



Income and earnings by constituency: availability of data

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Members of Parliament often express interest in incomes at a local level, and at the Parliamentary constituency level in particular.

However, limited income statistics are available for smaller geographies, such as constituencies. This note outlines what is available at the constituency level; part [1.3](#) outlines sources of constituency level average income data that have been provided through written answers to Parliamentary Questions.

Related standard notes include *Poverty: Regional statistics* ([SN/EP/4627](#)). Note: Additional information on statistics available at the country/region level will be added to this note in due course, in the meantime please contact the author for regional figures.

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1 Incomes statistics

1.1 What is available?

Although the terms 'earnings' and 'income' are often used interchangeably, earnings refer only to one's income received from paid work. There are other sources of income, such as that from savings and investments, benefits and occupational pensions, in addition to wages.

Income statistics are generally limited either to higher level geographies (such as regions) or by extent (not covering the entire population of a given area). Income statistics are generally

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derived from surveys, and while these surveys are relatively large, they are not normally sufficient to provide sufficiently large sample sizes to allow robust small area statistics to be derived.

1.2 Incomes of income taxpayers

Incomes data are available for UK countries/English regions, local authority areas and parliamentary constituencies (from 2002/03 onwards only) derived from income tax payment information.

These statistics **cover income taxpayers only** any so exclude anyone who does not pay income tax, either because they receive no taxable income or this is below the income tax threshold, and it is unlikely that non-taxpayers will be distributed evenly throughout the UK.

Also, as these data are derived from surveys of income taxpayers (the Survey of Personal Incomes), the sample sizes can be quite small, particularly for individual constituencies, and so the associated sampling error can be quite large, particularly for smaller areas, such that small differences in income may not be statistically significant.

See HM Revenue & Customs (HMRC) statistics [incomes tables](#):¹

3.13 income and tax, by UK county and region (from 1999/2000 to 2006/07)

3.14 income and tax by borough and district/unitary authority (from 1999/2000 to 2006/07)

3.15 income and tax by parliamentary constituency (from 2002/03 to 2006/07).

1.3 Constituencies: responses to PQs

Until relatively recently there were no official statistics on average income at the constituency level.²

However, since the beginning of 2008 written answers requesting average income data (and in one case also the local authority district) have been provided with substantive answers.³

These provide average (mean) household incomes for the constituency for 2004/05. The figures are for net equivalised household incomes, measured either before or after housing costs have been deducted from income.

As the PQ responses note, this is a measure commonly used for poverty statistics. Equivalisation refers to the process used to translate income into a better measure of relative living standards, by effectively converting all households' incomes into the equivalent for a household made up of two adults and no children. Importantly, these figures do not equate to actual, money or 'cash values' of income (apart from for the reference household type for the equivalisation process, of two adults with no children), and must be converted into various different amounts depending on the household type. In general terms, this measure

¹ In each case, table number plus 'a' in each case gives the confidence intervals for those figures since 2002/03

² See [HC Deb 20 March 2003 c911W](#)

³ Leeds West constituency (and Leeds Metropolitan District) ([HC Deb 25 Jun 2008 cc397-8W](#)), Houghton & Washington East constituency ([HC Deb 28 Jan 2008 c123W](#)) and Cleethorpes constituency ([HC Deb 8 Jan 2008 c502W](#)).

is not best suited to situations where actual (cash) income levels are relevant, such as benefit receipt, student grant awards, etc. As one PQ response states:⁴

Equivalised household incomes are used as a proxy for living standards. Incomes are equivalised to account for household size and composition, and the members of each household are assumed to benefit equally from the household's income. Average household incomes are calculated by assigning the household income to all members of the household, and averaging among individuals.

These figures were produced by statistical modelling by the Office of National Statistics (ONS) as 'experimental statistics', i.e. "in the testing phase and are not fully developed".⁵ "they have been developed in accordance with the principles set out in the National Statistics Code of Practice but have yet to be fully accredited as National Statistics."⁶

Some data had been produced previously on a ward basis for 2001/02, but the 2004/05 data are for a newer geographical area the "medium layer super output area" (SOA). The constituency figures are 'built up' from several of these SOAs to form the larger area, then a population-weighted average determined for those SOAs. The same principles were used to reach the local authority area figure. Data for all constituencies has not been published.

The table below shows the information provided so far in PQs for 2004/05:

Average equivalised income by constituency, 2004/05

	Before Housing Costs	After Housing Costs
Leeds West Constituency	340	290
<i>Leeds Metropolitan District</i>	<i>400</i>	<i>350</i>
Houghton and Washington, East	360	310
Cleethorpes	360	340
UK	430	370

- Notes: (1) Income net of income tax payments, National Insurance contributions & Council tax
- (2) Rounded to the nearest £10
- (3) Housing costs include rent (gross of housing benefit), water charges, mortgage interest payments, structural insurance, ground rent and service charges
- (4) based on experimental small area statistics

Source: ONS/Department for Work and Pensions, via PQ responses:
 HC Deb 25 Jun 2008 cc397-8W, 28 Jan 2008 c123W and 8 Jan 2008 c502W

Members seeking information constituency-level data would need to table a Parliamentary Question to obtain data.

1.4 Local Authorities (London): response to PQ

Average income data for London boroughs for 2004/05, on the same basis as the constituency figures as outlined above, has also been published via a written answer (please

⁴ [HC Deb 25 Jun 2008 cc397-8W](#)
⁵ <http://www.statistics.gov.uk/ci/nugget.asp?ID=173>
⁶ [HC Deb 8 Jan 2008 c502W](#)

refer to the explanations in the previous section and the note the footnotes to the table below):

Average weekly equivalised income by constituency, 2004/05

	Before Housing Costs	After Housing Costs
Barking and Dagenham	430	340
Barnet	600	530
Bexley	510	450
Brent	490	410
Bromley	600	540
Camden	630	530
City of London	880	830
Croydon	540	470
Ealing	560	480
Enfield	520	460
Greenwich	500	410
Hackney	450	360
Hammersmith and Fulham	660	560
Haringey	530	430
Harrow	560	490
Havering	510	460
Hillingdon	540	480
Hounslow	550	460
Islington	550	450
Kensington and Chelsea	780	670
Kingston upon Thames	640	580
Lambeth	550	440
Lewisham	510	420
Merton	630	550
Newham	390	300
Redbridge	520	460
Richmond upon Thames	760	690
Southwark	510	410
Sutton	570	510
Tower Hamlets	440	350
Waltham Forest	490	400
Wandsworth	680	580
Westminster	700	590
UK	430	370

Notes: (1) Income net of income tax payments, National Insurance contributions & Council tax

(2) Rounded to the nearest £10. Based on a population weighted average of medium layer super output areas.

(3) Housing costs include rent (gross of housing benefit), water charges, mortgage interest payments, structural insurance, ground rent and service charges

(4) based on experimental small area statistics

Source: ONS/Department for Work and Pensions, via PQ response HC Deb 21 January 2008 cc1569-71W

2 Earnings by Parliamentary constituency

More detailed statistics are available for earnings of individuals than for household incomes, and so these are often used as a proxy measure, although there are important differences between earnings and income.

Average earnings data of employees are available for the region/country, local authority area and Parliamentary constituency (providing both means and medians, and also and earnings

at specific decile points along the earnings distribution) from the Office for National Statistics' *Annual Survey of Hours and Earnings (ASHE)* 2008 and earlier years from:

<http://www.statistics.gov.uk/statBase/product.asp?vlnk=13101>

Data are available on both the basis of where a person lives and where they work.

These datasets also exclude non-wage income, such as investment and savings, and are for individuals only, and not households as for the income data above.