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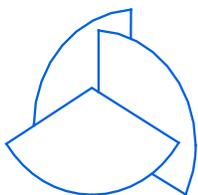
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## **Poverty and Social Exclusion Project**

### **Pensioner Households in Northern Ireland Fiona Scullion and Paddy Hillyard**

**Bulletin No 2 April 2005**



*Northern Ireland*  
**S**tatistics &  
**R**esearch  
a g e n c y

## Introduction

This bulletin describes the social demographic characteristics of pensioners and their living standards. There were 544 pensioner households identified in the Poverty and Social Exclusion Study (PSENI) which was carried out in 2002/2003 - some 27 per cent of all households and embracing 813 persons in the sample.<sup>1</sup> One responsible member of the household was asked to provide information. This person is referred to as the household respondent (HRP). This bulletin examines households with one or more pensioners only and households which include pensioners. The proportion of the different types of pensioner households are as follows:

- Single pensioner - 12% (n=245) households
- Pensioner couple - 7% (n=143) households<sup>2</sup>
- Households with - 8% (n=156) pensioner(s)<sup>3</sup>

These figures correspond with those from the Census of Population 2001 for single pensioner households (13%) and for pensioner couple households (7%). No equivalent figure is available for households with pensioners.

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<sup>1</sup> The PSENI was designed and directed by Professor P Hillyard, Professor E. McLaughlin and Mr M. Tomlinson, Queen's University Belfast. The project originated and was funded by OFMDFM and HM Treasury.

<sup>2</sup> Pensioner Couple - refers to two pensioners living together in the same house with no adults or children.

<sup>3</sup> Households containing pensioners - refers to a household that contains one or more pensioners living with other adults and/or children.

## Demographic Profile

### *Gender*

Some 58 per cent of pensioners are female and 42 per cent are male.

### *Age*

Pensioner's age ranged from 60 to 96 with the average age being 70. The average age of male pensioners is 73 and the average age of females is 70.

### *Marital status*

The majority of pensioners are married and living with their husband or wife (57%) or widowed (29%). Some 8 per cent are single, that is never married, 2 per cent are married and separated from their husband or wife and 4 per cent are divorced.

### *Ethnicity*

The majority of each of the three types of pensioner households has an ethnic composition of White only. Between 2 to 4 per cent of each type of pensioner household was of another/mixed ethnic composition. Due to small numbers of pensioner households with other/mixed ethnic composition this group will not be analysed any further.

### *Religion*

Two thirds (68%) of single pensioner households are Protestant, 27 per cent are Catholic and 5 per cent have another or no religion. These figures are very similar to the Census of Population 2001 figures of 68 per cent and 31 per cent for Protestants and Catholics respectively. This pattern of results was the same for pensioner couple households.

Over half of households containing pensioners (56%) are Protestant, 38 per cent

are Catholic and the remaining 6 per cent have another religion or no religion.

### Education

The average age that pensioner's left school is 14. Two thirds (66%) of pensioners have no qualifications. Some 11 per cent are educated to degree level or higher education, 2 per cent to A-levels, 20 per cent to GCSE A-G or equivalent and 1 per cent have other qualifications.

### Employment

The majority of pensioners are economically inactive (88%) and 12 per cent are economically active.

Of the economically active 10 per cent are employed and the remaining 2 per cent are unemployed.

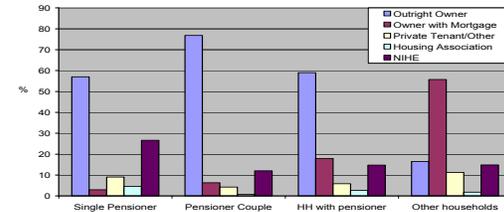
The majority of the economically inactive pensioners are retired (82%), 7 per cent are looking after the home/family, 9 per cent are sick/disabled and 2 per cent are for other reasons.

### Social Class

The Registrar General's classification of social class is based on present or most recent occupation (kind of work done and skill required) and includes six categories: professional, managerial and technical, skilled non-manual, skilled manual, partly skilled and unskilled manual. Some 4 per cent of pensioners are professional, 25 per cent are managerial and technical, 17 per cent are skilled non-manual and 19 per cent are skilled manual. Some 23 per cent are partly skilled and 12 per cent are unskilled manual.

