

# Trends in Persistent Poverty in the UK

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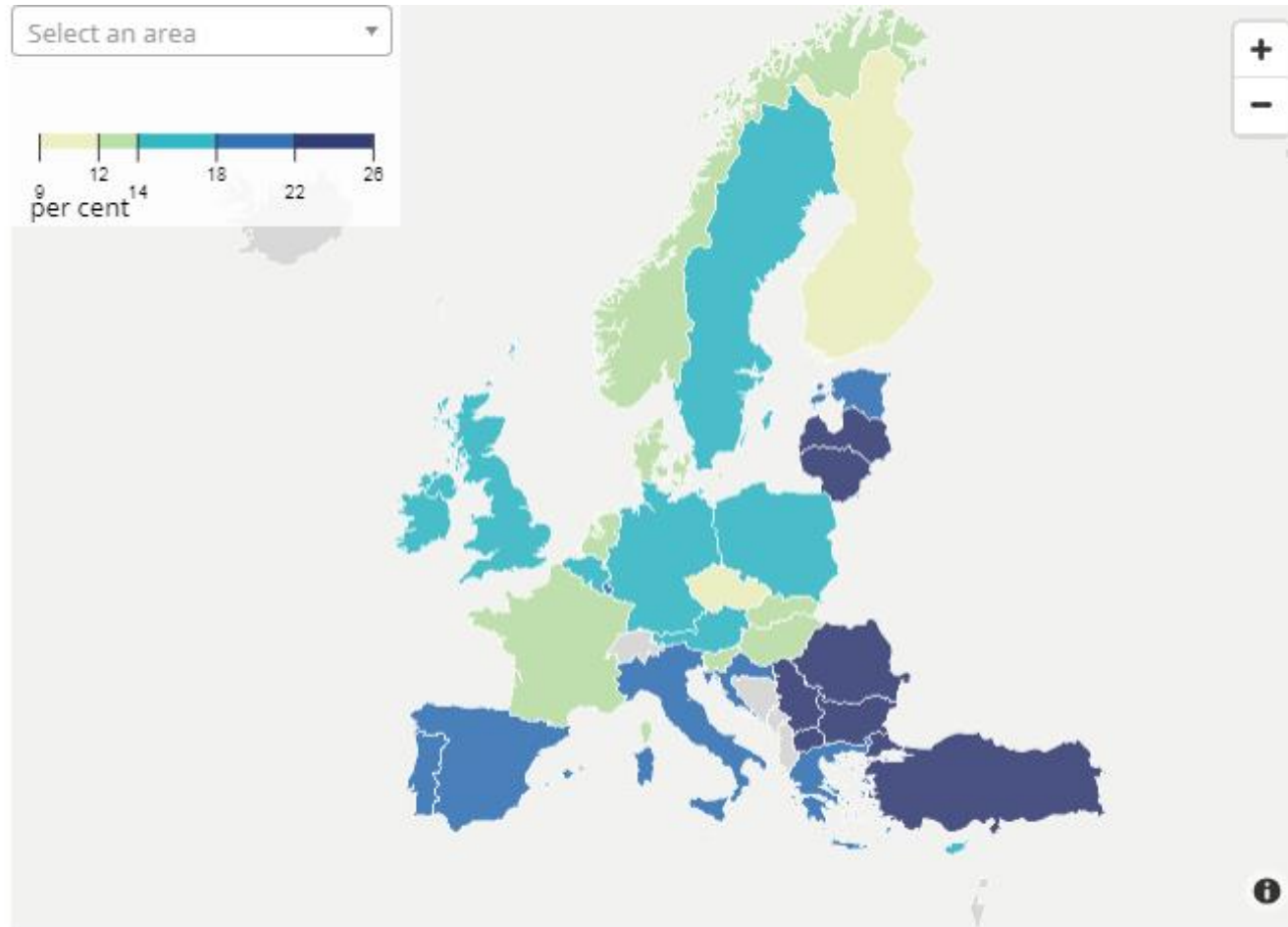
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- Poverty and persistent poverty trends in the UK and the EU
- Difference between relative and absolute poverty rates
- Income mobility in the UK
- The lived in experience of poverty

