

# Section

# 10

## Population

The Family Resources Survey sample aims to cover private households in the United Kingdom. Northern Ireland has been included in the sample since April 2002.

This section deals primarily with the methodology of the NI sample, but refers to that used in the rest of the UK to give a wider context.

## Framework for sample selection

In 2004-05 a sample of addresses was drawn from the Valuation and Lands Agency (VLA) property database. This is the most up-to-date listing of private households in Northern Ireland and is made available to NISRA for research purposes. People living in institutions (though not private households in such institutions) are excluded.

The complete VLA list of private addresses is stratified into three regions - Belfast (Belfast District Council only), East of Northern Ireland and West of Northern Ireland. The number of addresses drawn from each region is in proportion to the number of addresses in the region. The sample is therefore at least equivalent to a simple random sample of all private addresses in Northern Ireland.

## Data collection methods

Interviews are carried out by Central Survey Unit, Northern Ireland Statistics and Research Agency.

Before interviewers make contact with the selected addresses, a letter is sent to the address, explaining that it has been chosen for the survey and that an interviewer will call. Participation in the FRS is voluntary.

The interviewers are asked to call at the address. A lower limit of four calls is set and these calls have to be made at different times of the day and on different days of the week.

## Methodology

The FRS uses Computer Assisted Personal Interviewing (CAPI). There are advantages to this over the traditional paper interviews, primarily:

- in-built checks for consistency can be made at the time of the interview,
- respondents are automatically routed only to those questions relevant to them,
- there is no need for a data input stage as the data are already in electronic form,
- questions with alternate wordings (e.g. is/was, his/her) can be automatically tailored to the situation,
- interviewers receive and transmit work via a modem in their own homes.

The questionnaire itself is divided into three parts. The first part is the household schedule which is addressed to one person in the household (usually the head of the household, although other members are encouraged to be present) and which mainly asks household level information, such as relationship of individuals to each other, tenure and housing costs. Next is the individual schedule which is addressed to each adult in turn and asks questions about employment, benefits, pensions, investments and other income. A final section goes on to ask the value of investments for relevant respondents.

To limit the length of the overall questionnaire, and to reduce the respondent burden of an overlong interview, FRS users have agreed to rotate off blocks of questions. "Rotated" sections of the questionnaire will be asked every other year, rather than every year.

Rotated off for 2004-05 “Vehicle ownership” and “NHS treatment”.

Rotated off for 2005-06 will be “Travel to work”.

“Consumer durables” was part of the rotated blocks of questions, but has been permanently dropped from the survey from 2004-05. It has now been replaced by the new material deprivation questions.

The questionnaire used on the FRS in NI is essentially the same as that used in the rest of the UK with some minor amendments to ensure that certain sections of the questionnaire were applicable to NI. For example, in Northern Ireland, the section on Council Tax payments is replaced with a section dealing with Rates payments. These amendments were made by Central Survey Unit in consultation with DSD.

### Consultation of documentation

Interviewers are encouraged to consult documentation from respondents at all stages of the interview to ensure that the data are as accurate as possible. For some items, whether or not certain documents are consulted is recorded on the questionnaire, helping users of the data to judge the accuracy.

When answering questions on income from employment in NI, employees consulted a payslip in 45 per cent of cases in 2004-05. However, it should be noted that in a further 14 per cent of cases employees simply did not have a payslip to consult.

In recording data on benefit and payable tax credit receipt, some form of documentation (an order book, a letter from the Social Security Agency or Inland Revenue or a bank statement) was consulted for 45 per cent of all payments received.

In addition, self employed respondents are asked if they have documentation when they provide information about the profit or loss of their business. Of the 75 per cent of self employed respondents who had prepared business accounts, 29 per cent were able to refer to such documentation.

### Response

The FRS aims to interview all adults in a household. A household is defined as fully co-operating when it meets this requirement.

In addition, to count as fully co-operating, there must be less than 13 ‘don’t know’ or ‘refusal’ answers to monetary amount questions in the benefit unit schedule (i.e. excluding the assets section of the questionnaire).

Proxy interviews are accepted only under restricted circumstances. In 2004-05, for those households classed as fully co-operating, proxy responses were obtained for 15 per cent of adults.

If a household is partially co-operating, the minimum requirement is that a full interview has been obtained from the head of household’s benefit unit.

It should be noted that all data shown in the main body of this publication refer to fully co-operating households.

Table M.1 summarises the household response for NI. The original sample chosen for 2004-05 consisted of 3,600 addresses. However, 395 were then found to be ineligible because they were not defined as private households or were empty households. A further 67 households had uncertain eligibility. Under the revised method for calculating sample sizes whereby some of the addresses with uncertain eligibility are assumed to be eligible, while others are not, this left an effective sample of 3,199 households. In total, 1,927 households fully co-operated (60 per cent), 81 partially co-operated (three per cent), and 902 refused to proceed with the interview (28 per cent). The interviewer was unable to make contact with 229 households (7 per cent).

The reasons for refusal are recorded. The most common reason for refusal given was the feeling that answering questions from the FRS would be an ‘invasion of privacy’ (32 per cent); followed by 26 per cent who said they ‘disliked surveys of income’ and 24 per cent who said they ‘couldn’t be bothered’. Concerns about confidentiality were only raised by eleven per cent of households. Twelve per cent said they ‘didn’t believe in surveys’.

Table M.2 shows response rates broken down by Government Office Region. Response rates are calculated as follows:

$$\frac{\text{Number of fully co-operating households} \times 100}{\text{Number of eligible households after adjustment}}$$

The overall response rate for the FRS in Northern Ireland for the year 2004-05 was 60 per cent.

The proportion of non-respondents fell from 45% in 2002-03 to 40% in 2003-04 and again in 2004-

05. There is evidence that achieved samples for 2002-03 may have been lower in Belfast and the west of the province, as the following table shows:

Achieved sample

	BMUA	Urban East	Rural East	Urban West	Rural West
2002-03	601	287	258	298	306
2003-04	674	293	274	336	340
2004-05	688	276	287	341	335

This variation could have resulted in over-estimation of Northern Ireland Income for 2002-03. There may have been some under- or over-representation of groups which are disproportionately concentrated in certain areas.

### Non-response

The lower the response rate to a survey, the greater the likelihood that those who responded are significantly unlike those who did not, and so the greater the risk of systematic bias in the survey results. Unless information is available about the nature and extent of such bias there are likely to be problems in generalising the sample results to the population. For a survey new to Northern Ireland, of the size and complexity of the FRS, the total non-response rate in 2004-05 of 40 per cent is not considered unreasonable. However, any information that can be obtained about the non-responders is useful both in terms of future attempts to improve the overall response rate and also potentially in improving the weighting of the sample results. It is considered a priority issue for the FRS to obtain as much information as possible about non-responders. The following sections outline some of the analysis that has been carried out already in GB in this direction.

### Validation, editing, conversion and imputation

Data from the NI sample are subject to validation, editing, conversion and imputation, following the same procedures as are used for the rest of the UK sample.

In addition to unit non-response, where a household does not participate, a problem inherent in all large surveys is item non-response. This occurs when a household agrees to give an interview, but either does not know the answer to certain questions or refuses to answer them (see section on response in this chapter for further information). They are still classified as fully co-operating households because there is enough known data to be of good use to the analyst.

The fact that the FRS allows missing values in the data can create problems for users. It was therefore decided before the first full year's FRS data was released that missing values should be imputed where appropriate. The policy has been that for variables which are components of key derived variables, such as gross household income and housing costs, and areas key to the work of the Department, such as benefit receipt, there should be no missing information in the final data.

In addition to imputation, prior to publication, FRS data must be put through several stages of validation and editing. This is to ensure that the final data presented to the public are as accurate as possible.

The stages in the validation, editing, conversion and imputation process are laid out below.

#### *Stage one – the interview*

As noted previously, one of the benefits of interviewing using CAPI is that in-built checks can be made at the interview stage. This helps to check both respondents' responses and that interviewers do not make keying errors. There are checks to ensure that amounts are within a valid range and also cross-checks which make sure that an answer does not contradict a previous response. However, it is not possible to check all potential inconsistencies, as this would slow down the program to an unacceptable degree, and there are also capacity constraints on text messages. Interviewers can override most checks if the answers are found to be accurate when confirmed with respondents.

#### *Stage two – post-interview checks*

Once an interview has taken place, data are returned to the Central Survey Unit. Here a certain amount of editing takes place, mostly based on any notes made by interviewers. Notes are made by the interviewer when a warning has been overridden. These may be, for example, where an amount is outside the specified range, but the respondent has documentation to prove it is correct. Office-based staff make edit decisions based on these notes. Other edits that take place at this stage are checking amounts of fixed rate benefits such as Child Benefit and, where possible, separating multiple benefit payments into their constituent parts.

The edited CAPI data is then forwarded to ONS within the timescales identified in a pre-agreed data delivery timetable.

### *Stage three – data conversion*

Before it can be validated further, FRS data must be converted from its CAPI format into SAS readable tables. Using DWP specifications, SAS tables are created by the Office for National Statistics, with each table recording information from different parts of the questionnaire. Both the DWP and the Office for National Statistics then carry out validation checks on key input and output variables to ensure that the data have converted correctly to the new format. Checks include ensuring that the number of adults and children recorded is correct, and that records are internally consistent.