### Tenure

**Figure 1. Tenure and Pensioner Households**



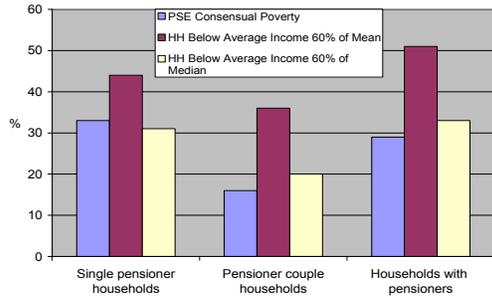
The majority of single pensioners live in houses that are owned outright (57%) or rented from the Northern Ireland Housing Executive (27%). In contrast the majority of pensioner couples (77%) live in households which are owned outright. Households with pensioners are mainly owned outright, owned with a mortgage and rented from the Northern Ireland Housing Executive.

### Pensioners and Poverty

The PSENI study used a number of different measures of poverty. They included the Government's measure of poverty (the proportion of households which fall below a percentage of either the mean or median income) as well as a consensual measure (households lacking three or more necessities). The consensual measure of poverty is used throughout the rest of the bulletin except where otherwise indicated.

The nature and extent of poverty can be described using these different measures from two perspectives. First, it is possible to explore the risk of poverty: what groups are most likely to be poor? Secondly, we can look at the composition of groups which make up the bulk of those who are poor.

**Figure 2. Risk of Poverty and Pensioner Households**



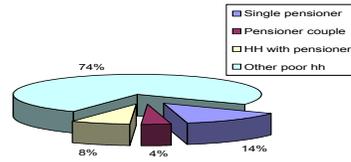
The risk of poverty varies according to the poverty measures used for all three types of pensioner households (Figure 2). Using the PSE measure of consensual poverty, single pensioners are at the greatest risk of poverty (33%) in contrast to pensioner couple households (16%) and households with pensioners (29%). However using the Household Below Average Income at both 60% of the mean and 60% of the median - the standard EU measure of poverty - it is households with pensioners who are at the greatest risk of poverty (51% and 33% respectively).

*Moving in and Out of Poverty*

The study calculated whether households were moving into or out of poverty. Less than 1 per cent of single pensioner households and no pensioner couple households are moving out of poverty. The proportion of households with pensioners moving out of poverty reflects that of all other households (3%).

Some 24 per cent of single pensioner households are moving into poverty in contrast to 12 per cent of all other households. The share of pensioner couple households and households with pensioners moving into poverty is 14 and 18 per cent respectively.

**Figure 3. Composition of All Poor Households**

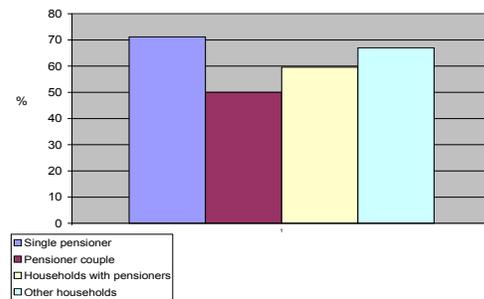


Pensioner households represent 26 per cent of all poor households. Single pensioner household make up the largest share of this proportion (Figure 3).

*Subjective Poverty Measure*

To determine whether or not people felt they were in poverty the HRP was asked “how many pounds a week after tax did you think it is necessary to live on?” They were then asked “how far below that level would you say your household is?”

**Figure 4. Risk of Poverty for those who lived a little/a lot below adequate level of income**



The subjective measure of poverty is significantly related to the consensual measure of poverty for pensioner households. Single pensioners that see themselves as living a little/a lot below the adequate level of income are at the greatest risk of poverty (71%) (Figure 4) in contrast to the other pensioner households and all other households.

Household respondents were asked if they had lived in poverty in the past. Over a quarter of single pensioners (26%) stated they have lived in poverty often/most of the

time in the past in contrast to 17 per cent of HRP's of pensioner couple households and 18 per cent of HRP's of households with pensioners. Single pensioners (53%) and pensioner couple households (52%) that have lived in poverty often/most of the time in the past are at a greater risk of poverty than households that contained pensioners (46%).

## Household Income and Assets

### *Income*

Single pensioner households have the lowest average net weekly income. This is less than half that of the average weekly net income for all other households in the general population (Table 1). Weekly income for poor households revealed similar results with poor single pensioner households having the lowest net weekly income.