# Poverty in the UK and in the EU

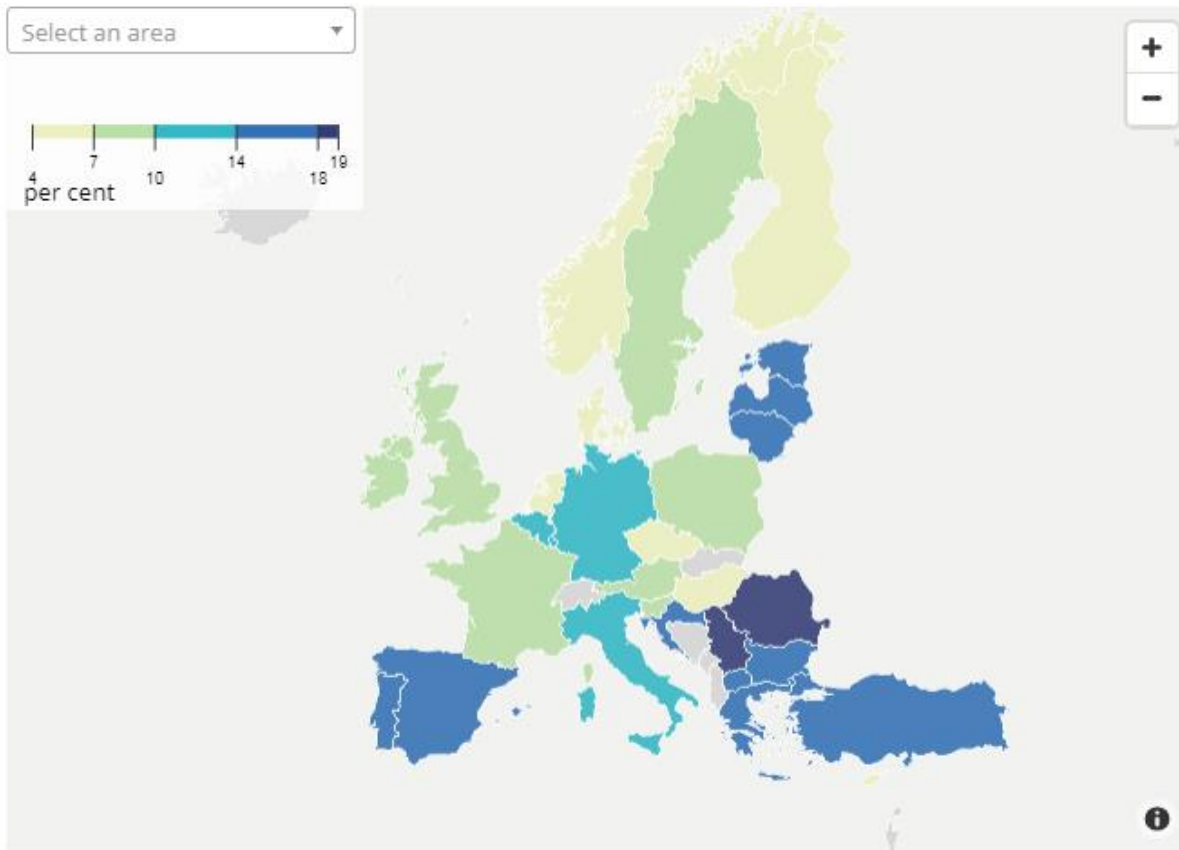
# Poverty rates across Europe, 2017



- EU28 average poverty rate – 16.9%
- UK poverty rate – 17%

Source: Office for National Statistics, Eurostat

# Persistent poverty rates across Europe, 2017

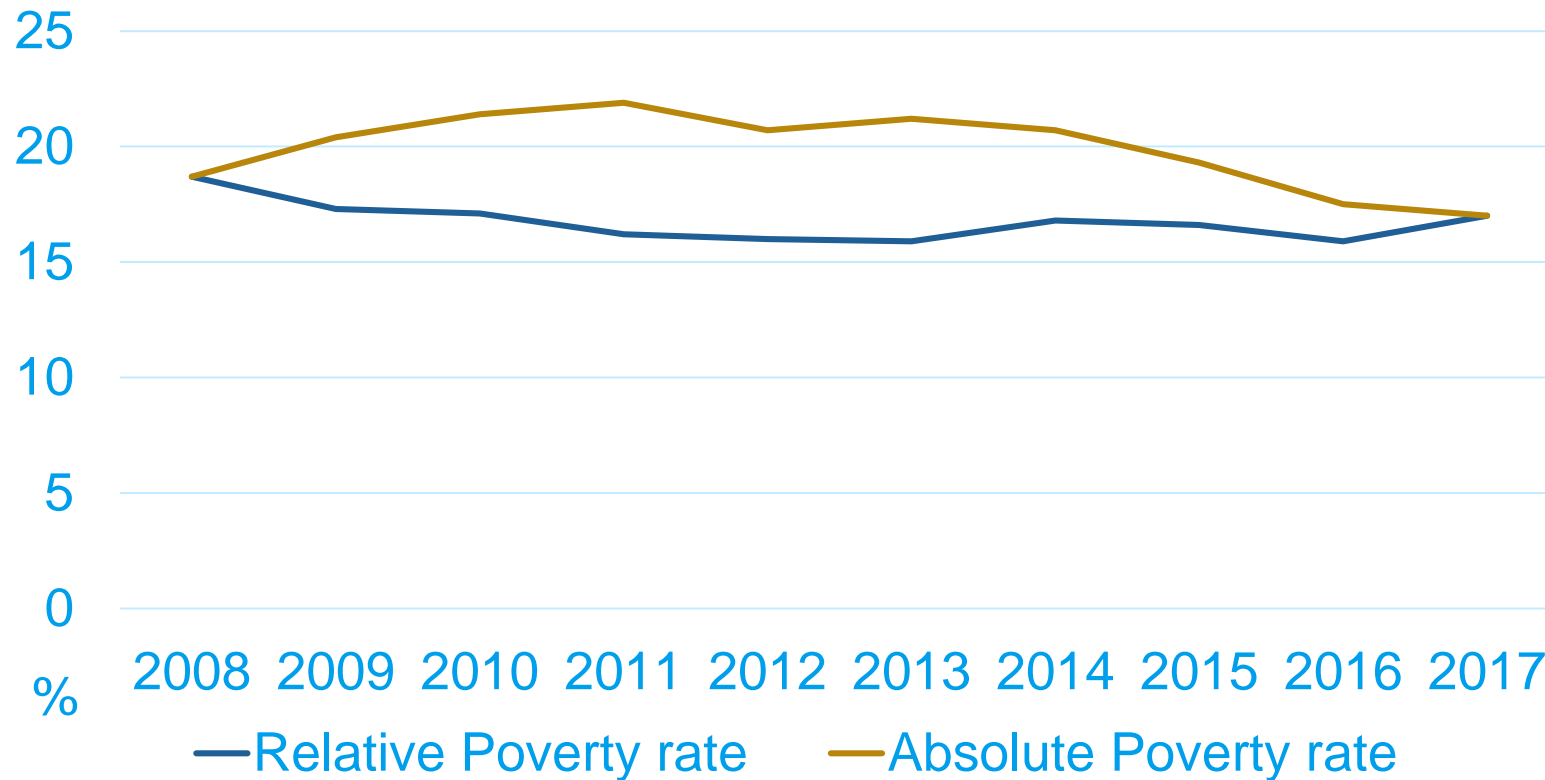


Source: Office for National Statistics, Eurostat

- Average rate across the EU28 11.3%
- UK's persistent poverty rate is 7.8%

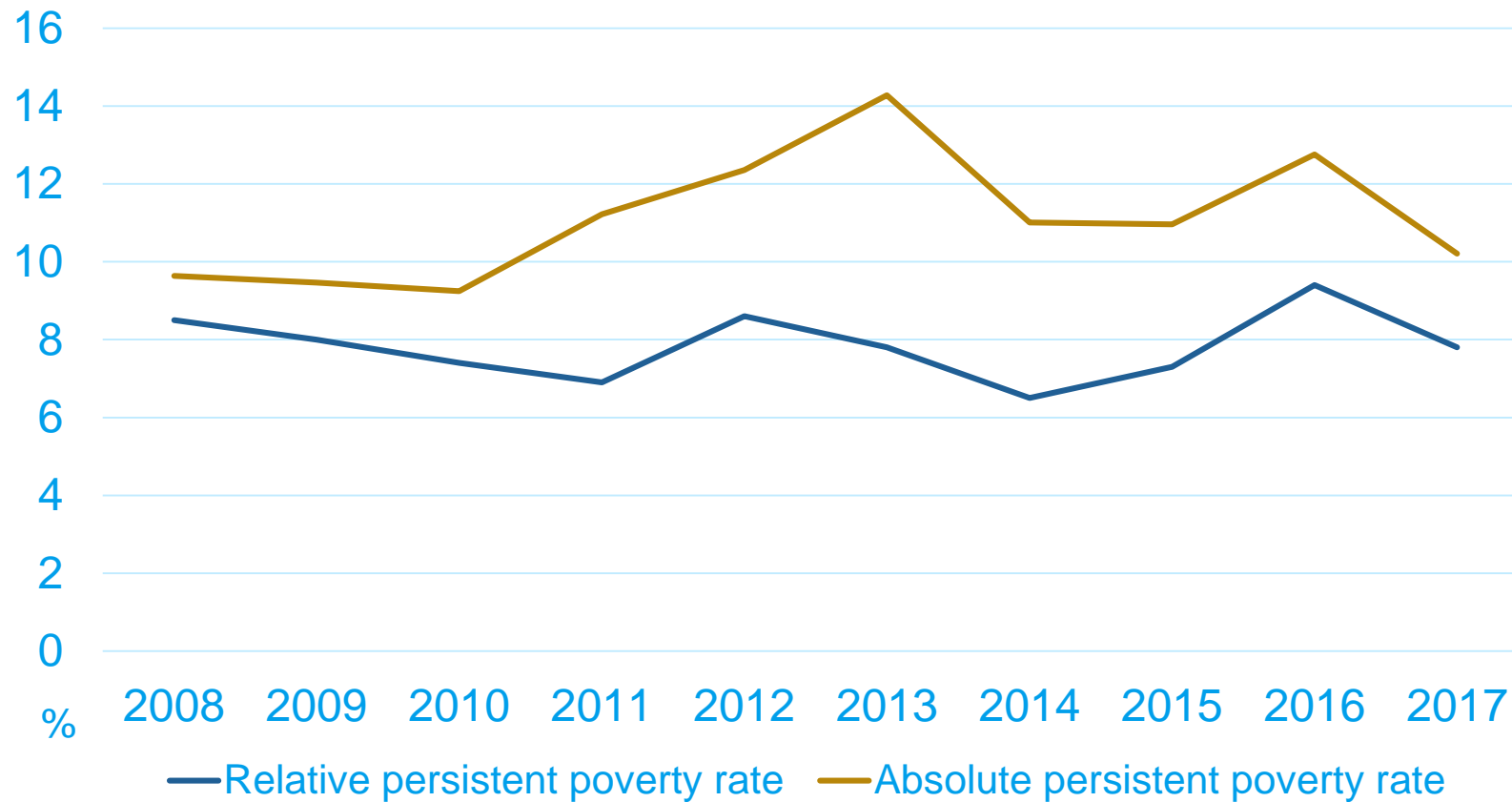
# Relative and Absolute Poverty rates

# Relative and absolute poverty rates in the UK



- Absolute poverty's poverty threshold is based on 2008 values
- The UK's absolute poverty rate has always been above or equal to its relative poverty rate