### *Stage four – pre-imputation cleaning*

In preparation for imputing missing values, data are made as clean as possible. This involves edits and checks of the following nature:

#### Weekly amounts

In the FRS, amounts received or paid are converted to a weekly value. To calculate this, respondents are usually asked firstly the amount last paid or received and then the length of time this covered. This is known as a period code. As part of the conversion process outlined in stage three, period codes are used in conjunction with amount variables to give weekly totals for all receipts and payments. Some variables, such as interest on savings accounts, refer to the amount paid in the last year. These are also converted to a weekly amount.

Sometimes the period code relates to a lump sum or a one-off payment. In these cases, the corresponding value does not automatically convert to a weekly amount. In order for the data to be consistent across the survey, edits are applied to convert most lump sums and one-off payments to weekly amounts. In the same way, where period codes were previously recorded as “don’t know” or “refused”, these are imputed so that the corresponding amount can be converted to a weekly value in the final database.

#### Zero amounts

In previous years in GB, it was possible for interviewers to enter zero amounts when it was inappropriate to do so, for example in response to a question on receipt of benefit, when in fact the amount should be entered as missing. This created problems at later stages of analysis. Zero amounts can no longer be entered without a warning message to the interviewer. Some interviewers tried to avoid this message by

recording near-zero amounts. As a result, all near-zero values are examined and a decision taken as to whether the value is genuine or whether the value should revert to unknown.

#### Outliers

Statistical reports of the data are produced to show individual cases where an amount was greater than three standard deviations away from the mean. For these cases, the individual record is examined and where necessary (if a value looked unrealistic), the case is edited. The outliers remaining in the database are verified as being true values by examining other relevant data. Compared to earlier years, the number of these types of edits that now have to be carried out are small because of range checks that have been put into the CAPI questionnaire.

#### Credibility checks

Checks are carried out for the internal consistency of certain variables. For example, it is ensured that payments to the mortgage from outside the household that are included in the mortgage payment are not greater than the mortgage payment itself. Such cases are examined and edited where necessary.

### *Stage five – imputation*

The responses to some questions are much more likely to have missing values than others. For example, it is very unlikely that a respondent will refuse to give or will not know their age or marital status, whereas it is much more likely that they will not be able to provide detailed information on the exact amounts of interest received from an investment.

The two areas where missing values are a major problem are income from self employment and income from investments.

Data in the tables provided in this publication include imputed values. However, for some variables missing values remain.

Table M.4 illustrates the extent of the problem of missing values on a UK level. It should be noted that out of around 14 million set values in the FRS database, only 0.6 per cent were originally recorded as either “don’t know” or “refused”. Out of 77,468 missing values, approximately 94 per cent were imputed.

A combination of methods of imputation were used for the 2004-05 FRS data. The main ones are

summarised below in the order in which they were used.

#### Closing down routes

As with any questionnaire, a typical feature of the FRS is the gatekeeper question positioned at the top of a block of further questions, at which a particular response will open up the block. If the gatekeeper question itself is answered as “don’t know” or “refused”, the block is skipped. This results in a potential problem.

A missing gatekeeper variable could be imputed such that a further series of answers would be expected. However, these answers will not appear because a whole new route has been opened. For example, if the amount of rent is missing for a record and has since been imputed, any further questions about rent would not have been asked. From the post-imputed database, it will appear that these questions should have been asked because a value is there for rent.

This is why, where appropriate, the decision was taken that with manual imputations a route should be closed down. In most cases, gatekeeper variables are of the “yes/no” type. These would be imputed to “no”, assuming that if a respondent does not know whether an item is received or paid, then it is not.

#### Hotdecking

Hotdecking essentially looks at characteristics within a record containing the missing value to be imputed and matches it up to another record with similar characteristics for which the variable is not missing. It then takes the known variable and copies it to the missing case. This method ensures that imputed solutions are realistic, and gives a wide range of solutions maintaining variability in the data.

#### Algorithms

Algorithms are used to impute missing values for certain variables, for example variables relating to mortgages. The algorithms range from very simple calculations to more sophisticated models based on observed relationships within the data and individual characteristics, such as age and sex.

#### “Mop-up” imputation

This is achieved by running a general validation report of all variables and looking at those cases where missing values were still present. At this stage, variables are looked at on a case-by-case basis to decide what to impute.

Credibility checks are then re-run to ensure that imputation did not result in any inconsistencies in the data, and edits are applied where necessary.

All imputations, by each of the methods above, are applied to the unimputed data set via a transaction database. This ensures that it is always possible to reproduce the original data.

Table M.5 lists the variables for 2004-05 for which more than 25 per cent of final values were imputed.

Points to note with imputed data

Although a great deal of time has been spent on imputing missing values, it should be remembered that they represent only a very small proportion of the dataset as a whole. However, the following points should be noted:

- as mentioned above, in certain situations, imputed values will be followed by “skipped” values. It was decided in some cases that it was better to impute the top of a route only and not to impute large amounts of data. There are a small proportion of imputations for which it was not appropriate to close down a route. These cases are followed by “skipped” responses (where a value might otherwise be expected).
- imputation will have a greater effect in distorting the distribution of original data for variables that have a higher proportion of non-response, as proportions of imputed data will be higher.

#### *Stage six – state support validation*

Information on Social Security Benefits received is one of the key areas of the FRS and it is very important that this section is thoroughly validated and cleaned.

It is not appropriate to use the imputation methods outlined above for the benefits data so instead a separate procedure of validation and editing is used. The following types of validation are carried out;

#### Missings

For cases where a respondent had answered “yes” to whether they are in receipt of a particular benefit, but did not give the amount received, an imputation decision has been made depending on the benefit. For benefits such as Income Support, where the rate would vary greatly depending on the situation of the respondent, individual benefit assessments have been carried out. However, for

benefits such as Retirement Pension, where fewer rates apply, a more general program has been used.

#### Near-zero amounts

Where benefit amounts are recorded as near-zero, the case is examined individually and an edit decision is made.

#### Multiple benefits

Any remaining combined benefit amounts (for example where Retirement Pension is paid with Income Support) not split at the editing in stage 2, are edited by carrying out benefit entitlement assessments on individual cases, while preserving the reported total.

#### Validation reports

Computer programs are run to carry out a final check for benefit entitlement and to output any cases that look unreasonable. All cases detected as a result of this validation exercise are individually checked and edited where necessary.

#### Derived variables

Derived variables (DVs) are customised variables in the FRS datasets, derived using information collected in the survey and some from auxiliary sources. They are created at the data users' requests, as the main purposes of the derived variables are to make it easier for the users to carry out analysis and to ensure consistent definitions are used in all FRS analyses. For example, INDINC is a DV that sums all components of income to give an individual's total income – information on respondents' income from various sources is collected in the survey.

As new information is collected in the survey, the relevant DVs are updated if necessary. Any unnecessary DVs are removed from the dataset.

There are 295 DVs in the 2004-05 dataset.

The religious classification of households and benefits unit is a derived variable, since respondents are asked about the religion of adults in the household (information is not collected on children), rather than about the household as a whole. Apart from the issues of non-response to the question and the discontinuity between current religious belief (if any) and community background, it is possible for a household to contain individuals of differing belief or background. In the 2001

Census of Population, 6.5% of co-habiting couples were demonstrably mixed Protestant/Catholic.

To facilitate analysis, the religion of households and benefit units is classified according to the religion of the household reference person (HRP) who is usually male. The published results from the FRS 2002/2003 indicate that 50% of children are Protestant and 40% Catholic. If, however, religion were assigned on the basis of the religion of the woman within each benefit unit the figures would be 48% Protestant and 43% Catholic. If this approach were taken further and household religion were deemed Catholic if either adult is Catholic then the proportions for children are 46% Protestant and 46% Catholic. This still leaves about 8%/9% of the children unassigned.

Household religion allocated	% of Children		
	P	RC	Other
On religion of HRP	50	40	10
On religion of Female of couple	48	43	9
Catholic if either partner is Catholic	46	46	8

#### Quality of benefits data

As part of the data validation process, comparisons are made between the FRS and other data sources. Table M.6 shows a comparison of NI FRS benefit recipients compared to administrative data. The table shows both NI FRS sample data and grossed up sample estimates (see explanation of grossing factors in next section). Despite much time and effort being spent on benefit validation, there are still areas where there are known problems with the FRS data. The FRS under reports receipt for most of the benefits. The discrepancy between FRS and administrative data for NI is particularly pronounced for Attendance Allowance, Incapacity Benefit, Income Support, Pension Credit and Jobseeker's Allowance.

Users should note that some of the discrepancies in the two sources of data may be due to the fact that it is not always possible to compare like with like. Adjustments are made to try and eliminate some of the differences between the two sources. For example, the denominator for the administrative and the FRS data in Table M.6 is the same and the administrative data figures for Retirement Pension and Widow's Benefit have been adjusted to remove those resident overseas. However, the fact that the FRS only interviews members of private households whereas

administrative benefit systems (apart from Income Support) do not distinguish between people in private households and those in institutions remains a problem in comparing the two sources. For most benefits, only a very small minority of recipients will be in institutions, but this will have a greater effect on Attendance Allowance comparisons.

### Estimation methodology

The 2004-05 FRS publication presents tabulations where the percentages refer to sample estimates grossed up to apply to the whole population.

Grossing up is the term usually given to the process of applying factors to sample data so that they yield estimates for the whole population. The simplest grossing system would be a single factor, the uniform grossing factor, which could be calculated as the number of households in the population divided by the number in the achieved sample. However, surveys are normally grossed by a more complex set of grossing factors, which attempt to correct for differential non-response at the same time as they scale up sample estimates.

