26.1	38.0	31.7	33.7	26.0	7.7	29.7
Spring	2004	40.5	28.2	32.1	25.9	38.5	30.8	33.2	26.0	7.2	27.7
Autumn	2004	43.3	32.4	36.0	26.1	40.4	31.2	34.2	26.1	8.1	31.1
Spring	2005	39.5	30.9	33.8	25.0	41.0	30.8	34.1	25.8	8.3	32.3
Autumn	2005	36.6	31.5	33.2	25.6	40.0	30.8	33.8	25.6	8.1	31.7
April-June	2006	42.7	30.1	34.5	25.5	40.5	31.3	34.4	25.5	8.8	34.6
Oct-Dec	2006	41.9	34.0	36.6	25.3	40.1	31.6	34.5	25.3	9.2	36.3

Source: Office for National Statistics, Labour Force Survey household datasets

Notes: Data relate to couple families where the head of family is of working age. From 2006 onwards, data relate to calendar quarters (eg April-June) as opposed to seasonal quarters (Spring: March-May). All data are subject to a considerable degree of sampling variability, particularly data for Inner and Outer London which are based on relatively small samples. For this reason, 2 year averages are also presented which provide more reliable trend data.

D12 Workless couple families with dependent children, London and Rest of UK 1995-2006

LFS quarter:		Couple families with no parent in work as % of all couple families with children								Divergence measures (difference in rates)	
		Quarterly estimates				2 year averages (period ending)				Absolute (London-Rest UK)	Relative (Absolute diff. as % of rest UK rate)
		Inner London	Outer London	Greater London	UK (exc. London)	Inner London	Outer London	Greater London	UK (exc. London)		
Spring	1995	21.1	9.0	12.8	8.8						
Autumn	1995	23.4	9.1	13.7	8.7						
Spring	1996	18.5	9.6	12.5	8.6						
Autumn	1996	18.3	8.7	12.0	7.7	20.3	9.1	12.7	8.4	4.3	50.9
Spring	1997	17.8	8.3	11.4	7.5	19.5	9.0	12.4	8.1	4.3	52.8
Autumn	1997	18.0	7.2	10.6	6.8	18.2	8.5	11.6	7.7	4.0	51.9
Spring	1998	18.2	6.2	10.0	6.9	18.1	7.6	11.0	7.2	3.8	52.2
Autumn	1998	15.9	6.3	9.4	6.2	17.5	7.0	10.3	6.8	3.5	51.4
Spring	1999	19.4	7.3	11.1	6.3	17.9	6.8	10.3	6.5	3.7	56.9
Autumn	1999	17.5	7.3	10.5	6.0	17.8	6.8	10.2	6.3	3.9	61.5
Spring	2000	13.9	7.0	9.2	6.0	16.7	7.0	10.1	6.1	3.9	64.4
Autumn	2000	13.0	7.9	9.4	5.8	16.0	7.4	10.1	6.0	4.0	67.1
Spring	2001	15.8	7.9	10.3	5.8	15.1	7.5	9.9	5.9	4.0	67.4
Autumn	2001	18.6	6.9	10.7	5.6	15.3	7.4	9.9	5.8	4.1	71.0
Spring	2002	21.3	6.7	11.3	5.7	17.2	7.4	10.4	5.7	4.7	82.6
Autumn	2002	18.5	6.0	10.0	5.3	18.5	6.9	10.6	5.6	5.0	89.4
Spring	2003	16.0	6.7	9.6	5.1	18.6	6.6	10.4	5.4	5.0	92.0
Autumn	2003	16.0	6.6	9.7	5.1	17.9	6.5	10.1	5.3	4.8	91.2
Spring	2004	18.7	6.3	10.2	5.3	17.3	6.4	9.9	5.2	4.6	89.0
Autumn	2004	15.6	6.2	9.3	4.7	16.6	6.4	9.7	5.1	4.6	91.0
Spring	2005	14.0	7.7	9.8	5.1	16.1	6.7	9.7	5.1	4.7	91.8
Autumn	2005	17.6	7.6	10.8	4.9	16.5	6.9	10.0	5.0	5.0	99.8
April-June	2006	17.6	4.9	9.3	5.2	16.2	6.6	9.8	5.0	4.8	96.1
Oct-Dec	2006	14.8	4.5	7.9	4.7	16.0	6.2	9.5	5.0	4.5	89.3

Source: Office for National Statistics, Labour Force Survey household datasets

Notes: Data relate to couple families where the head of family is of working age. From 2006 onwards, data relate to calendar quarters (eg April-June) as opposed to seasonal quarters (Spring: March-May). All data are subject to a considerable degree of sampling variability, particularly data for Inner, Outer and Greater London which are based on relatively small samples (ie 50-150). For this reason, 2 year averages are also presented which provide more reliable trend data.

