

Guernsey Household Expenditure Survey 2005 - 6

Technical Report





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Report design and photographs by Gareth Jones

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POLICY COUNCIL
THE STATES OF GUERNSEY

Guernsey Household Expenditure Survey

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1 Introduction



The RPI Steering Group

Political responsibility for the Guernsey Index of Retail Prices (The Guernsey RPI), was transferred from the (then) Board of Industry to the Advisory and Finance Committee with effect from 1st January 1998. The responsibilities of the Advisory and Finance Committee became those of the Policy Council following the transfer of functions after the machinery of government review. The staff who produce the index are responsible to the Policy Council.

The Guernsey RPI is an important economic indicator, and is used as the basis for a major proportion of Island pay settlements, fees, rents and other charge adjustments. The Policy Council is therefore keen to ensure that the Guernsey RPI is produced without bias to any particular point of view.

To this end the RPI Steering Group was established. Its membership consists of independent persons whose role is to monitor the compilation, calculation and publication of the index by the Policy Council in order to ensure transparency and impartiality in the production of the Guernsey RPI and to provide an independent forum in which to answer queries and discuss matters relating to the production of the index.

As such the RPI Steering Group has worked closely with staff from the Policy Council's Policy and Research Unit in the inception, conduct and analysis of the Household Expenditure Survey. The valuable contributions made by members of the RPI Steering Group during this time is gratefully acknowledged by the staff at the Policy and Research Unit.

Background

This report presents the results of the 2005/6 Guernsey Household Expenditure Survey (HES). Over 1,000 households took part in the survey which asked detailed questions about how households spend their money.

As such the results of the survey provide a rich insight into the spending patterns of Island Households. It is the most comprehensive survey of its kind ever conducted on the Island.

Over a million individual purchases were recorded in the survey, ranging from small items such as a loaf of bread or a newspaper, to large purchases such as a car or a family holiday.

The information provided by the survey has a number of uses. Its primary use is to ensure that the Retail Prices Index (RPI) remains relevant, and that prices and items monitored in the index reflect those actually being purchased. It also ensures that the weights (or relative importance of items and groups of items in the index) reflect household budgets.

The results from the survey will also provide analysis on various social aspects of household spending by breaking the data down into distinct groups of household income and housing type.

1.1 Relevance and timing Issues

The publication of this report occurs some time after the original survey. The reasons for the time taken from the survey to the publication of the report are explained below:

1. The survey is the most comprehensive household expenditure survey ever conducted in Guernsey, with over 1,000 households sampled. This has resulted in a large and complex database which needed to be checked and verified before publication (well over a million individual items of expenditure have been recorded).
2. Opportunity has been taken to convert the existing HES classification system to the international standard framework system known as COICOP.
3. The appointment of an outside contractor, whilst necessary because of the limits on staffing within the Unit, has meant that queries raised by the Policy and Research Unit have taken longer to deal with than if the research had been conducted in-house. The need to maintain confidentiality has been an important consideration.
4. Limited staff resources at the Policy and Research Unit, has meant that the checking and verification of the data and the subsequent analysis of the results and the preparation of this report has been done largely by one person, who needed to fit the requirements of the HES around other work commitments.

Despite the time taken from the collection of the data in the survey to the production of this report, the results will be beneficial in updating the basket of goods and services used in the calculation of the Guernsey RPI. This currently uses data from the 1998/99 HES.

Timing issues have always been a concern in the preparation and use of the results from Household Expenditure Surveys. In the UK, the equivalent survey is conducted on an annual "rolling" basis, such that family spending figures are no more than a year out of date.

It is recognised that the resource in Guernsey is not available to hold an HES every year. Even if one was held, it is likely that survey fatigue amongst Guernsey's relatively small population would quickly set in. Holding a smaller survey every year would be unlikely to yield statistically valid results.

With this in mind, and considering a recommendation from the review of the methodology of the calculation of the RPI in Guernsey (which was conducted by the UK Office for National Statistics), the RPI Steering Group will be reviewing the portfolio of goods and services used within the RPI on an annual basis. The RPI Steering Group will decide whether any adjustments need to be made to the weights within the RPI, based on local knowledge of price changes and spending habits referenced to trends in the UK and elsewhere.

1.2 Notes on the data and tables in this report

The data and tables within this report, unless expressed otherwise, represent average weekly household expenditure on unweighted data. This decision has been taken in order to present the results as found in the survey without further statistical manipulation. See [Appendix 2](#) on page 74 for more information.

The data presented in the tables have been rounded independently. The sum of the component items may not therefore add to the totals shown.

The period covered by the survey was from March 2005 to April 2006.

1.3 Acknowledgements

The Policy and Research Unit would like to thank the 1,004 households and the individuals within those households who took part in the survey, without whom the survey would not have been possible.