The system used to calculate grossing factors for the FRS divides the sample into different groups and the grossing factors are the ratio of population estimates to sample counts for those groups. The groups are designed to reflect differences in response rates among different types of households. They have also been chosen with the aims of DWP analyses in mind. The population estimates are based on control variables, with values derived from external data sources.

### Grossing the data for Northern Ireland

There are a number of differences between the methods used to gross the Northern Ireland sample as compared with the Great Britain sample:

- local taxes in Northern Ireland are collected through the rates system, so Council Tax Band as a control variable is not applicable.
- Northern Ireland housing data are based largely on small-sample surveys. It is not desirable to introduce the variance of one survey into another by using it to compute control totals; therefore tenure type has not been used as a control variable.
- a different approach to controlling the population has been used, drawing on preliminary findings of the ongoing review of grossing methodology.

Details of the grossing regime are shown in the table below.

Control variables used to generate grossing factors		
Variable	Groupings	Source of data
Age/sex	Male dependent children	Northern Ireland Statistics and Research Agency (NISRA)
	Male adults: 16-24, 25-29, 30-34, 35-39, 40-44, 45-49, 50-59, 60-64, 65-74, 75-79, 80+	
	Female dependent children	
	Female adults: 16-24, 25-29, 30-34, 35-39, 40-44, 45-49, 50-59, 60-64, 65-74, 75-79, 80+	
Lone parents		Northern Ireland Department for Social Development (DSD) estimates
Households		DSD estimates

The same software used for the Great Britain grossing regime was used to reconcile the control variables at different levels and estimate their joint population. Software provided by the French National Statistics Institute, INSEE, has been used. This software works by iterating towards a solution, and options within it that give the solution which minimises the range of grossing factors have been used. This should maximise the potential precision of grossed estimates; if a few cases are associated with very small or very large grossing factors, grossed estimates will have relatively wide confidence intervals.

### Grossing the data for Great Britain

Since 2002, DWP statisticians, in consultation with other departments, have been reviewing the grossing methodology. Work on this is now completed, and a new grossing regime incorporating both revisions to the old grossing regime and the revised population counts, based on post census data has now been incorporated into the FRS. The full report is available at [www.dwp.gov.uk/asd/frs/reports](http://www.dwp.gov.uk/asd/frs/reports)

### Reliability of estimates

All survey estimates have a sampling error attached to them, calculated from the variability of the observations in the sample. From this, a margin of error (confidence interval) is derived. It is this confidence interval (rather than the estimate itself) that is used to make statements about the likely "true" value in the population, specifically to state the probability that the true value will be found between the upper and lower limits of the confidence interval. In general, a confidence

interval of twice the standard error is used to state, with 95 per cent confidence, that the true value falls within that interval. A small margin of error will result in a narrow interval, and hence a more precise estimate of where the true value lies.

The size of the actual standard error relative to the simple random sampling error is represented by the design factor (DEFT), which is calculated as the ratio of the two. Where the standard errors are the same, the DEFT is one, implying that there is no loss of precision associated with the use of a clustered sample design. In most cases, the DEFT will be greater than one, implying that the estimates based on the clustered sample are less precise than those for a simple random sample of the same size. Similarly a DEFT less than one implies the estimate is more precise than would be obtained from a simple random sample.

As the sample for the NI FRS is at least equivalent to a simple random sample, the DEFT value is automatically one and sampling errors are calculated as normal.

In addition to sampling errors, consideration should also be given to non-sampling errors. As is clear from misleading questions, data input errors or data handling problems – in fact any factor that might lead to the survey results systematically misrepresenting the population. There is no simple control or measurement for such non-sampling errors, although the risk can be minimised through careful application of the appropriate survey techniques from questionnaire and sample design through to analysis of results. the above discussion, the sampling errors generally arise through the process of random sampling and the influence of chance. Non-sampling errors arise from the introduction of some systematic bias in the sample as compared to the population it is supposed to represent. Besides response biases considered above, there are several potential sources of such bias, such as inappropriate definition of the population.

### **The need for harmonisation of concepts and definitions**

There are a wide range of Government surveys of persons and households that provide sources of social and economic statistics. As well as the FRS, there is the Labour Force Survey, the Expenditure and Food Survey and many more. These surveys were designed at different times to meet different needs. There is also the Census of Population.

In order to improve comparability of statistics, harmonised concepts were developed to make the interpretation and analysis of these data easier, so

that they allow users of published sources to see a more coherent picture of society and trends within it, and to help users plan surveys (e.g. at a local level) that can provide data comparable with national surveys. A list of the current harmonised questions is available at <http://www.statistics.gov.uk/harmony>

Different surveys have different purposes and hence cover topics in different depth. Harmonised questions are designed to provide the recommended minimum information to allow common classifications and facilitate the analysis of data from different surveys in combination. Not all surveys will include questions on all topics or in every year, but the recommendation is that where a topic is covered, harmonised questions should be included wherever possible.

Some surveys will require further detail on topics than can be obtained from the harmonised questions alone. It will normally be the case that such surveys already ask for that detail. The harmonised questions have been designed so that these surveys can either derive the response to the harmonised questions without asking them directly or combine them with the further detail without adding to the length of the interview.

Harmonisation that extends to all or nearly all major Government household surveys cover a primary set of concepts and questions, whereas concepts and questions that apply only for a selected group of surveys belong to a secondary set.

### Harmonised primary inputs

- survey reference period
- geography
- demographic information, household composition and relationships
- national identity and ethnic group
- tenure
- economic status
- industry, occupation, employment status and socio-economic class
- full or part-time work (self-assessed)
- educational attainment

## Harmonised secondary inputs

- benefits and tax credits
- consumer durables
- detailed income for substantive analysis
- income as a classificatory variable
- selected job details
- accommodation type of the household
- housing costs and benefits
- length of residence
- household motor vehicles
- qualifications
- crime and fear of crime
- social capital
- carers
- general health

National Statistics is currently undertaking research to update these findings using data for further survey years.

Harmonised outputs have also been produced. The use of these outputs will be affected by the sample size of the individual survey and it is neither feasible nor desirable to produce outputs from different surveys in a completely harmonised way. The FRS uses harmonised outputs wherever possible, which should allow users to interpret data more easily.

### *Differences due to survey design features*

The differences in the way in which data are collected, even using harmonised survey questions, are extremely important. There are a variety of factors that lead to different estimates for harmonised questions, which include:

- question working and context effects
- definitional differences
- non-response bias
- geographical coverage
- sampled population
- mode effect
- acceptance of proxy information
- treatment of multi-households
- unit of analysis
- field procedures
- item non-response
- time period
- organisational effects

More information is available in the article “An initial look at harmonised survey data” by Amanda White and Sarah McCreith, published in the Social Survey Methodology Bulletin 43 (July 1998), Office for National Statistics. In addition, the Office for



## **Methodology Tables**

**Table M.1: Response in the 2003-04, 2004-05 NI Family Resources Survey**

	2003-04		2004-05	
	Number of households	% of effective sample	Number of households	% of effective sample
Set sample of addresses	3,600	-	3,600	-
Additional households	4	-	1	-
Set sample of households <sup>1</sup>	3,604	-	3,601	-
– Ineligible known	421	-	395	-
– Ineligible unknown (pre-adjustment)	45	-	67	-
– Eligible known (pre-adjustment)	3,138	-	3,139	-
– Ineligible (after adjustment)	426	-	402	-
– Eligible (after adjustment) <sup>2</sup>	3,178	100	3,199	100
<b>Fully co-operating</b>	<b>1,917</b>	<b>60</b>	<b>1,927</b>	<b>60</b>
Partially co-operating	77	2	81	3
Refusal to co-operate	990	31	902	28
Non-contact	154	5	229	7

<sup>1</sup> It is assumed that addresses which were not contacted each contained only 1 household.

<sup>2</sup> The adjusted eligible households include all pre-adjustment eligible households and a proportion of the pre-adjustment eligibility unknown households. The proportion of the pre-adjustment 'eligibility unknown' households reclassified as eligible is set at the proportion of pre-adjustment eligible households in the set sample of households: 91%.

**Table M.2: FRS Response rates by UK Countries and Government Office Regions**

	Percentage
North East	65
North West and Merseyside	65
Yorkshire and the Humber	60
East Midlands	65
West Midlands	62
Eastern	61
London	56
South East	62
South West	65
England	62
Wales	65
Scotland	64
Northern Ireland	60
<b>UK</b>	<b>62</b>

**Table M.3 on Council Tax Bands is not applicable to Northern Ireland therefore it has been omitted.**

**Table M.4: Summary of imputation in 2003-04 and 2004-05 FRS**

	2003-04		2004-05	
	Values	Percentage of values	Values	Percentage of values
<b>Responses<sup>1</sup></b>				
Expected number of responses	14,720,756		14,066,250	
Valid responses	14,597,093	99.2	13,998,782	99.4
Missing values (don't know / refused)	72,936	0.5	77,468	0.6
<b>Treatment of missing values</b>				
Left as Missing	4,103	6	4,657	6
Imputed	68,833	94	72,811	94
<b>Imputation methods</b>				
Hotdeck	45,473	66	49,076	67
Bulk Edits and algorithms	13,065	19	13,118	18
Other imputation method	723	1	509	1
Benefit editing	9,572	14	10,108	14

<sup>1</sup> Responses to the question 'Total Interest received' are excluded from this summary due to low quality of data and a large number of unedited cases.