Appendix E Glossary of Labour Force Survey terminology (Chapters 4-6)

BAME

Black, Asian and minority ethnic (BAME) groups comprise all ethnic groups except White groups.

Children

Refers to anyone under 16

Dependent children

Children aged under 16 and those aged 16-18 who are never married and in full-time education.

Disability

In the LFS, people with a *long-term disability* are those who have a current disability covered by the Disability Discrimination Act (DDA); or a work-limiting disability; or both.

DDA group: those who identify themselves as having a current disability covered by the 1995 Disability Discrimination Act. This covers people who said they had a health problem or disability they felt would last for more than a year and who said this problem or disability would 'substantially limit their ability to carry out normal day-to-day activities'. Additionally, people with progressive illnesses (eg cancer, multiple sclerosis, symptomatic HIV, Parkinson's disease, muscular dystrophy) are also included under this definition.

Work-limiting group: People who said they had a health problem or disability they felt would last for more than a year and who said that the health problem or disability in question 'affected either the kind or amount of paid work they could do'. For more information about LFS definitions of disability please refer to DMAG Briefing 2007-05: Disabled people and the labour market in London.

Economic activity

Economic activity is one the key concepts used in the LFS to describe the economic status of respondents. Economically active people are those aged 16 and over who are either in employment or ILO unemployed (as defined below). Put another way this group are those active in the labour force.

Employment

People aged 16 or over who did some paid work in the reference week (whether as an employee or self-employed); those who had a job that they were temporarily away from (eg on holiday); those on government training schemes; and those doing unpaid family work (those working in family business).

Family unit

In the Labour Force Survey, a family unit is defined as either:

- a single person
- a married or co-habiting couple on their own
- a married or co-habiting couple with children (never married who have no children of their own)
- lone parents with children (never married who have no children of their own)

Household

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

The **household reference person (HRP)** is the householder, i.e. the person who:

- a) owns the household accommodation or
- b) is legally responsible for the rent of the accommodation
- c) has the household accommodation as an emolument or perquisite
- d) has the household accommodation by virtue of some relationship to the owner who is a not a member of the household

If there are joint householders the HRP will be the one with the higher income. If the income is the same the eldest householder is taken.

ILO unemployment

The International Labour Organisation (ILO) measure of unemployment refers to people without a job who were able to start work in two weeks following their LFS interview and who had either looked for work in the four weeks prior to interview or were waiting to start a job already obtained.

Mixed household

A mixed household is one that contains both employed and non-employed adults (those aged 16 and over). In this report, working households relate to working age households only.

Working age household

A working age household is a household that includes at least one person of working age, that is, a woman aged 16-59 or a man aged 16-64. Such households can also contain people over retirement age (ie over working age) if they share a home with someone of working age.

Work-rich household

A work-rich household is one in which all adults (those aged 16 and over) are in employment. In this report, working households relate to working age households only.

Workless household

A workless household is a household where no one aged 16 and over is in employment. In this report, workless households relate to working age households only.

Regular Briefings from the GLA Data Management and Analysis Group (DMAG)

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2007-05	Disabled People and the Labour Market in London	Lorna Spence
2007-06	Demography Team Workplan 2007/08	Demography Team
2007-07	Education Team Workplan 2007/08	Education Team
2007-08	Social Exclusion Data Team Workplan 2007/08	Social Exclusion Data Team

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Vietnamese

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Greek

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Turkish

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Punjabi

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Hindi

यदि आप इस दस्तावेज की प्रति अपनी भाषा में चाहते हैं, तो कृपया निम्नलिखित नंबर पर फोन करें अथवा नीचे दिये गये पते पर संपर्क करें

Bengali

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Urdu

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Arabic

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