**Table 1 Average net household income per week**

	<b>HH Income per week (£)</b>
<b>Single Pensioner HH</b>	<b>153.07</b>
<i>Poor Single Pensioner HH</i>	<i>118.23</i>
<b>Couple Pensioner HH</b>	<b>276.40</b>
<i>Poor Couple Pensioner HH</i>	<i>193.68</i>
<b>HH with pensioner</b>	<b>319.45</b>
<i>Poor HH with pensioner</i>	<i>212.03</i>
<b>All Other Households</b>	<b>423.64</b>
<i>All Other Poor households</i>	<i>205.64</i>

Household respondents' (in each of the pensioner households) perception of their adequacy of income to meet basic needs was significantly related to poverty. Risk of poverty is greatest for single pensioners (83%) who believed their income was not enough to meet basic needs in contrast to HRP's of pensioner couple households (62%) and household respondents of households with pensioners (65%).

### *Other sources of money*

Household respondents were asked about other sources of money they may have received in the last twelve months, these include interest from savings/bank accounts and income from stocks/shares and lump sum payments. Some 22 per cent of single pensioners received interest on savings/bank accounts; of these over half (56%) received £800 or more in the last twelve months. This suggests that some 8 per cent of single pensioners may have more than £20,000 in savings with interest rates at 4 per cent per year.

Twenty-six per cent of HRP's from pensioner couples gained interest on savings/bank accounts and of these over half (55%) received £400 or more in the last twelve months.

Some 9 per cent of single pensioners and 11 per cent of HRP's of pensioner couple households received an income from shares/stocks/bonds. Some 11 per cent of HRP's from pensioner couple households and 4 per cent of single pensioners have received lump sum payments from sources such as inheritance; lottery wins or proceeds from sale of land/property.

### *Assets*

Household respondents were asked questions on their assets; items included capital value of their house, a car, second home/holiday home, land and a boat.

The capital value of a dwelling was calculated for homes that were owned outright and with a mortgage. Some 376 pensioner households – 69 per cent of all pensioner households were included in the analysis. Some 63 per cent of pensioners live in households with a value of under £100,000 and 15 per cent live in a house with a capital value of £100,000-£124,999. Six per cent live in houses worth between £125,000 & £149,999 and 16 per cent live in houses worth £150,000 or more.

A third of single pensioners and 83 per cent of HRPs of pensioner couple households have a car in contrast to 78 per cent of HRPs of other households. Some 8 per cent of HRPs of pensioner couples and 1 per cent of single pensioners have a holiday home/second home. More HRPs of pensioner couples (6%) own a boat than HRP's of all other households (4%).

Over a tenth (13%) of HRPs of pensioner couples own land in contrast to 5 per cent of single pensioners and 6 per cent of HRPs of all other households, Over half of HRPs of pensioner couples who own land estimate the market value up to £149,999.

The total value of all assets pensioners own was calculated by adding up the capital value of their home and the value of any additional assets they may own such as a second house/holiday home, land, another house and assets worth over £5000.

Forty-three per cent of HRPs of pensioner couples have assets worth over £100,000 in contrast to 21 per cent of single pensioners and 39 per cent of HRPs of all other households.

### **Benefits**

Household respondents were asked a series of questions on receipt of various benefits from the government. A similar proportion - 80% - of single pensioners and HRPs of pensioner couples receive the state pension.

Almost thirty per cent (29%) of single pensioners receive income support in contrast to 6 per cent of HRPs of pensioner couple households.

People with a disability are entitled to a range of benefits. These include: attendance allowance and a disability living allowance including a mobility component and/or care component. There are significantly more single pensioners (36%) in receipt of one or more of these disability benefits than HRPs

of pensioner couples (16%) and HRPs of other households (8%).

Some 9 per cent of single pensioners receive a widow's pension and 11 per cent receive an occupational pension from a spouse. More HRPs from pensioner couples (33%) receive an occupational pension from a former employer than single pensioners (18%). Six per cent of single pensioners and 4 per cent of HRPs of pensioner couples are in receipt of private pension/annuities.

### **III-Health**

All respondents were asked if they had a limiting long-term illness, health problem or disability that limited their daily activities or work. Two thirds of single pensioners and 51 per cent of HRPs of pensioner couples have a limiting long-term illness, health problem or disability in contrast to 27 per cent of HRPs of other households.

Household respondents were asked to rate their state of health. The majority of HRPs of pensioner couples (85%) rate their health as good in contrast to two thirds of single pensioners.