**Table M.5: Extent of imputation**

<b>Variable</b>	<b>Actual number missing</b>	<b>Proportion of final values imputed<sup>1</sup></b>	<b>Method of Imputation</b>
Amount of National insurance lump sum	345	67	Hotdecks
Amount incl in rent for water/sewerage	604	44	Algorithms and Hotdecks
How much income tax deducted last time	171	42	Hotdecks
Combined amount of benefits	128	35	Benefit Editing
Pcode: combined benefits	841	30	Benefit Editing
Amount of profit before tax	530	28	Bulk Edit
Amount of net profit or loss	689	26	Hotdecks
Amount of Tax in last 12 mths (self employed)	854	25	Hotdecks

<sup>1</sup> Proportion of final valued imputed is only given when a minimum of 30 cases are imputed, and this comprises of more than 25 per cent of final values

**Table M.6: Receipt of state support (Northern Ireland only)**

	Adults					
	2004/2005 Frs		2004/2005 Frs		Administrative Data	
	Grossed		Sample			
Benefit Received	Number	%	Number	%	Number	%
Income Support <sup>1,2</sup>	72,479	5.8	233	6.8	99,830	8.0
Pension Credit <sup>1,2</sup>	46,733	3.7	141	4.1	82,971	6.6
Housing Benefit <sup>3,9</sup>	108,513	8.7	360	10.6	127,367	10.2
Jobseeker's Allowance <sup>1,4</sup>	23,717	1.9	61	1.8	32,469	2.6
Retirement Pension <sup>1</sup>	249,949	20.0	714	20.9	254,859	20.4
Widow's Benefit <sup>1,5</sup>	5,149	0.4	17	0.5	6,559	0.5
Incapacity Benefit <sup>1,4</sup>	63,084	5.0	181	5.3	111,213	8.9
Severe Disablement Allowance <sup>1</sup>	6,273	0.5	17	0.5	13,120	1.0
Attendance Allowance <sup>1</sup>	44,818	3.6	122	3.6	72,063	5.8
Carer's Allowance <sup>1</sup>	27,293	2.2	77	2.3	43,733	3.5
<b>All Adults<sup>7</sup></b>	<b>1,251,943</b>	<b>100.0</b>	<b>3,412</b>	<b>100.0</b>	<b>1,251,943</b>	<b>100.0</b>

  

	Individuals aged 16 or over					
	2004/2005 Frs		2004/2005 Frs		Administrative Data	
	Grossed		Sample			
Benefit Received	Number	%	Number	%	Number	%
Disability Living Allowance (Care Component) <sup>1,6</sup>	97,767	7.6	282	8.0	138,994	10.7
Disability Living Allowance (Mobility Component) <sup>1,6</sup>	91,847	7.1	264	7.4	133,893	10.3
<b>All individuals aged 16 or over</b>	<b>1,294,495</b>	<b>100.0</b>	<b>3,547</b>	<b>100.0</b>	<b>1,294,495</b>	<b>100.0</b>

  

	Benefit units					
	2004/2005 Frs		2004/2005 Frs		Administrative Data	
	Grossed		Sample			
Benefit Received	Number	%	Number	%	Number	%
Working Tax Credit <sup>8</sup>	37,949	4.4	113	4.8	64,200	7.4
Child Tax Credit <sup>8</sup>	126,147	14.6	380	16.0	134,700	15.5
<b>All Benefit units</b>	<b>866,772</b>	<b>100.0</b>	<b>2,377</b>	<b>100.0</b>	<b>866,772</b>	<b>100.0</b>

<sup>1</sup> Administrative data is at November 2004

<sup>2</sup> Administrative data adjusted to remove those in institutional accommodation for Income Support and Pension Credit.

<sup>3</sup> Excludes Extended Payment Cases.

<sup>4</sup> Figures excludes 'Nil Benefit' cases.

<sup>5</sup> Widows Pension, Widowed Mother's Allowance, Bereavement Allowance and Widowed Parents Allowance figure excludes recipients resident overseas at September 2004.

<sup>6</sup> Includes those receiving both care and mobility components, figure excludes recipients under 16.

<sup>7</sup> FRS figure used as a base for both comparisons and excludes those aged 16-18 in full time non-advanced education.

<sup>8</sup> Administrative data is an average of April 2004, December 2004 and April 2006

<sup>9</sup> Administrative data is an average of February 2004 and April 2005

**The information presented in Table M.7 has been permanently removed from the report.**

## ***Glossary/Notes on definitions***

### ***Adult***

All those aged 16 and over, except for 16 to 18 year olds in full time non-advanced education; all adults in the household are interviewed as part of the FRS.

### ***Age***

Age last birthday (i.e. at time of interview).

### ***All in receipt of benefit***

Any Social Security Benefit; tables in Section 3 show percentage of benefit units/households who received at least one Social Security benefit, income related benefit and non-income related benefit.

Includes receipt of benefits such as Back to Work Bonus and Maternity Benefits that are not shown separately in the tables. It does not include tax credits – see “All in receipt of Tax Credits”.

### ***All in receipt of Tax Credits***

Child Tax Credit and Working Tax Credit replaced Working Families Tax Credit, Disabled Person's Tax Credit, Children's Tax Credit, and the child element of new claims to Income Support and Jobseeker's Allowance during April and May 2003. These are paid by the Inland Revenue. For more information visit

<http://www.taxcredits.inlandrevenue.gov.uk>.

### ***Any pension***

Either an occupational, stakeholder or personal pension.

### ***Any type of account***

Any account or investment for which information is collected on the survey. See also other entries for categories used in tables, i.e. Current account, Basic Bank Account, Post Office account, TESSA, Other bank/building society accounts, etc.

### ***Attendance Allowance***

Social Security benefit for people aged 65 or over who need help with personal care because of a mental or physical disability. There are two rates, a lower rate for attendance during day or night, and a higher rate for day and night.

For more information see 'Disability Living Allowance, Attendance Allowance, Carer's Allowance - Summary of Statistics' via the internet at <http://www.dsdni.gov.uk>

### ***Basic Bank Account***

The basic bank account shares many of the features of a current account. You can receive payments from other sources and pay bills by direct debit, but there are no overdraft facilities. You can make withdrawals from cash machines and in some cases over the counter of the bank or building society itself. For further information visit <http://www.ssani.gov.uk/benefit%5Finfo/pmp/dirpay%5Fwhatneed.htm>

### ***Benefit unit***

A single adult or a couple living as married and any dependent children.

### ***Bereavement Allowance***

Social Security benefit paid for up to 52 weeks to widows and widowers who were 45 or over, but less than pensionable age when their spouse died. Bereavement Allowance cannot be received at the same time as Widowed Parent's Allowance. The amount paid is on a sliding scale depending on the widow or widower's age.

For more information see <http://www.dsdni.gov.uk>

### ***Bereavement Benefits***

The range of Bereavement Benefits were introduced on 9<sup>th</sup> April 2001. They replaced the old system of widows' benefits and can be claimed by men and women whose spouse died on or after 9<sup>th</sup> April 2001. Widows whose husband died before this date would continue to receive widows' benefits.

For more information see <http://www.dsdni.gov.uk>

### **Bereavement Payment**

Widows/widowers are eligible to widow's payments/Bereavement Payments if her/his late husband/wife satisfied the contributions conditions. Widows are also eligible if her late husband died as the result of an industrial injury or disease and she was under 60 when her late husband died, or if she was over 60 and he was not entitled to a Category A retirement pension when he died. The payment is a tax free lump sum of £1,000. This is converted into a weekly figure in sources of income tables.

For more information see <http://www.dsdni.gov.uk>

### **Carer's Allowance (formerly Invalid Care Allowance)**

Social Security benefit for people who are eligible before their 65th birthday, who are not employed or in full time education and who look after a severely disabled person for at least 35 hours per week.

The severely disabled person must be getting either higher or middle rate Disability Living Allowance Care component or Attendance Allowance or a Constant Attendance Allowance at the maximum rate under the War Pensions or Industrial Injuries Scheme.

For more information see <http://www.dsdni.gov.uk>

### **Child**

All those aged under 16 or an unmarried 16 to 18 year old in full time non-advanced education.

### **Child Benefit**

Social Security benefit paid for each child under 16 year or aged under 19 and still in full time non-advanced education. Usually received by the mother.

For more information see <http://www.dsdni.gov.uk/statistics-research/benefit-pub.asp>

### **Childcare costs**

The FRS contains data on both term time and holiday childcare costs for all families from 2003-2004; in previous years this was restricted to families in employment.

### **Child Tax Credit**

Child Tax Credit is a payment to support families with children. It replaces the child element that were previously paid with Income Support and Income-Based Jobseeker's Allowance, Working Families Tax Credit and Disabled Persons Tax Credit, as well as Children's Tax Credit. Child Tax Credit is administered by the Inland Revenue.

For more information visit <http://www.taxcredits.inlandrevenue.gov.uk>

### **Company share schemes / profit sharing**

These categories are presented jointly in tables.

### **Co-ownership schemes**

Like shared ownership schemes. Usually where the landlord is a Housing Association.

### **Council Tax (Great Britain only)**

Council Tax replaced the Community Charge from April 1993. The tax is based on the property value of a dwelling (which is split into bands) and assumes two adults per household. The full bill consists of a property and a personal element.

Status discounts, which reduce or eliminate the personal element of the tax, are available to single person and certain other households.