2 Overview



- Average total household expenditure was £748.58 per week or £38,926 per annum.
- The highest category of expenditure was on housing at £252.98 per week accounting for one third of the average weekly expenditure
- 10% of average weekly expenditure is on food items.
- The lowest category was Tobacco, at £10.95 per week.

This chapter presents the key findings of the 2005/6 Household Expenditure Survey (HES), and provides an overview of the survey methodology and classifications used throughout the report.

2.1 Definition of a Household

The basic unit of the survey is the 'household', defined as:

... one person or a group of people living at the same address and sharing common housekeeping (defined as sharing meals or a lounge). Lodgers or boarders who have at least one meal a day with the household are included in that household but, as the HES is only concerned with private expenditure, communal households are excluded.

2.2 Data Collection

The fieldwork for the 2005/6 HES was conducted on behalf of the States of Guernsey by BMG Research, a UK based market research specialist. BMG Research was appointed following a competitive tender process for the work in accordance with standard States of Guernsey tendering procedures.

Data were gathered via a process whereby each member of the household completed a number of forms and a personal expenditure diary over a period of 14 days, with one person also taking responsibility for completion of a Household Expenditure record.

All data collected were treated with the utmost confidence, according to data protection rules and the Market Research Society code of conduct. Staff at the Policy and Research Unit were not allowed access to individual forms, and all data presented in this report are aggregated and therefore not attributable to any individual or household. The individual survey forms are retained by BMG Research so that any data queries raised by the Policy and Research Unit can be checked by BMG Research. Following completion of the exercise the individual forms will be destroyed.

The forms completed by each household were:

Personal income

To set the spending information in perspective, detailed questions were asked about the income of each adult (aged over 16) member of the household. This allows each household to be classified by its total income. A number of questions allowing demographic profiling were also included, to allow comparison with the Guernsey census and to check the accuracy of the final sample.

Personal Expenditure

Each adult in the household kept a diary record of expenditure for a fortnight. This included a section on

regular and significant expenditure over the preceding 12 months in order to capture that not occurring within the allocated fortnight.

Household Expenditure

The household reference person completed a form detailing major household expenditure items, including items such as mortgage payments, rent and utilities expenditure.

2.3 Sampling

1,004 households took part in the survey.

Overall, 4,000 addresses were included in the survey sample for fieldwork purposes, representing a response rate of 25.1%. The sample was drawn using the States of Guernsey Digimap address file, resulting in a random selection of addresses from all residential land parcels.

2.4 Survey Process

Enumerators called upon households to invite participation in the survey and, where in agreement, the household reference person was taken through the process of the survey and an appointment made for the enumerator to return to check progress and offer support, if needed, seven days into the fortnight period.

2.5 Data analysis

This process involved the data entry, checking and verification of over a million individual items of expenditure. It was therefore an extensive piece of work and took some considerable time to complete.

The verification process identified any anomalies and these were resolved with reference to the original form. A process was also required in order to convert all spending into the equivalent of weekly expenditure.

Having calculated weekly expenditure by household, individual households are grouped together in order to produce the tables shown in this report. It is possible to group the data together in different ways, including by household income, household tenure, age of household reference person and household composition.

2: Overview

2.6 Average weekly spending

In common with the methodology used in the UK and Jersey, all expenditure items are averaged across all households, including those households where zero expenditure was recorded on a specific item. This means that all households are deemed to pay a proportion of all costs, whether or not that household uses a particular good or service.

2.7 Classification of spending

Total expenditure is broken down into 14 distinct expenditure groups, which are based on the UK RPI's HES (Household Expenditure Survey) codes. These are the current classifications which are used to calculate the RPI and are shown in [Table 2.1](#) below.