#### *Provision of care*

Household respondents were asked 'Do you provide help or assistance to an adult (e.g. friend, neighbour, relative) who requires special help? Four per cent of single pensioners and of 13 per cent HRPs of pensioner couples provide help to a person

in another household. Some 12 per cent of HRP of pensioner couples provide help to the other pensioner in the household.

### Ill-Health and Poverty

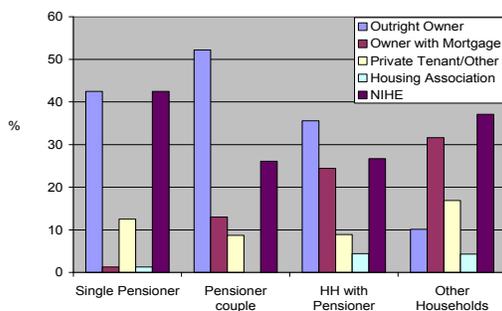
Single pensioners with a limiting long term illness (37%) are at a greater risk of poverty than those HRP of pensioner couples (19%) who have a limiting long term illness.

Pensioners' self rating of health is related to risk of poverty. Single pensioners who stated their health as poor are twice as likely to be at a risk of poverty (46%) than those who stated their health as good (25%). HRP of pensioner couples who stated their health as poor (37%) are more than three times more likely to be at risk of poverty than those who stated their health as good (11%).

### Housing and Environment

The tenure distribution of all households was shown in Figure 1. This section considers the tenure composition of poor households.

**Figure 5. Housing Tenure of Poor Pensioner Households and Other Poor Households**



The majority of poor pensioner couples own their house outright or with a mortgage (Figure 5). In contrast the majority of poor single pensioners and poor households containing pensioners own their homes outright and rent from the Northern Ireland Housing Executive. These patterns of tenure for poor pensioner households differ significantly from all other poor households.

### Area characteristics

Some 31 per cent of single pensioners, 40 per cent of households with pensioners and a similar share of pensioner couples (39%) reside in a rural area/village. Pensioner households in poverty reveal a slightly different picture; 40 per cent of poor single pensioners, 30 per cent of poor pensioner couples and 26 per cent of poor households with pensioners reside in a rural area/village.

Eighty-eight per cent of single pensioners, 93 per cent of HRP of pensioner couples and a similar proportion of HRP of households with pensioners believe the area they live in to be good and this remained the same irrespective of being poor or not poor.

A sub sample of household respondents were also asked about problems in their area, these included poor housing, graffiti paramilitary activity, noisy neighbours and drug use. Fifty three per cent of single pensioners 56 per cent of pensioner couples and 53 per cent of households with pensioners have experienced none of these problems in their area with less than half of each of these experiencing one or more of these problems. In contrast less than half of all other households (43%) have experienced no problems in the area they live in with the remaining percentage (57%) having experienced one or more of these problems.

### Noble Index

The Noble Index is a spatial measure of deprivation for Northern Ireland. It is made up of seven domains, income, employment, health & disability, education, skills and training, access to services and housing stress. These domains are incorporated into an overall measure of deprivation. Wards are ranked according to their level of deprivation and then grouped into five bands from most deprived to the least deprived.

Each household in the PSENI study was allocated into one of the five bands.

Both single pensioner households and pensioner couple households are each distributed evenly across the five bands. Although the numbers are very small there is little relationship for pensioners between the level of deprivation at an area level and the risk of poverty. Single pensioners living in the most deprived wards are at less risk of poverty (41%) while the risk of poverty for those living in more affluent wards is 49 per cent.

For pensioner couple households, those who live in the most deprived wards are at less risk of poverty (22%) than those who live in the second most deprived wards (29%).

### Necessities

Everyone was asked if they possessed a range of items and if they did not, whether it was because they did not want them or because they could not afford them. The items covered seven domains: food, housing, clothes, information, durable goods, personal finances and social activities. Each type of pensioner household was compared to a household with similar living arrangements, for example pensioner couple households with two pensioners living together are compared to all other couple households and so forth.

Single pensioners on the whole are better off in all the domains than single adults except in relation to food. Some 30 per cent of poor single pensioners lack at least one item in this domain because they cannot afford it compared to 26 per cent of single adults.