An exemption may apply to some households, the most common type being accommodation occupied solely by students or where the accommodation is owned by the Ministry of Defence as armed forces accommodation.

Bands of property value of a dwelling are used in the calculation of Council Tax. Different bands exist in England, Scotland and Wales (valuation as at 1 April 1991):

	England	Scotland	Wales
Band A	up to £40,000	up to £27,000	up to £30,000
Band B	£40-52,000	£27-35,000	£30-39,000
Band C	£52-68,000	£35-45,000	£39-51,000
Band D	£68-88,000	£45-58,000	£51-66,000
Band E	£88-120,000	£58-80,000	£66-90,000
Band F	£120-160,000	£80-106,000	£90-120,000
Band G	£160-320,000	£106-212,000	£120-240,000
Band H	£320,000+	£212,000+	£240,000+

Households where the landlord is liable for the tax, for example where they are sub-let as part of larger premises are not valued separately. The landlord may decide to recover some or all of the cost of the tax by increasing rent charges.

### **Council Tax Benefit (Great Britain only)**

Social Security benefit administered by the local authority designed to help people on low incomes pay their Council Tax. There are two types of Council Tax Benefit, maximum Council Tax Benefit (Main Benefit) and Second Adult Rebate.

Council Tax Benefit may be received for a further four weeks by people aged under 60 when they start working full time following a period of at least six months being unemployed, by people on a Government Training Scheme or on Income Support as a lone parent or carer (Extended Payment).

For more information see Work and Pension Statistics, (CDS, ISBN 1 84388 230 2 or via Internet at <http://www.dwp.gov.uk/asd/wandp.asp>).

For tables in Section 3, which show benefit units by benefit receipt, Council Tax Benefit is allocated to the first benefit unit in the household.

### **Credit Union**

A credit union is a financial co-operative similar in many respects to mainstream building societies. Its members both own and control the credit union, which is run solely for their benefit. All members of a specific credit union must share what is known as a "common bond", ie they must be connected in some way or another to the other members of that credit union. All the members pool their savings together into a single 'pot' from which loans can be made to members from that credit union. Members who have deposited money into the credit union receive an annual dividend while those to whom money is lent have to pay interest on the loan.

### **Current account**

Includes all current accounts with banks and building societies. Used for day-to-day transactions with a cheque book and/or bank card. Interest will normally be minimal.

### **Dependent**

See child.

### **Derived Variables (DVs)**

Derived variables are customised variables in the FRS dataset, derived using information collected in the survey and from auxiliary sources, such as the Office of the Deputy Prime Minister's deprivation indices. The main purposes of the derived variables are to make it easier for the users to carry out analysis and to ensure consistent definitions are used in all FRS analyses.

### **Direct payment account**

A direct payment account is one that can accept electronic payment of benefits via the Banker's Automated Clearing System (BACS) system. Such accounts were formerly known as Automatic Credit Transfer (ACT) accounts.

### ***Disability, including limiting long standing illness***

People with a long standing illness, disability or infirmity, and who have a significant difficulty with day-to-day activities. Everyone in this group would meet the definition of disability in the Disability Discrimination Act (DDA); however these estimates do not reflect the total number of people covered by the DDA as the FRS does not fully collect this information.

### ***Disability Living Allowance***

Social Security benefit for people who become disabled before the age of 65 and need help with personal care, getting around, or both. Consists of two components:

Care component

Covers personal care (e.g. washing, dressing, using the toilet, cooking a main meal). This is paid at three rates.

Mobility component

For those who cannot walk or have difficulty in walking. This is paid at two rates.

For more information see 'Disability Living Allowance, Attendance Allowance, Carer's Allowance - Summary of Statistics' via the internet at [http://www.dsdni.gov.uk/index/stats\\_and\\_research/benefit\\_publications.htm](http://www.dsdni.gov.uk/index/stats_and_research/benefit_publications.htm)

### ***Disabled Person's Tax Credit (DPTC)***

A tax credit payable to low-paid workers with a disability. It is administered by the Tax Credit Office, which is an office of the Inland Revenue. The claimant must be working at least 16 hours per week. From April 2003, DPTC was replaced by the disability element in Working Tax Credit.

For more information visit <http://www.taxcredits.inlandrevenue.gov.uk>

### ***Disability Related State Support***

Includes disability related benefits and tax credits.

### ***Economic status***

This classification is consistent with that used in HBAI. Benefit units are allocated to the first category that applies. Unlike employment status, full time work is classified as 31 hours or more, not on the basis of the respondent's assessment of whether they work full or part time.

Self employed

Benefit units (single and couple) where at least one adult usually works as self employed 31 hours or more a week.

Single or couple, all in full time work

Benefit units (single and couple) where all adults usually work 31 hours or more a week.

Couple, one in full time work, one in part time work

Benefit units headed by a couple, where one partner usually works 31 hours or more a week and the other partner usually works fewer than 31 hours a week.

Couple, one in full time work, one not working

Benefit units headed by a couple, where one partner usually works 31 hours or more a week and the other partner does not work.

One or more in part time work

Benefit units (singles and couples) where at least one adult works fewer than 31 hours a week.

Head or spouse aged 60 or over

Benefit units (singles and couples) where at least one adult is aged 60 or over.

Head or spouse unemployed

Benefit units (singles and couples) where at least one adult is unemployed. Also includes an additional check on receipt of Jobseeker's Allowance. If these are in receipt, the case is treated as unemployed even if did some unpaid work in business that they or relative owns. These respondents are treated as economically active in the employment status classification.

Head or spouse sick or disabled

Benefit units (singles and couples) where at least one adult is sick or disabled.

Others

Benefit units not classified above.

The full derivation of this variable is available on request from InfD IM1, at the address listed in the Introduction.

### ***Economically inactive***

Those who are out of work but do not meet the criteria for ILO unemployment are economically inactive.

### ***Employee packages***

This looks at the benefits that a respondent has made use of, or received, from their present employer in the last 6 months.

### ***Employment status***

This classification is equivalent to the harmonised output category for economic status (relabelled to avoid confusion with benefit unit level outputs – see Methodology for more information on harmonisation). It is based on respondents' answers to questions on current employment status; the notes below highlight main differences between this and Economic status and Household Composition.

The full derivation of this variable is available on request from InfD IM1, at the address listed in the Introduction.

In Section 6, the category for other inactive also includes those classified as students, looking after family/home and temporary sick and disabled adults.

Employee - full time

Based on self assessment for the main job rather than number of hours worked. Includes those doing unpaid work in a business that a relative owns.

Employee - part time

Based on self assessment for the main job rather than number of hours worked. Includes those doing unpaid work in a business that a relative owns.

Self employed - full time

Based on self assessment for the main job rather than number of hours worked. Includes those doing unpaid work in their own business.

Self employed - part time

Based on self assessment for the main job rather than number of hours worked. Includes those doing unpaid work in their own business.

Retired

Individuals who are over State Pension Age or say they are retired.

### ***Endowment mortgage***

An endowment policy is taken out with an insurance company either before or at the same time as the mortgage. When the policy matures the sum received will be used to repay the original sum borrowed under that mortgage. The original mortgage amount remains outstanding until the policy matures; in the meantime the borrower pays interest to the lender and premiums on the endowment policy to the insurance company.

Endowment policy premiums are not included as part of Housing Costs.

### ***Endowment policy not linked***

These were taken out as a savings vehicle to repay a mortgage (an 'endowment mortgage') but no longer do so. This is where the mortgage has either been paid off or, more usually, converted to a different method of repayment. The respondent will have decided to retain the endowment as an investment in its own right, even though it is no longer intended to repay the mortgage.

### ***Ethnic group***

The group to which respondents consider they belong. The NI FRS (harmonised) question has 16 categories (Irish Traveller has been added for the NI question. There are six main output categories. These are White, Mixed, Indian, Pakistani and Bangladeshi, Black or Black British and Other Ethnic Group (inc. Chinese and Other Asian).

For more information on harmonisation see Methodology section.

### ***Family status***

This classification is based on the family type classification used in HBAI.

Tables also include benefit units where the partner is temporarily not in the household (e.g. where they are working abroad), which are excluded from HBAI analyses.

The full derivation of this variable is available on request from InfD IM1, at the address listed in the Introduction.

#### Pensioner couple

Benefit units headed by a couple, where the Head of the Benefit Unit is over state pension age.

#### Single male pensioner

Benefit units headed by a single male adult over state pension age.

#### Single female pensioner

Benefit units headed by a single female adult over state pension age.

#### Couple with children

Benefit units headed by a (non-pensioner) couple with dependent children.

#### Couple without children

Benefit units headed by a (non-pensioner) couple with no dependent children.

#### Single with children

Benefit units headed by a (non-pensioner) single adult with dependent children.

#### Single male without children

Benefit units headed by a (non-pensioner) single male adult with no dependent children.

#### Single female without children

Benefit units headed by a (non-pensioner) single female adult with no dependent children.

### ***Full time education***

Individuals registered as full time at an educational establishment. Students on sandwich courses are coded as students or working according to their position at the time of interview.

### ***Guaranteed Equity Bonds (GEB)***

Guaranteed Equity Bonds are a one off five year investment, giving a return linked to a stock-market index, such as the Financial Times Stock Exchange (FTSE) index. At the end of the term it will pay back the amount invested plus a percentage of any increase in the index. Note that some GEBs may not pay back the full amount if the index falls below a certain level. There are usually minimum and maximum investments; typically £1,000 and £1,000,000.