# Relative and absolute persistent poverty rates

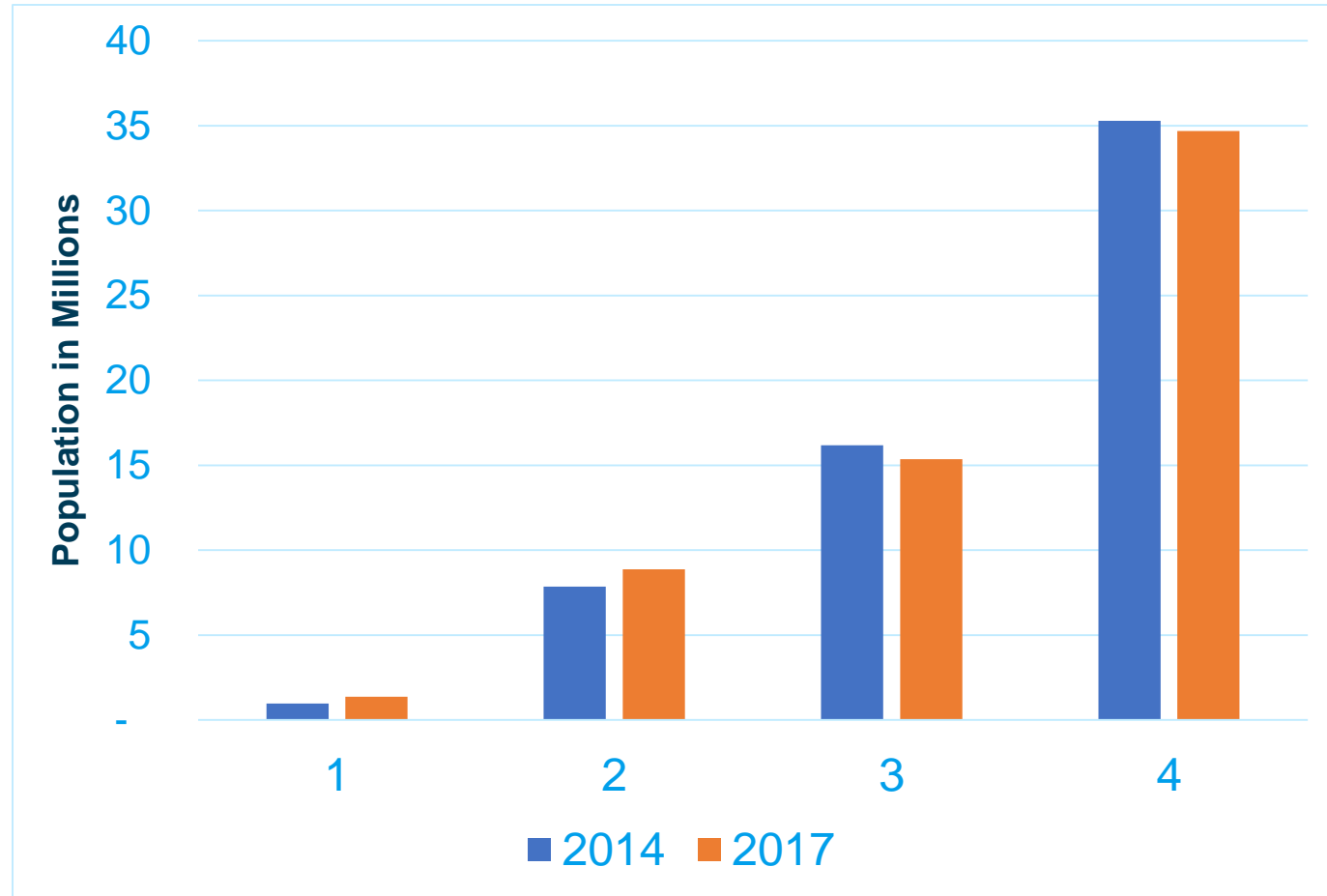


- Absolute persistent poverty's poverty threshold is based on 2008 values
- Absolute persistent poverty rate has always been above the relative persistent poverty rate