**Figure 6. Percentage of poor single pensioners and poor single adults who lacked at least one item in each domain because they were unaffordable.**

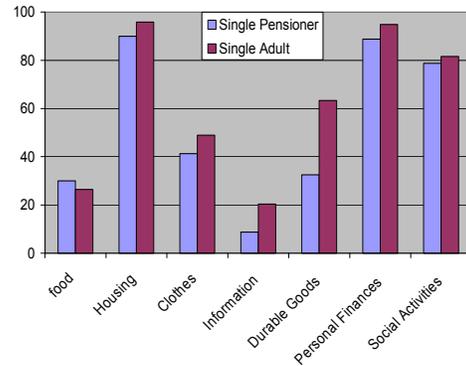
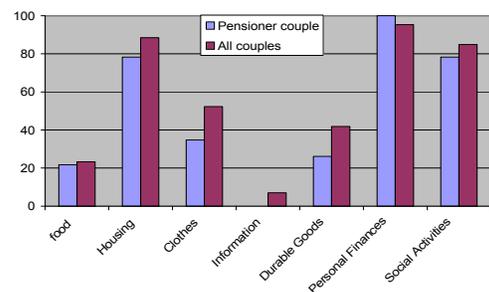


Figure 7 indicates more poor pensioner couples lack at least one item in the domain of personal finances than all other poor couple households because they are unaffordable. More poor couples lack at least one item in the remaining six domains due to lack of money than poor pensioner couples. For example, in the domains of clothes and durable goods there are twice as many poor other couples that lacked one item due to lack of money than poor pensioner couples.

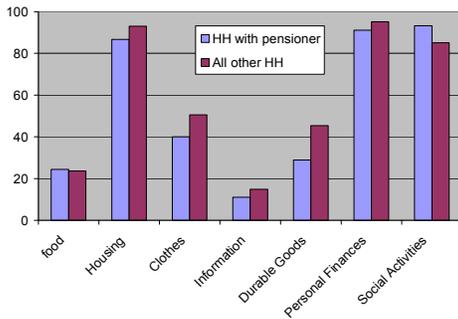
**Figure 7. Percentage of poor couple households who lacked at least one item in each domain because they were unaffordable.**



More poor households with pensioners lack at least one item in the domain of social activities than all other poor households. In contrast there were twice as many other poor households that were deprived of at least one item in the domain of durable goods than poor households with pensioners because of lack of money (Figure 8).

contrast to 52 per cent of poor single pensioners, 52 per cent of poor pensioner couples and 69 per cent of poor households with pensioners.

**Figure 8. Percentage of poor households with pensioners and other poor households who lacked at least one item in each domain because they were unaffordable.**



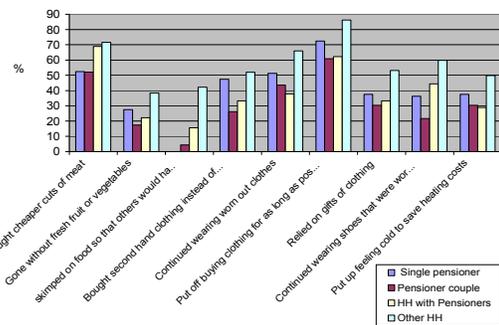
This analysis suggests that while all pensioners may lack items in the seven domains of adult necessities they may not attach such importance on them than households in the younger age groups.

### Economising

Household respondents were asked if they have economised on items related to food, clothes, dentist/doctor, utilities and social activities. All items indicated in Figure 9 and Figure 10 are significantly related to pensioners and poverty.

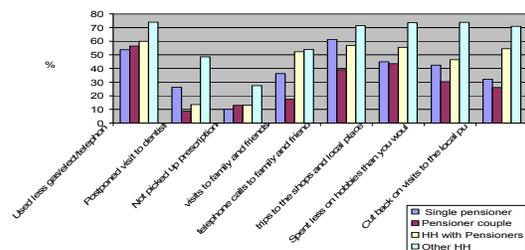
There are more other poor households economising on items related to food and clothing than poor pensioner households (Figure 9). For example 72 per cent of other poor households bought cheaper cuts of meat or less than they would like to in

**Figure 9. Poor households and economising**



A higher proportion of other poor households economise on items related to utilities and social activities than poor single pensioners or poor pensioner couples (Figure 10). For example some 74 per cent of other poor households spent less on hobbies than they would have liked in contrast to 30 per cent of poor pensioner couples, 43 per cent of poor single pensioners and 47 per cent of households with pensioners.