### ***Gilts***

Government Gilt-edged stock (including War Loan). 'Gilts' raise money for the UK Government by offering a secure investment, usually over a fixed period and with a fixed rate of interest, although some are index-linked. Interest is paid half-yearly.

Gilts can be bought and sold on the stock market. At the end of the fixed term the holder is repaid the original purchase price. The value of the gilt is the current market price.

### ***Government Office Regions***

Government Offices for the Regions were established across England in 1994. In 1996 the regions covered, known as Government Office Regions, became the primary classification for the presentation of regional

statistics. Government Office Regions are built up of complete counties/unitary authorities. Scotland, Wales and Northern Ireland are not subdivided into Government Office Regions but are listed with them as regions in FRS tables.

### **HBAI**

Households Below Average Income. An analysis of the income distribution from 1994/95 – 2003/04 via internet at <http://www.dwp.gov.uk/asd/hbai>.

A NI version of this report is due for release later this year. See <http://www.dsdni.gov.uk/index/publications/households.htm> for previous editions.

### **Head of Benefit Unit**

The Head of the Benefit Unit will either be the same as the Head of the Household if it is the benefit unit to which the Head of the Household belongs, or if not, it will be the first person in the benefit unit. For all benefit units in the household that are couples, the Head will usually be the male, but in certain circumstances may be female.

### **Head of Household**

The Head of the Household will be the Head of the Benefit Unit to which he or she belongs.

The Head of Household, from April 2001, is classified as the Highest Income Householder (HIH), without regard to gender.

In a single adult household the Head is the sole householder (i.e. the person in whose name the accommodation is owned or rented)

If there are two or more householders, the Head is the householder with the highest personal income from all sources.

If there are two or more householders who have the same income, the eldest householder will be the Head.

### **Household**

A single person or group of people living at the same address as their only or main residence, who either share one meal a day together or share the living accommodation (i.e. a living room). A household will consist of one or more benefit units.

### **Household composition**

The classification of households into those with and without children leads to mutually exclusive categories, which add to the total number of households in the sample. The other categories shown may overlap.

The full derivation of this variable is available on request from InfD IM1, at the address listed in the Introduction.

Households with one or more adults over pension age

Households where at least one adult is over state pension age.

Households with one or more sick or disabled adults under pension age

Households where at least one adult is classified as sick or disabled and under pension age.

Households with one or more unemployed adults

Households where at least one adult is unemployed, as defined by the International Labour Organisation (ILO).

### **Household rent**

Actual rent paid by the household,

plus any Housing Benefit,

plus contributions made by someone outside the household,

less other services ineligible for Housing Benefit purposes. The latter includes payments for lighting, heating, hot water, fuel, food, TV rental etc.

Amounts are adjusted for rent holidays where appropriate.

In GB water and sewerage charges included in rent (including Council Tax Water Charge in Scotland) are also subtracted.

The full derivation of this variable is available on request from InfD IM1, at the address listed in the Introduction.

### **Housing Benefit**

Social Security benefit administered by local authorities which is designed to help people who rent their homes and have difficulty meeting their housing costs.

Housing Executive tenants on Housing Benefit get a rent rebate which means that their rent due is reduced by the amount of that rebate.

Private and housing association tenants usually receive Housing Benefit (or rent allowance) personally, although sometimes it is paid direct to the landlord.

Housing Benefit may be received for a further four weeks by people aged under 60 when they start working full time following a period of at least six months being unemployed, by people on a Government Training Scheme or on Income Support as a lone parent or carer (Extended Payment).

### **Housing costs (Northern Ireland)**

Household rent for rented accommodation or mortgage interest for those buying their home with a mortgage, plus premiums paid on structural insurance,

plus charges for owner occupiers (ground rent, **feu duties**, service charges etc.).

The full derivation of this variable is available on request from InfD IM1, at the address listed in the Introduction.

### **Housing costs (Great Britain)**

Household rent for rented accommodation or mortgage interest for those buying their home with a mortgage, plus water and sewerage charges (including Council Tax Water Charge in Scotland),

plus premiums paid on structural insurance,

plus charges for owner occupiers (ground rent, **feu duties**, service charges etc.).

The full derivation of this variable is available on request from InfD IM1, at the address listed in the Introduction.

### **ILO Unemployed**

Unemployed according to the International Labour Organisation (ILO). Adults who are under state pension age and not working but are available and have been actively seeking work in the last four weeks. Includes those who were waiting to take up a job already obtained and will start in the next two weeks.

### **Incapacity Benefit**

Replaced Sickness Benefit and Invalidity Benefit from 13 April 1995. It is paid to people who are assessed as being incapable of work and who meet the contribution conditions.

For more information see <http://www.dsdni.gov.uk>

### **Income related benefits**

Social Security benefits included in this category are:

- Back To Work Bonus
- Extended Payment of Council Tax Benefit
- Extended Payment of Housing Benefit
- Income Support
- Pension Credit
- Housing Benefit
- Council Tax Benefit
- Rates Rebate
- Disability Working Allowance
- Social Fund Grant for Funeral Expenses
- Social Fund Grant for Maternity Expenses
- Jobseeker's Allowance (Income based)
- Community Care Grants
- Return to Work Credit
- Child Maintenance Bonus

### **Income related state support**

This includes Tax Credits - see "All in receipt of Tax Credits"

### **Income Support**

Social Security benefit for adults aged 18 or over who are working less than 16 hours a week, or have a partner working less than 24 hours a week and who have less money coming in than the law says they need to live on.

In general, Income Support is now only available to people who are not required to be available for work such as pensioners, lone parents and sick and disabled people.

It is made up of personal allowances for each member of the benefit unit, premiums for any special needs and housing costs, principally for mortgage interest payments.

It is often paid to top up other benefits or earnings from part time work.

For more information see <http://www.dsdni.gov.uk>

### ***Individual***

An adult or child.

### ***Industrial Injuries Disablement Benefit***

Social Security benefit provided for employees who are disabled because of an industrial accident or prescribed industrial disease. To get the basic benefit the person needs a medical assessment of the degree of their disability.

For more information see <http://www.dsdni.gov.uk>

### ***Informal carers***

Adults or children who provide any regular service or help to someone in or outside their household who is sick, disabled or elderly. Excludes those who give this help as part of a formal job.

### ***Insurance cover***

The FRS asks about insurance policies to find out what types of personal cover members of the household have. Personal accident includes personal accident and fire, personal accident policy for a pedal cycle, personal consolidation policy, police group insurance. Private medical includes BUPA, HCS, and PPA WPA. Permanent health insurance or PHI is insurance to cover loss of income in the event of permanent health impairment. Friendly society policies for sickness include Benevolent fund, Burial club, Post Office and Civil Service Sanatorium Society, Death levy, Family Service Unit, Firemen's benevolent fund, Hospital Savings Association, Hospital Saturday Fund, Medical aid, Mutual aid, Oddfellows.

### ***Invalid Care Allowance***

Social Security benefit for people who are eligible before their 65th birthday, who are not employed or in full time education and who look after a severely disabled person for at least 35 hours per week.

The severely disabled person must be getting either higher or middle rate Disability Living Allowance Care component or Attendance Allowance or a Constant Attendance Allowance at the maximum rate under the War Pensions or Industrial Injuries Scheme.

For more information see <http://www.dsdni.gov.uk>

### ***ISA***

Individual Savings Account. It is a Government tax free savings scheme which replaced PEPs and TESSAs in April 1999. It is usually arranged via a bank or building society.

### ***Jobseeker's Allowance***

Replaced Unemployment Benefit and Income Support for unemployed people on 7 October 1996. It is payable to people under state pension age who are available for, and actively seeking, work of at least 40 hours per week. Certain groups of people, including carers and those with a physical or mental condition, are able to restrict their availability to less than 40 hours depending upon their personal circumstances.

There are contribution based and income based routes of entry to Jobseeker's Allowance. The different elements are separated in the 'any income related benefit' and 'any non-income related benefit' categories.

### ***Length of residency***

This refers to the Household Reference Person only; other household members may have resided at an address for shorter or longer periods.

### ***Local Government District (aka District Council)***

Northern Ireland is divided into 26 Local Council areas. The Local Councils do not carry out the same range of functions as those in the rest of the United Kingdom, eg they have no responsibility for education, for road building or for housing. Their functions do include waste and recycling services, leisure and community services, building control and local economic and cultural development.

### **Main source of weekly income**

This is the source of income which is the largest proportion of weekly income. Figures should be interpreted with caution, for example a household might in fact have similar proportions of income from two or more sources.

### **Maintenance**

Any payments that are being received from a previous partner either directly, or passed on by a court, the CSA or DWP (separately from any Income Support/MIG payment).

### **Marital status**

As recorded by the respondent. Single means never married. Single sex couples are classified as single since for benefit purposes they count as two separate benefit units.

### **Minimum Income Guarantee (MIG)**

A benefit payable to people who are aged 60 or over which tops up any money already coming in to a minimum level set by the Government. Minimum Income Guarantee is paid as Income Support. From October 2003, MIG was replaced by Pension Credit. For more information visit

<http://www.ssani.gov.uk/gbi/benefits/PensionCredit.htm>

### **Mode of transport**

Railway train includes all train services formerly operated by British Rail and the underground service in the Merseyside conurbation. London underground train covers those train services operated by London Transport (not all of which operate under the ground).

### **Mortgage interest**

For endowment, pension, PEP and Unit Trust mortgages quoted mortgage interest figures are used.