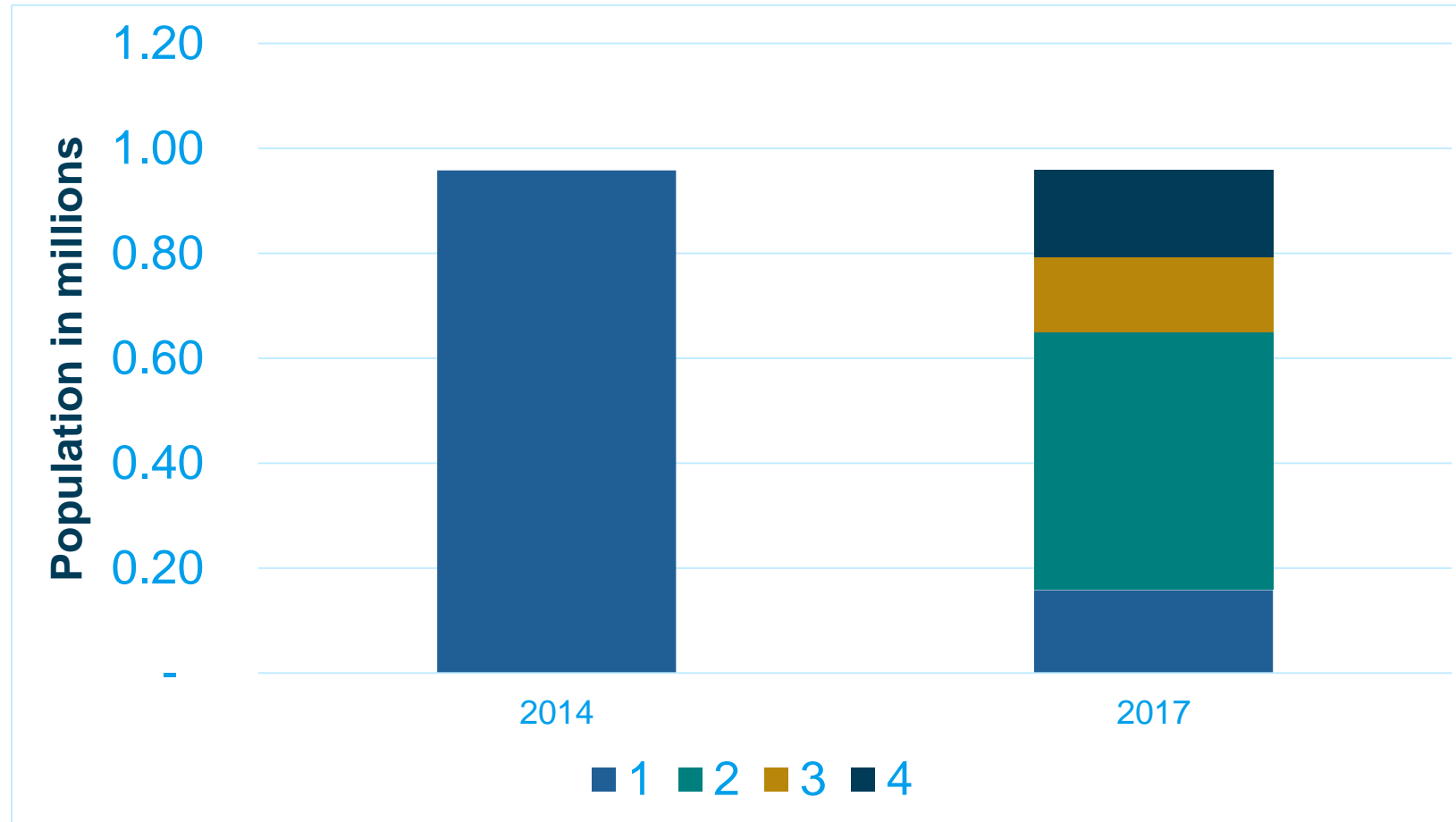
# Income Mobility

# Population split into four groups



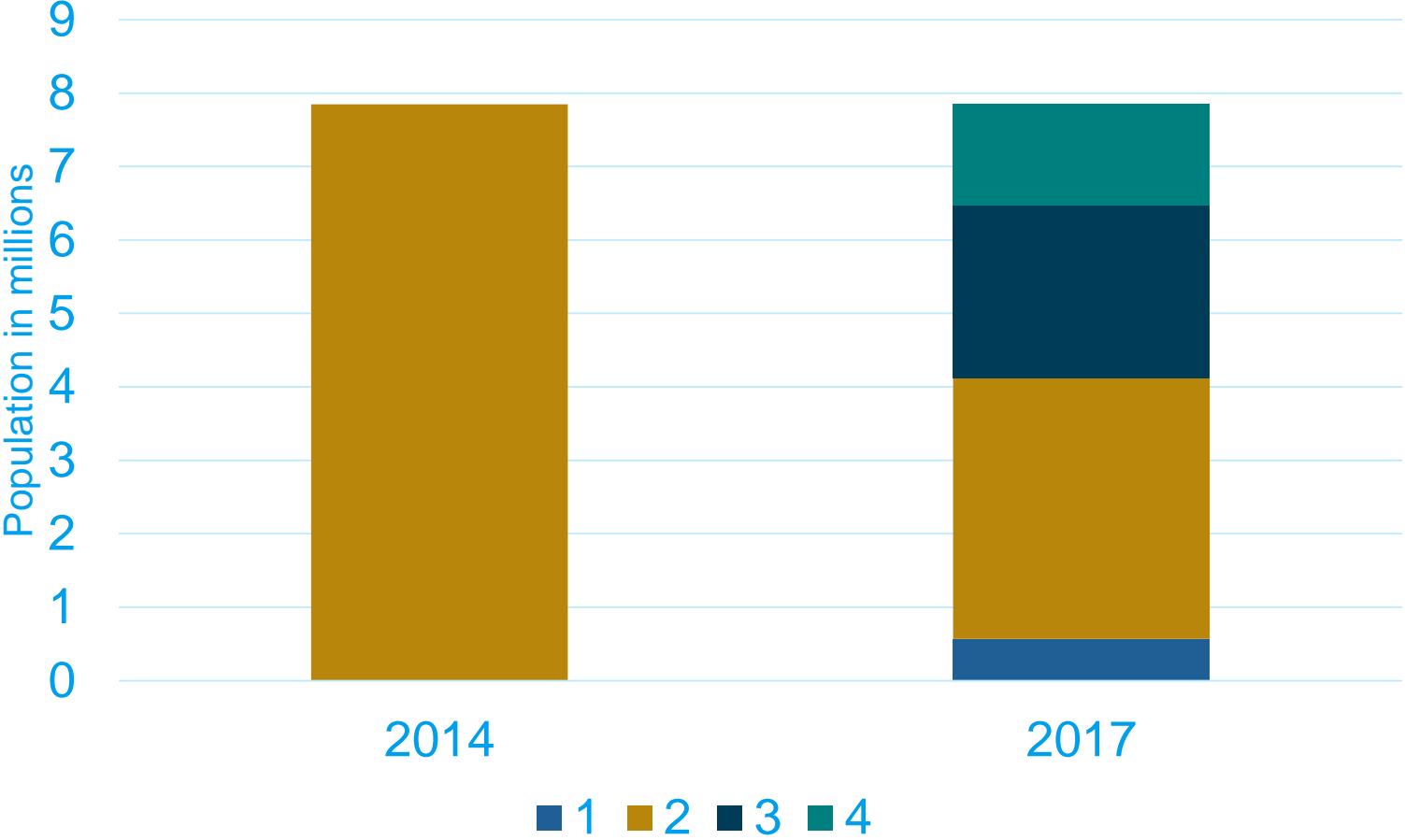
- Group 1 – income below 50% of the poverty threshold
- Group 2 – income above 50% of the poverty threshold and below poverty threshold