**Figure 10. Poor households and economising**



### Debt

Household respondents were asked if they have ever borrowed money from various sources; these include family, friends, moneylenders and pawnbrokers. Some 4 per cent of single pensioners have borrowed money from their family with 1 per cent borrowing money from the remaining sources. In contrast no pensioner couples have borrowed money from any of these sources.

Household respondents were also asked if they have ever been disconnected from utilities including gas, electricity and telephone because they could not pay the bills. The majority of single pensioners (99%) and pensioner couples (99%) and households containing pensioners (97%) had never been disconnected from any of these items.

### Social Exclusion

People may suffer social exclusion for a variety of reasons. This section of the analysis focuses on those excluded from public and private services. A sub-sample of household respondents was asked if they used a range of services. If they answered 'yes' they were then asked whether they believed them to be adequate or inadequate. If they answered 'no' they were asked the reason why not. Two aspects of social exclusion were analysed for public and private services:

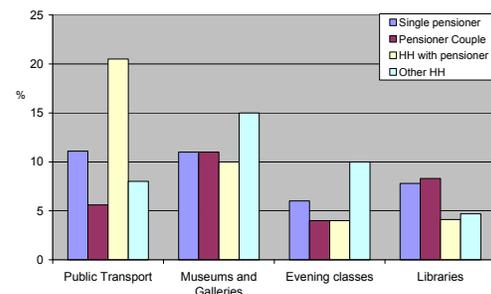
- (i) Collective exclusion - where services were unavailable or unsuitable to everyone in a certain area.
- (ii) Individual exclusion - where services exist but individuals cannot use them because of lack of money.

#### Public services

Figure 11 indicates there are significantly more households with pensioners that do not use public transport because it is unavailable or unsuitable than other types of pensioner

households and other households. In contrast there are significantly more other households that do not use museums and galleries and evening classes because they are unavailable or unsuitable than pensioner households.

**Figure 11. Collective exclusion from public services**



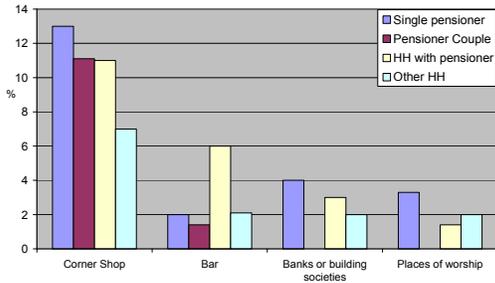
Pensioner couples are able to avail of all public services. This is also indicated for households with pensioners (excluding the service of public transport where 1 per cent did not use the service because they could not afford it).

No single pensioners or other households are individually excluded from public services of public community village/hall, hospital with A&E, doctor and post office. For the remaining public services less than 3 per cent of single pensioners or other households are individually excluded from any of these.

#### Private services

More single pensioners do not use the services of corner shop, banks or building societies and places of worship than the other pensioner households. However there are three times as many more households with pensioners that do not use the bar as it is unavailable or unsuitable than other pensioner households (Figure 12).

**Figure 12. Collective exclusion from private services**



All pensioner couples are able to benefit of all private services. This is the same for households with pensioners except for the private service of the cinema/theatre where 3 per cent do not use the service because of lack of money. Less than 3 per cent of single pensioners are excluded from the services of cinema/theatre, banks and building societies and the corner shop.

*Usage rates of public and private services*

A usage rate of services was constructed. It was defined as the proportion of households using a particular service (irrespective of whether it was adequate/inadequate) divided by total number of all households.

More pensioner couples use museums and galleries and the library than all other households and types of pensioner households (Figure 13). There are a larger percentage of single pensioners and pensioner couples using public transport and the optician than households with pensioners and all other households.

**Figure 13. Usage rates for public services**

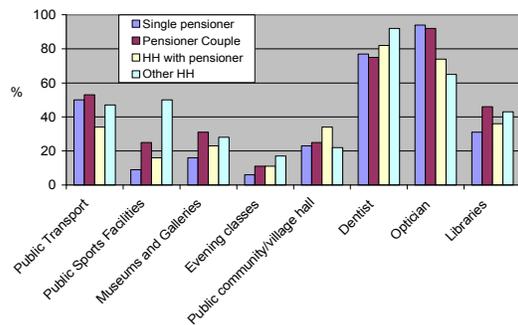
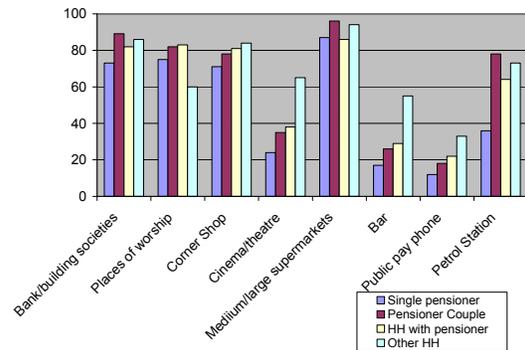