For repayment mortgages, interest is calculated on the basis of amount of mortgage outstanding multiplied by the interest rate current at the time of interview.

Quoted interest figures are checked to ensure that other payments (e.g. for mortgage protection policies, structural insurance or interest on top-up loans for purposes unrelated to housing costs) are excluded and adjusted to include payments made by individuals outside the household. Figures are also net of tax relief.

The full derivation of this variable is available on request from InfD IM1, at the address listed in the Introduction.

### **National Savings Bonds**

Tables include all types of National Savings investments in this category collected on the survey:

#### **FIRST Option Bonds**

Accumulating lump sum investment of between £1,000 and £250,000. Interest is paid net of tax and credited annually. The rate is reviewed each year and holders have the option to withdraw or continue.

#### **Fixed Rate Savings Bonds**

These replace new issues of FIRST Option Bonds.

#### **National Savings Capital Bonds**

Minimum purchase £100, maximum holding £250,000. Interest fixed for five years and credited annually gross of tax (although taxable).

#### **National Savings Certificates**

Fixed and index-linked to changes in the RPI. For lump sum savings of £100 or more. Maximum earnings are obtained after five years. Interest on both investments is tax free.

#### **Pensioner's Guaranteed Income Bonds.**

Available to people over 65. Gives a fixed interest rate over five years with income paid monthly gross of tax. Minimum investment £500.

#### **National Savings Income Bonds**

Minimum purchase £2,000, maximum £250,000. Interest is paid monthly gross of tax (although taxable).

**National Savings Deposit Bonds.**

Multiples of £50, offering premium rates of interest gross of tax. No longer available, but earlier bonds are still valid.

**Children's Bonus Bonds**

Can be bought for any child under 16. A five year accumulating investment. Interest is paid gross of tax.

**Yearly Plan**

Yearly plan certificates can still be held, though new applications stopped in January 1995. Under the scheme monthly standing order payments of £20 were made (to a maximum of £400); after twelve months a Yearly Plan certificates was issued. The certificates earn tax free interest, paid monthly, and reach maturity value after four years. After the fourth year, interest is paid three-monthly at a lower rate.

***Non-income related benefits/Non-income related state support***

Social Security benefits included in this category are:

- Statutory Sick Pay
- Statutory Maternity Pay
- Statutory Paternity Pay
- Statutory Adoption Pay
- Disability Living Allowance
- Child Benefit
- Retirement Pension
- Widowed Mother's Allowance/ Widowed Parents Allowance
- Widow's Payment/ Bereavement Payment
- Widow's Pension/ Bereavement Allowance
- War Disablement Pension
- War Widow's Pension
- Severe Disablement Allowance
- Attendance Allowance
- Carer's Allowance
- Jobseeker's Allowance (contribution based)
- Industrial Injuries Disablement Benefit
- Incapacity Benefit
- Maternity Allowance
- Guardian's Allowance
- Lone parent Benefits
- Winter Fuel payments
- Work Search premium
- In Work Credit
- Other State Benefits

***Occupational pension***

Pensions received from schemes run by an employer. Employees may be a member of an employer's pension scheme on a voluntary basis. Occupational pension schemes can be contracted in to or out of SERPS. Most major employee schemes are contracted out.

***Other bank/building society account***

Accounts belonging to adults recorded under categories "savings account, investment account/bond, any other account with bank building society, etc".

***Pension age***

65 for men, 60 for women.

### **Pension Credit (PC)**

From October 2003 the Minimum Income Guarantee (MIG) was replaced by Pension Credit, administered by the Pension Service.

There are **two** main elements to Pension Credit:-

1. **The Guarantee Credit.** This is the minimum amount a pensioner can be expected to live on. There will be additional amounts for owner occupiers' housing costs, for disability and for caring responsibilities.
2. **The Saving Credit.** This is available only to pensioners aged 65 and over and aims to reward those who have made provision for their retirement over and above the state pension.

For more information visit <http://www.ssani.gov.uk/gbi/benefits/PensionCredit.htm>

### **Pension mortgage**

Similar to an endowment mortgage, but is available only to the self employed and those who are not members of an occupational pension scheme.

Interest only is paid to the lender and monthly contributions are paid into a pension plan which is designed to repay the mortgage when the borrower retires.

In addition, it is necessary to arrange a separate term assurance policy designed to repay the mortgage if the borrower should die before the end of the mortgage term. The assurance policy serves the same purpose as a mortgage protection policy.

Payments to the pension plan and premiums on the assurance policy are not included as part of Housing Costs.

### **Pensioner benefit unit**

Benefit units whose Family status is pensioner couple, single male or single female pensioner.

### **PEPs**

Personal Equity Plan. Managed investment of a lump sum or regular savings in the stock market. Any dividend earnings and growth in value is free of tax. They were closed to new subscriptions from 6 April 1999, but those with PEPs can continue holding them.

### **Personal pension**

Pensions received from schemes which a person has joined to save for an income in retirement and which is not run by either an employer or the State.

### **Post Office account**

National Savings Bank/PO ordinary and investment accounts.

### **Premium Bonds**

Investments which do not earn interest, but are entered in a monthly draw for tax-free money prizes.

### **Religion**

Protestant	Catholic
Presbyterian	
Church of Ireland	Other
Methodist	Other Christian
Baptist	Jewish
Free Presbyterian	Other Non-Christian
Brethren	
Protestant - not specified	No Religion
Other Protestant	

### **Unwilling to Answer**

Respondent unwilling to answer question on Religion and Denomination

**Rent free accommodation**

Accommodation provided free by an employer, or by an organisation to a self employed respondent, provided that the normal activities of the informant are to further the cause of the organisation (e.g. Church of England clergy).

Accommodation is not rent free if anyone, apart from an employer or organisation, is paying a rent or mortgage on a property on behalf of the respondent.

**Repayment mortgage**

Money borrowed for the purchase of the house is repaid over a period of years; interest is also paid on the amount outstanding at the time. Usually the payments consist partly of repayments of the original loan and partly of interest.

**Retirement Pension**

Social Security benefit paid to women aged 60 or over and to men aged 65 or over. There are two categories of contributory Retirement Pension and two categories of non-contributory Retirement Pension.

For more information see [http://www.dsdni.gov.uk/index/stats\\_and\\_research.htm](http://www.dsdni.gov.uk/index/stats_and_research.htm)

**Save As You Earn**

A five or seven year regular monthly savings scheme for employees. It can also be linked to a company share option scheme; at the end of the term, the employee can either use the savings to buy the shares in their company or take the accumulated investment.

The interest rate is fixed over the term, and interest is tax-free. SAYE ended in November 1994, but previous schemes remain valid.

**Savings**

Total value of all assets and investments. Figures are taken from responses to questions on the value of assets or estimated using information on interest. The introduction to Section 5 gives more information on the questions asked and data quality. Note banded savings do not include assets held by children in the benefit unit/household. The derivation of total savings used in the tables means that "no savings" specifically relates to cases where either respondents said they had no accounts/investments or that some accounts/investments were recorded but that none of them yielded any interest/dividends.

The full derivation of this variable is available on request from InfD IM1, at the address listed in the Introduction.

**Severe Disablement Allowance**

Social Security benefit provided for people who are incapable of work and do not satisfy the contributions conditions for Incapacity Benefit.

Severe Disablement Allowance was abolished for new claimants on 6 April 2001. However, certain people entitled to SDA before that date can continue to receive it.

Claimants needed to be aged between 16 and 65 when they made their claim and must have been incapable of work for at least 28 weeks.

For more information see <http://www.dsdni.gov.uk>

**Shared ownership schemes**

Where the householder pays a mortgage and a rent on the same property. In these circumstances, both the rented and owner questions will be asked.

**Sick or disabled adults**

Adults below state pension age who have a long standing illness or are restricted in what they can do, or are included on the Local Authority Register of Disabled People.

**Social Fund**

Made up of regulated and discretionary payments. Maternity, Funeral and Cold Weather Payments are governed by regulations. They are available to people who are on certain Social Security benefits and who meet various other conditions. The discretionary part of the Social Fund provides help in the form of non-repayable grants and interest-free loans. The discretionary payments are Community Care Grants, Budgeting Loans and Crisis Loans.

For more information see <http://www.dsdni.gov.uk>

### **Sources of income**

Wages and salaries.

For those currently working as an employee. Income from wages and salaries is equal to:

- gross pay before any deductions
- less any refunds of income tax
- less any motoring and mileage expenses
- less any refunds for items of household expenditure
- plus bonuses received over the last twelve months (converted to a weekly amount)
- less any Statutory Sick Pay/Statutory Maternity Pay
- plus children's earnings from part time jobs

Self employment income

This is the total amount of income received from self employment gross of tax and national insurance payments, based on profits where the individual considers themselves as running a business or on estimated earnings/drawings otherwise.

Excludes any profit due to partners in the business.

Any losses are deducted.

Investments

Interest and dividends received on savings and investments:

- Current accounts
- Basic bank account
- Post Office accounts
- Other bank/building society accounts
- TESSAs
- Gilts
- PEPs
- Unit trusts
- Stocks and shares/ Member of a share club
- ISAs
- Credit Unions
- Endowment Policy not linked
- Guaranteed Equity Bonds

Tax credits

see "All in receipt of Tax Credits"

State Retirement Pension plus any Income Support/MIG/PC

For adults over state pension age, any Retirement Pension and/or Income Support/MIG/PC which is received.