- Group 3 – income above poverty threshold and below 150% of the poverty threshold
- Group 4 – income above 150% of the poverty threshold

# Group 1 in 2014



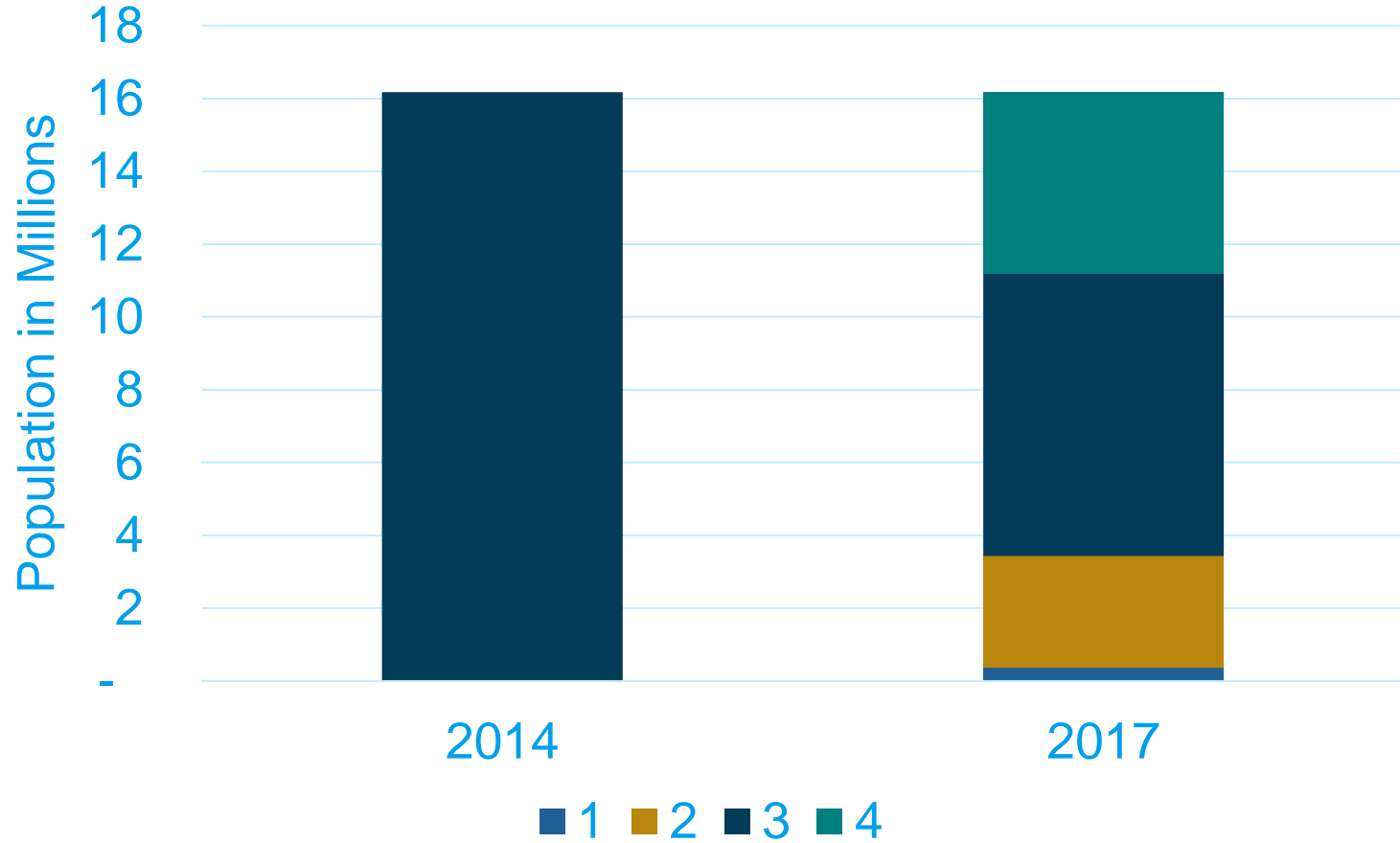
- Group 1 - income below 50% of the poverty threshold
- Most individuals do not remain in Group 1 after three years
- Majority still stay within poverty

