**UK child poverty gaps increasing**

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There has always been a debate in the world of poverty measurement about whether we should be more concerned about poverty rates (the proportion below a poverty threshold) or poverty gaps (how far people in poverty are below the poverty threshold). Is it better for a country to have many children a little way below the poverty threshold or few children below the poverty threshold, but a long way below it? The UK has tended in the past to have comparatively high poverty rates but comparatively low poverty gaps. This has been thanks to a fairly comprehensive but quite low minimum income scheme. But since the recession our [minimum income scheme](http://discoversociety.org/2015/01/03/the-erosion-of-the-uk-safety-net/) has been undermined by benefits caps, the bedroom tax, local rent limits, real cuts, the failure to uprate child tax credits and child benefits, the localisation of council tax benefit and sanctions.

The most recent [HBAI statistics](https://www.gov.uk/government/statistics/households-below-average-income-199495-to-201415) for 2014-15 produced by the DWP show an increase in child poverty rates, the first for a decade. The HBAI series have never included poverty gap data. There are some good reasons for this: the calculation is rather arcane (for households below the poverty threshold, the average of how far their incomes are from the poverty threshold); the statistic is subject to outliers (including negative incomes); and quite large sampling errors, even in a survey as large as the Family Resources Survey.

Nevertheless they are worth having a look at – especially for trend data over time. Poverty rates may be falling when poverty gaps are rising and vice versa. For the [Child Poverty Action Group](http://www.cpag.org.uk/) we have analysed trends in the poverty gaps for families with children from 2007/8 to 2013/14 and the results are presented in tables 1 and 2 and figure 1.

It is probably safest to focus on the median poverty gap and all families with children. There has been an increase in the poverty gap, both before and after housing costs. In 2007/8 the median poverty gap before housing costs was £41.60 per week by 2013/14 it had increased to £46.80 per week. After housing costs the increase was from £50.40 per week in 2007/8 to £55.60 per week in 2013/13. Over the same period the child poverty rates had fallen both before and after housing costs.

**Table 1: Poverty gaps average £ per week BHC**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **2007/8** | **2008/9** | **2009/10** | **2010/11** | **2011/12** | **2012/13** | **2013/14** |
| **Lone parent** |  |  |  |  |  |  |  |
| **Mean (SD)** | 47.00 (42.56) | 48.17 (48.67) | 48.32 (48.48) | 47.56 (50.60) | 55.05 (48.25) | 63.32 (59.55) | 53.87 (54.56) |
| **95% CI for the mean** | 46.92-47.08 | 48.07-48.26 | 48.22-48.43 | 47.44-47.68 | 54.93-55.16 | 63.18-63.46 | 53.73-54.00 |
| **Median** | 35.60 | 32.60 | 32.00 | 31.80 | 41.20 | 45.00 | 33.80 |
| **Couple with children** |  |  |  |  |  |  |  |
| **Mean (SD)** | 66.34 (59.68) | 70.30 (63.19) | 70.12 (64.65) | 68.22 (62.88) | 63.59 (60.44) | 74.68 (71.49) | 68.89 (63.07) |
| **95% CI for the mean** | 66.25-66.42 | 70.21-70.39 | 70.03-70.22 | 68.12-68.31 | 63.50-63.69 | 74.57-74.79 | 68.79-68.99 |
| **Median** | 47.60 | 48.60 | 49.00 | 48.80 | 45.20 | 51.00 | 50.80 |
| **All families with children** |  |  |  |  |  |  |  |
| **Mean (SD)** | 59.04 (54.67) | 62.18 (59.25) | 63.21 (60.85) | 62.08 (60.24) | 61.07 (57.24) | 71.33 (68.38) | 64.92 (61.29) |
| **95% CI for the mean** | 58.98-59.11 | 62.11-62.25 | 63.14-63.29 | 62.00-62.16 | 60.99-61.14 | 71.24-71.42 | 64.84-65.00 |
| **Median** | 41.60 | 42.60 | 44.00 | 42.80 | 44.20 | 49.00 | 46.80 |
| **Total no. of children** | 12,975,932 | 12,965,385 | 13,150,415 | 13,206,669 | 13,266,967 | 13,349,935 | 13,329,444 |
| **% children in poverty** | 22.5 | 21.9 | 19.8 | 17.6 | 17.6 | 17.3 | 17.0 |

**Table 2: Poverty gaps average £ per week AHC**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **£ per week** | | | | | | |
|  | **2007/8** | **2008/9** | **2009/10** | **2010/11** | **2011/12** | **2012/13** | **2013/14** |
| **Lone parent** |  |  |  |  |  |  |  |
| **Mean (SD)** | 57.66 (49.57) | 59.83 (61.61) | 59.95 (61.36) | 59.31 (57.62) | 60.62 (57.41) | 66.90 (67.50) | 63.02 (65.57) |
| **95% CI for the mean** | 57.58-57.73 | 59.74-59.93 | 59.85-60.05 | 59.21-59.41 | 60.52-60.72 | 66.79-67.02 | 62.90-63.13 |
| **Median** | 46.40 | 43.00 | 44.20 | 41.80 | 47.00 | 46.40 | 46.60 |
| **Couple with children** |  |  |  |  |  |  |  |
| **Mean (SD)** | 78.01 (84.23) | 81.62 (80.61) | 78.67 (80.98) | 78.10 (74.65) | 76.46 (78.29) | 80.47 (83.21) | 81.55 (75.57) |
| **95% CI for the mean** | 77.91-78.12 | 81.52-81.72 | 78.57-78.77 | 78.00-78.19 | 76.36-76.57 | 80.37-80.58 | 81.46-81.65 |
| **Median** | 52.40 | 57.00 | 57.20 | 57.80 | 56.00 | 55.40 | 62.60 |
| **All families with children** |  |  |  |  |  |  |  |
| **Mean (SD)** | 70.02 (73.30) | 73.29 (74.68) | 71.86 (74.99) | 71.44 (69.68) | 70.78 (71.90) | 75.59 (78.20) | 75.16 (72.82) |
| **95% CI for the mean** | 69.95-70.09 | 73.22-73.37 | 71.79-71.94 | 71.36-71.51 | 70.70-70.85 | 75.51-75.68 | 75.09-75.24 |
| **Median** | 50.40 | 52.00 | 52.20 | 50.80 | 52.00 | 51.40 | 55.60 |
| **Total no. of children** | 12,975,932 | 12,965,385 | 13,150,415 | 13,206,669 | 13,266,967 | 13,349,935 | 13,329,444 |
| **% children in poverty** | 31.4 | 30.3 | 29.5 | 27.3 | 27.1 | 27.2 | 27.8 |

**Figure 1: Poverty gap: Families with children £ per week Before (BHC) and after (AHC) housing costs**

Source: Own analysis of HBAI