These benefits are shown together because of known problems with reporting of amounts for pensioners.

Other pensions

Payments received from occupational, stakeholder and personal pension schemes; widow's employee pensions, trade union and friendly society pensions, annuity pensions, trusts and covenants.

Social Security disability benefits

- Attendance Allowance
- Disability Living Allowance
- War Disablement Pension
- Severe Disablement Allowance
- Disability Working Allowance
- Industrial Injuries Disablement Benefit
- Incapacity Benefit

Other Social Security benefits

- Extended Payment of Council Tax Benefit
- Extended Payment of Housing Benefit

Back To Work Bonus  
Housing Benefit  
Income Support (for Adults under state pension age)  
Council Tax Benefit  
Child Benefit  
Widowed Mother's Allowance/ Widowed Parents Allowance  
Widow's Payment/ Bereavement Payment  
Widow's Pension/ Bereavement Allowance  
War Widow's Pension  
Carer's Allowance  
Jobseeker's Allowance  
Statutory Sick Pay  
Statutory Maternity Pay  
Statutory Paternity Pay  
Statutory Adoption Pay  
Maternity Allowance  
Guardian's Allowance  
Social Fund Grant for Funeral Expenses  
Social Fund Grant for Maternity Expenses  
Community Care Grants  
Any other State Benefits  
Work Search Premium  
In Work Credit  
Return to Work Credit  
Child maintenance Bonus  
Winter Fuel Payments

#### Other sources

Income received as a baby-sitter  
Income received as a mail order agent  
Allowances from an absent spouse (including direct payments for household items)  
Allowances from a spouse in the forces, friends, other relatives etc. outside the household  
Allowances from an organisation  
Allowances from a local authority for a foster child  
Allowances from a local authority for an adopted child  
Luncheon vouchers  
Royalties  
Income as a sleeping partner  
Pension from an overseas Government (paid in foreign currency)  
Maintenance  
Income from odd jobs  
Income from property  
Income from sub-tenants  
Income from those outside the household paying towards rents/mortgages  
Educational grants  
Student loans  
Parental contributions to students  
Free welfare milk, school meals and school milk (assigned to the Head of the Benefit Unit)  
Trade union sick or strike pay (other than that received in a lump sum)  
Friendly society benefits (other than those received in a lump sum)  
Benefits from unemployment/redundancy insurance (other than those received in a lump sum)  
Benefits from private sickness schemes (other than those received in a lump sum)  
Benefits from accident insurance (other than those received in a lump sum)  
Benefits from hospital savings schemes (other than those received in a lump sum)  
Benefits from permanent health insurance (other than those received in a lump sum)  
Government training scheme allowances  
plus children's income from Trusts

The full derivation of these variables are available on request from InfD IM1, at the address listed in the Introduction.

### **Stakeholder pension**

Stakeholder pensions were introduced in April 2001. They enable those without earnings, such as non-earning partners, carers, pensioners and students, to pay into a pension scheme. Almost everybody up to the age of 75 may take out a stakeholder pension and it is not necessary to make regular contributions.

### **Standard Occupational Classification**

The latest edition of the United Kingdom's official occupational classification, revised, updated and published in June 2000.

### **State Second Pension (formerly SERPS)**

Available to individuals who satisfy contributions conditions. It does not have to be claimed separately from the basic Retirement Pension and is not affected by the receipt of other income.

Calculation of benefit is by reference to earnings from 6 April 1978 or the start of working life, whichever is later. Individuals can contract out of the State Second Pension as part of an occupational pension scheme or personal pension scheme.

### **State support**

A person is in receipt of state support if they receive either a social security benefit or a payable tax credit.

### **Stocks and shares**

Includes bonds, debentures and other securities which are usually bought and sold on the financial markets. Bonds issued by foreign governments and local authorities are also recorded here.

A share is a single unit of ownership in a company. 'Stocks' is the general term for various types of security issued by companies to attract investment in the form of loans. Member of share clubs are included with those owning stocks and shares.

### **Tenure**

#### Rented from Council

Includes all cases where the local authority is the landlord (except where accommodation is part of job), or where rented unfurnished property is owned by a New Town Development Corporation or the Scottish Special Housing Association. In the case of Northern Ireland 'Council' refers to the Northern Ireland Housing Executive

#### Rented from Housing Association

Includes all housing associations except those under "rented from Council" and where accommodation is part of job.

#### Rented privately – furnished

Also includes rent free cases.

#### Rented privately – unfurnished

Also includes cases where respondents were occupying their accommodation rent free. Unfurnished includes the answer "Party Furnished".

#### Buying with a mortgage

Includes local authority and housing association part-own/part-rent, and co- and shared ownership arrangements.

#### Owned outright

Households who have paid off any mortgage or loan used to purchase the property. These households may have other loans secured on their property for which information is collected on the FRS. However, these payments are excluded from housing costs.

**TESSA**

Tax Exempt Special Savings Account. Usually arranged via a bank or building society. Lasts for five years and, provided the savings are left there for that time, interest earned will be tax free. Interest usually credited annually. No new TESSAs could be taken out from 6<sup>th</sup> April 1999, but those already held are able to run their five-year course.

**Total weekly benefit unit income**

Weekly income from all sources for all adults and children in the benefit unit.

The full derivation of this variable is available on request from InfD IM1, at the address listed in the Introduction.

**Total weekly household income**

Weekly income from all sources for all adults and children in the household.

The full derivation of this variable is available on request from InfD IM1, at the address listed in the Introduction.

**Total weekly individual income**

Weekly income from all sources for an adult.

The full derivation of this variable is available on request from InfD IM1, at the address listed in the Introduction.

**Type of accommodation**

A semi-detached house is defined as one of a pair which are joined together. A house at the end of a terrace is defined as a terraced even if there are only three houses in the terrace. Houses which are joined only by a garage are defined as detached.

**Unit trusts**

A collective, managed investment in the financial markets. Investors buy 'units' of a fund that invests in shares, stocks, Gilts, etc. Interest (the 'dividend') is paid net of tax, usually half yearly.

**War Disablement Pension**

Social Security benefit provided for people who were disabled in the Armed Forces between 1914 and 1921 or any time after 2 September 1939. Paid at a rate which varies according to the degree of disablement.

For more information see <http://www.ssani.gov.uk>

**War Widow's Pension**

Social Security Benefit provided for widows of servicemen who died as a result of service in HM Forces. The standard rate of pension may be paid if the widow has a dependent child or is over 40 or is incapable of self support. The lower rate is paid to childless widows under the age of 40.

For more information see <http://www.ssani.gov.uk>

**Weekly travel costs**

Travel to work costs are based on the number of round trips per week. Adults are only asked about their main method of transport and costs are collected on all methods of transport except walk/cycle or "other". Public transport costs are calculated using the costs of bus passes or season tickets, recorded fare, contributions to drivers of shared cars, or on costs per mile of journeys in cars or on motorcycle. DWP rates for costs per mile have been used.

**Widowed Mother's Allowance/Widowed Parent's Allowance**

A widow/widower is eligible for National Insurance Widow's benefits if her/his late husband/wife met the contributions conditions. Widowed Mother's Allowance/Widowed Parent's Allowance can be paid to a widow/widower as long as she/he is entitled to Child Benefit for at least one qualifying child, or she is pregnant by her late husband, or in certain cases of artificial insemination. Child dependency increases are paid for each child.

For more information see <http://www.ssani.gov.uk>

**Widow's Benefits/ Bereavement Benefits**

Widow's Benefits/ Bereavement Benefits include the receipt of Bereavement Allowance/ Widow's Pension, Widow's Mother's Allowance/ Widowed Parents Allowance or Bereavement Payment/ Widow's Payment. See Bereavement Benefits for further details.

**Widow's Payment**

See Bereavement Payment.

**Widow's Pension**

See Bereavement Allowance.

**Working**

Those with an employment status of full or part time employed or full or part time self-employed.

**Working Age**

Those aged 20 and over, and under pension age

**Working Families' Tax Credit (WFTC)**

A tax credit payable to working families depending on their circumstances. It replaced family credit for awards starting the first week of October 1999. The Inland Revenue administers it. The claimant or partner must be working at least 16 hours per week. From April 2003, WFTC was replaced by Working Tax Credit. For more information visit <http://www.taxcredits.inlandrevenue.gov.uk>.

**Working Tax Credit**

Working Tax Credit is a payment to top up the earnings of working people on low incomes, including those who do not have children. There are extra credits for those recipients in working households where someone has a disability. Working Tax Credit is available to employees and the self-employed, and includes support for the costs of qualifying childcare, thus replacing Childcare Tax Credit. For more information visit <http://www.taxcredits.inlandrevenue.gov.uk>.



# Family Resources Survey

*Northern Ireland*

**2004-05**

The Family Resources Survey collects information on the incomes and circumstances of private households in Northern Ireland. It has been running in Great Britain since October 1992, but 2002-03 saw the introduction of Northern Ireland for the first time. This report summarises the results for 2004-05 in which 1927 households were interviewed.

Although the NI FRS is specifically of interest to DSD, other government departments and outside researchers and analysts from a wide range of disciplines in both the public and private sectors, will benefit from the availability of such a data source.

The report is divided into sections covering: Household Characteristics; Income and State Support Receipt; Tenure and Housing Costs; Assets and Savings; Carers; Occupation and Employment; Local Government District and Deprivation Indicators.

This report can be found on:  
**[www.dsdni.gov.uk](http://www.dsdni.gov.uk)**

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