# Group 2 in 2014



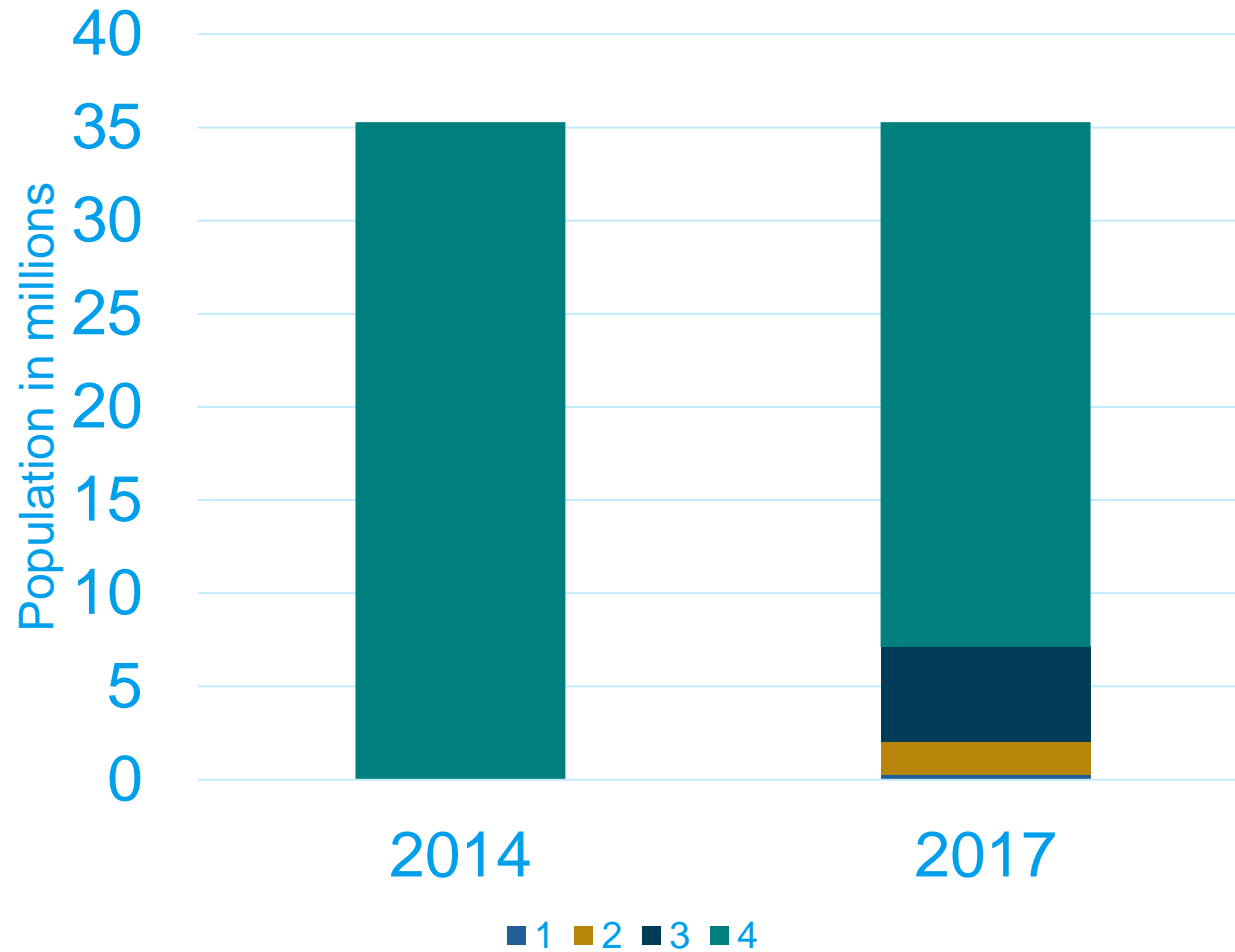
- Group 2 – income above 50% of the poverty threshold and below poverty threshold
- Majority of individuals stayed within Group 2
- 3.7 million individuals moved out of poverty