Figure 14 shows more pensioner couples use

banks and building societies, medium to large supermarkets and the petrol station than all other pensioner households and other households in the general population.

Pensioners seem to place more importance on the practice of their religious beliefs and faith than social activities of the cinema or the bar. This can be seen in Figure 15 where there are more other households using the cinema and bar and more pensioner households using places of worship.

**Figure 14. Usage rates for private services**



This section on services shows there is not a great deal of difference in the usage of public and private services between pensioners and other households except in some predictable areas. Examples of these are the use of the medical services by pensioners which can be said to be a product of the ageing process.

*Lack of Social Support*

The level of social support available in times of need is an indicator of social exclusion. A sub-sample of respondents was asked how much support they would receive in certain situations. These items were divided into two categories:

- (i) Practical support – items included help when ill, help with heavy household/gardening jobs, help with caring responsibilities and someone to look after home/possessions when away.

- (ii) Emotional support – items included needing advice about life change, someone to talk to if depressed and someone to talk to about problems with a spouse/partner.

Three levels of support were calculated according to responses to items in each of the categories: good, reasonable and poor support.

More pensioner couples have a good level of emotional support (78%) than single pensioners (71%). This is expected when the factor of living arrangements is considered. The proportion of single pensioners and HRPs of pensioner couples with a good level of practical support was very similar at 68 per cent and 65 per cent respectively.

#### *Civic engagement*

Level of engagement in civic affairs is an indicator of social exclusion. A sub-sample of respondents was asked if they had presently or in the last three years, engaged in a range of activities. Items are related to political activities such as voting in local/general elections and being currently an active member of organisations. Examples of these include political parties, social/community/religious organisations and women's groups.

Significantly more HRPs of pensioner couples (90%) have participated in such activities presently and in the past three years including voting than single pensioners (77%). A different picture of results is indicated when voting is excluded from the range of activities in which pensioner households have engaged. The proportion of single pensioners (41%) and HRPs of pensioner couples (61%) who have engaged in activities decreases. This suggests that voting in local and general elections is an important activity for pensioners.

The only organisation where a notable proportion of HRPs of pensioner households belonged to is that of religious groups and church organisations. Over a fifth of single pensioners (21%) and 30 per cent of HRPs of pensioner couples are a current active member in contrast to 15 per cent of other households in the general population.

#### **The Troubles**

A sub-sample of respondents was asked questions on their experiences of the troubles. Items included questions on knowing somebody that was killed or injured and witnessing serious events in the troubles.

A troubles grouping was created where responses to items related to knowing somebody killed or injured was combined into four categories: knowing nobody killed/injured, knowing someone injured but no-one killed, knowing someone killed but no-one injured and knowing persons both killed and injured.

More single pensioners (73%) have known no one killed or injured in the troubles than HRPs of pensioner couples (67%). A tenth of single pensioners had known someone killed or injured in the troubles in contrast to 4 per cent of HRPs of pensioner couples and 12 per cent of HRPs of all other households.

A witness index was created from the respondents' answers to items on witnessing events during the troubles such as a bomb explosion, gunfire, rioting, a murder, an assault or other serious event. Over half (52%) of household respondents from pensioner couples have witnessed no events during the troubles in contrast to 63 per cent of single pensioners and 42 per cent of respondents from other households.

Similar proportions of single pensioners (29%) and HRPs of pensioner couples (30%) have witnessed one to two of these events and significantly more HRPs of pensioner couples (18%) than single

pensioners (8%) have witnessed three or more.

## REFERENCES

1. Hillyard, P., Kelly, G., McLaughlin, E., Patsios, D. and Tomlinson, M. (2003) *Bare Necessities Poverty and Social Exclusion in Northern Ireland – key findings*, Belfast: Democratic Dialogue Report No. 16

## FURTHER INFORMATION

Further information about the bulletin can be obtained by writing to:

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