# Group 3 in 2014



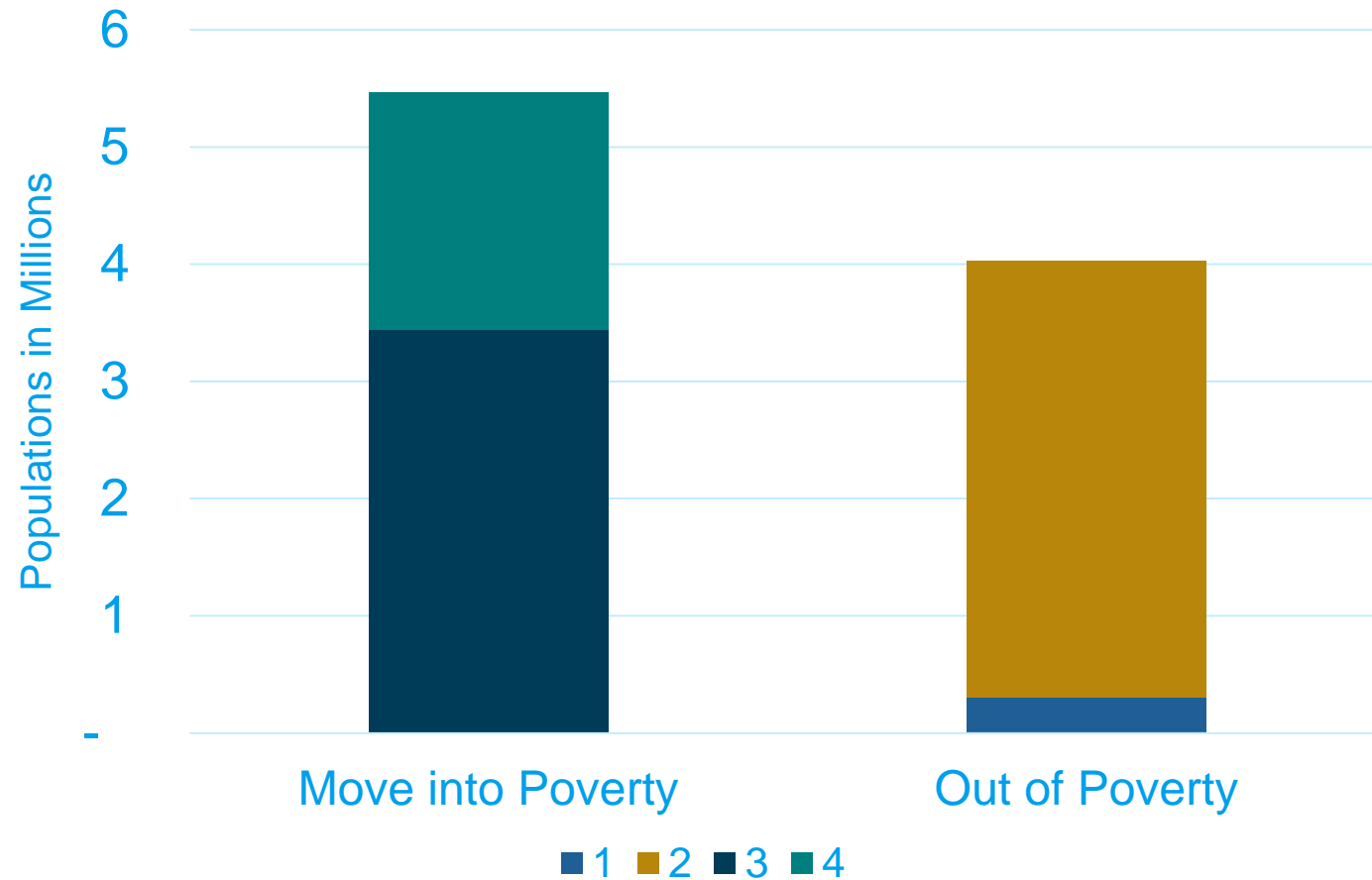
- Group 3 – income above poverty threshold and below 150% of the poverty threshold
- 21% of people move into poverty

# Group 4 in 2014



- Group 4 – income above 150% of the poverty threshold
- 2 Million individuals move into poverty

# Movements in and out of Poverty

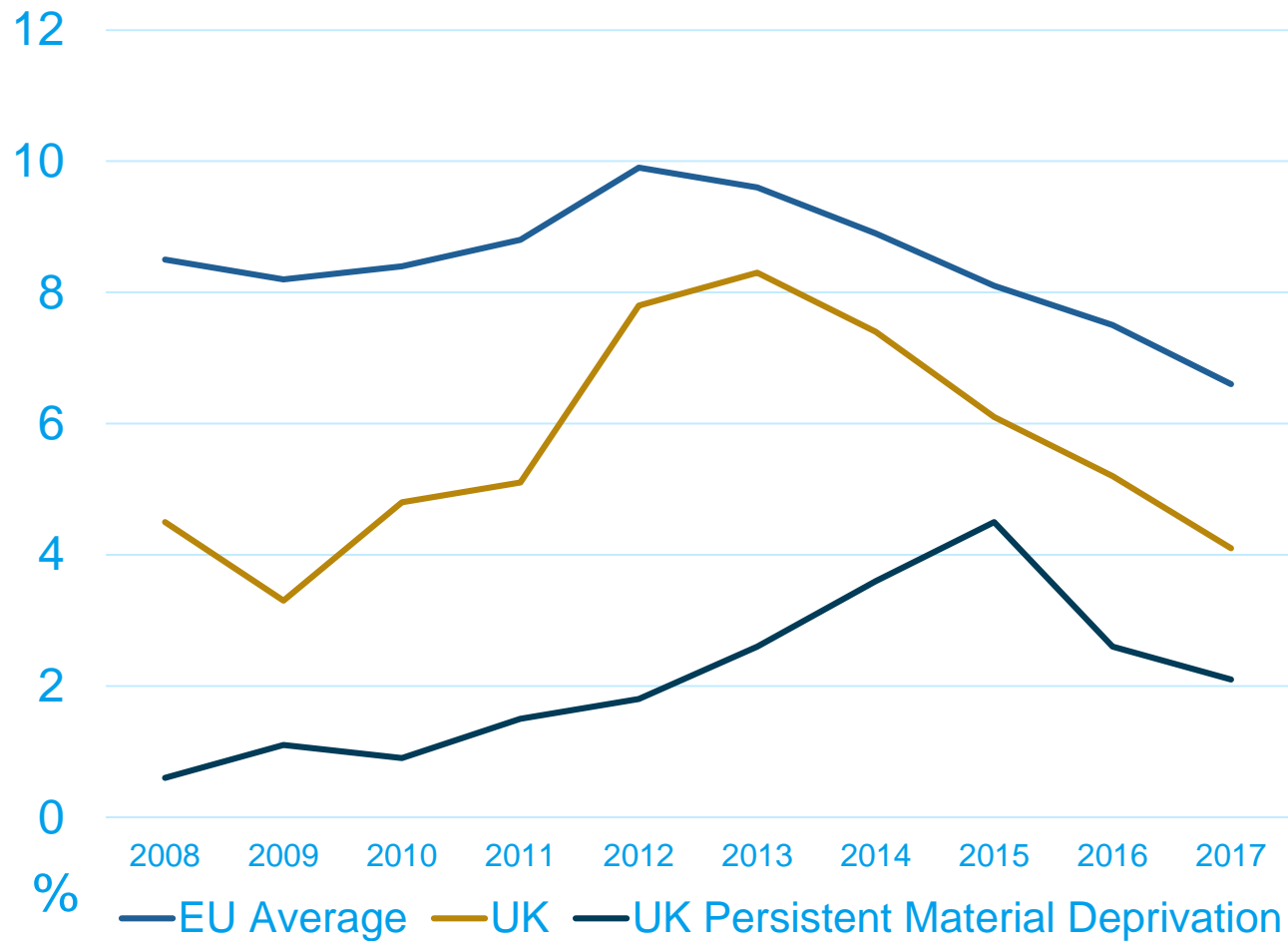


- Most movements in and out of poverty come from Group 2 and Group 3

# Lived in Experience

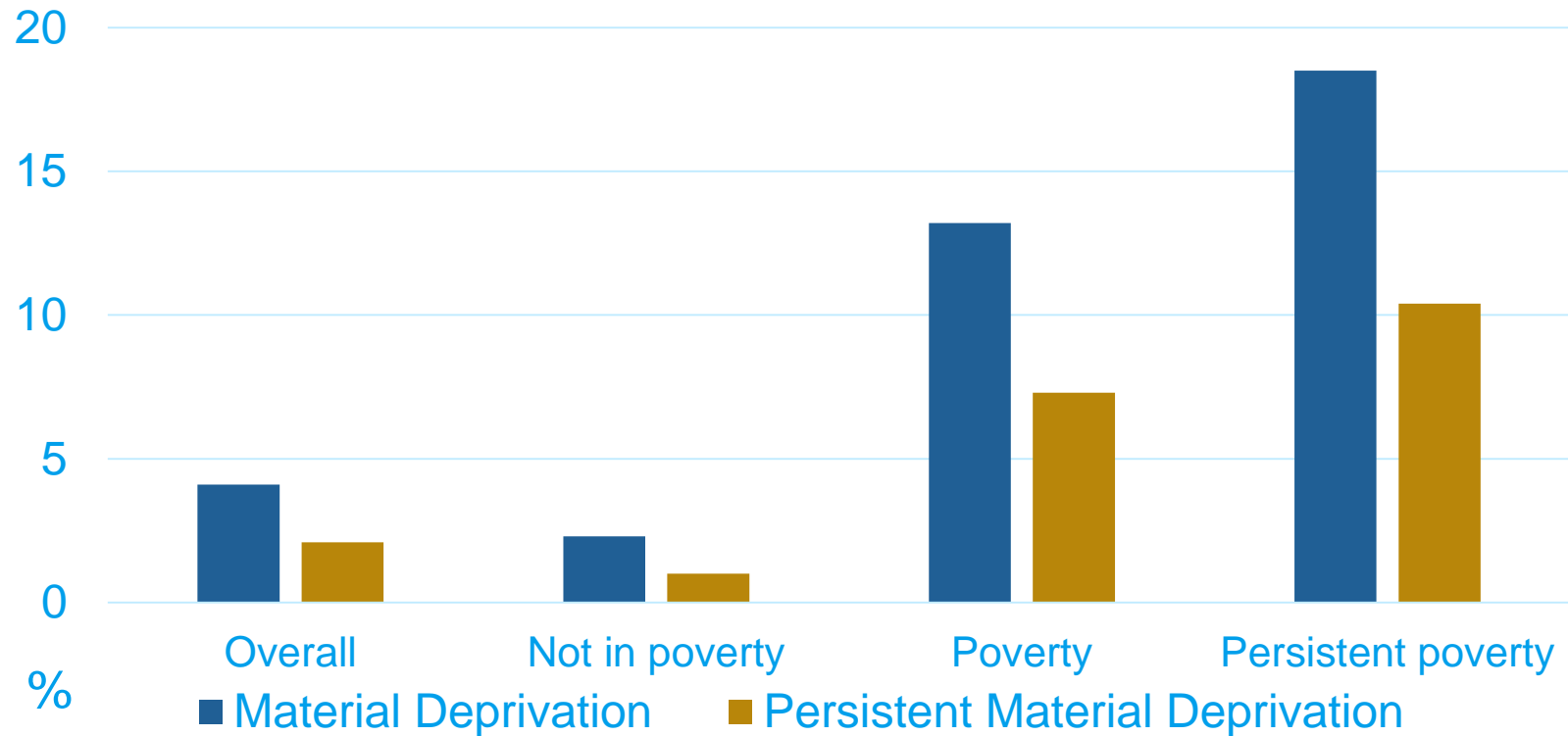


# Severe Material Deprivation trend



- UK has a lower severe material deprivation rate than the EU
- Both on a downward trend since 2013
- In 2017, 50% of individuals in the UK in severe material deprivation are in it persistently

# Relationship between Poverty and Material Deprivation



- Poverty is positively associated with severe material deprivation
- 18.5% of individuals in persistent poverty are in material deprivation
- Individuals in persistent poverty are most likely to be in severe material deprivation

# Conclusion

- Poverty in the UK is more temporary compared to the the EU average
- Absolute poverty rates in the UK are higher than the relative poverty rates
- Income is fluid around the poverty threshold
- Poverty and Severe Material Deprivation have a positive correlation

# Thanks!

Questions?

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