Table 2.1
Summary of average household spending by HES category

HES Category	What the category includes	£ per week	% of total spend
1 Food	All fresh, frozen and chilled food brought home, including bread, flour, rice, cereals, meat, fish, vegetables, fruit, salad, dairy products, flavourings and ready cooked meals.	£72.76	9.5%
2 Alcohol	All alcohol either brought home or consumed away from home.	£22.39	1.6%
3 Tobacco	All cigarettes, cigars and tobacco.	£10.95	0.5%
4 Housing	House purchase costs, mortgages, (including mortgage protection policies), rents, major household improvements, household repairs, DIY materials and tools, sewage emptying, tax on rateable value, property charges and maintenance, cadastre and parish rates, water charges and household insurance.	£252.98	32.4%
5 Fuel, Light and Power	Energy consumption in the home - coal, oil, gas and electricity.	£25.18	3.3%
6 Household Goods	Furniture, floor coverings, textiles, appliances, household goods, cleaning materials, pet expenses.	£38.30	5.5%
7 Household Services	Postage, telephones (including mobiles and internet usage), internet costs, domestic services (child minding, cleaning, ironing, gardening, window cleaners), fees and subscriptions, licences.	£47.23	6.0%
8 Clothing & Footwear	Men's, women's and children's clothes and footwear.	£27.71	3.6%
9 Personal goods	Vitamins, cosmetics, hairdressing, beauty treatment, medical expenses, insurance on personal goods.	£37.81	5.4%
10 Motoring	Car purchases, servicing and maintenance, petrol and diesel	£57.83	8.0%
11 Fares and Other Travel	Other vehicle purchases (other than cars and vans), bus, taxi, boat and air fares.	£15.05	3.1%
12 Leisure Goods	Electrical goods, CD's and DVD's, software and other media, books, magazines, photographic goods, gardening goods, games, toys and pastimes.	£44.69	6.0%
13 Leisure Services	Cinema, theatre, concert admissions, admissions to attractions, TV expenses, educational fees and private tuition fees, holiday expenses.	£59.57	8.3%
14 Food Away From Home	Food at work, take away food, food consumed in restaurants and cafes.	£36.15	6.8%
All Weekly Expenditure		£748.58	100.0%

Annual Expenditure £38,926.16

2.8 Household Expenditure

Table 2.1 shows total weekly expenditure in Guernsey broken down by the 14 RPI groups as used in the Guernsey Retail Prices Index (RPI).

The mean total weekly expenditure for all households in the survey was £748.58 per week or £38,926 per annum

Expenditure was highest on Housing at £252.98 per week. The next highest category was Food at £72.76 a week. The lowest category of expenditure was Tobacco at £10.95 per week.

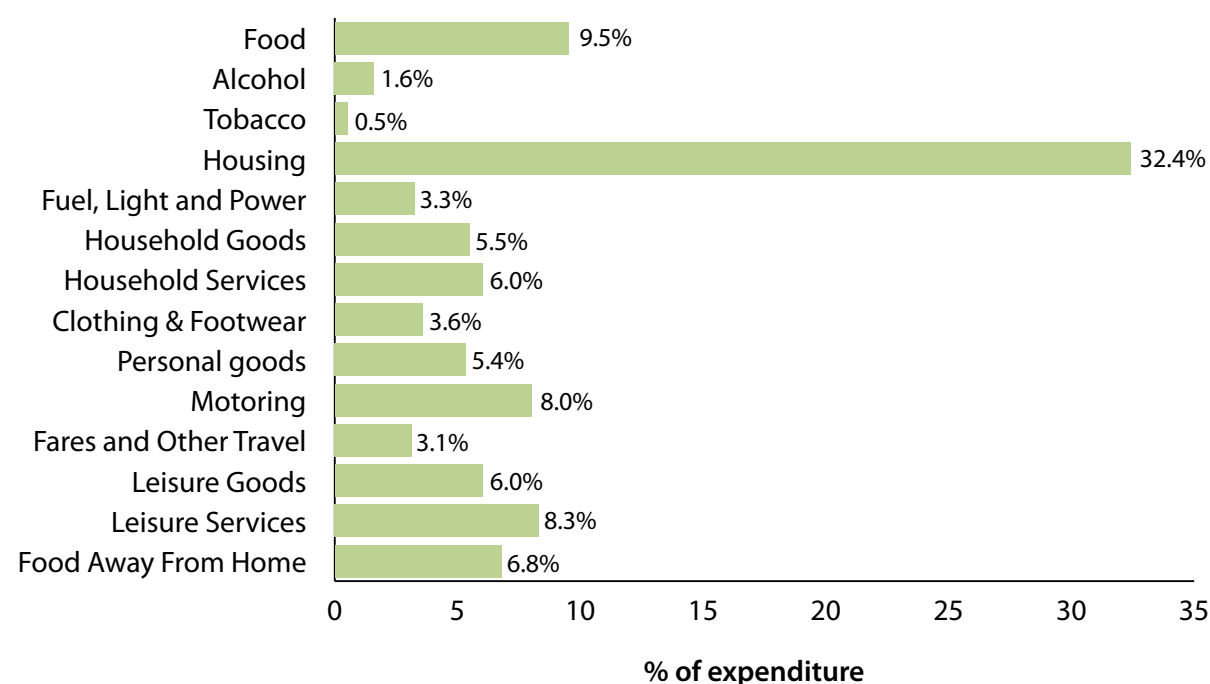
Expenditure on Household Goods, Household Services, Leisure Goods and Leisure Services accounted for £189.79 of household expenditure.

Households spent £36.15 a week on food consumed away from home (e.g. restaurants, cafes) - half the amount spent on Food purchased from supermarkets for example.

Figure 2.1 shows the same data as in **Table 2.1**, but presented graphically. The graph clearly shows that a large proportion of household expenditure is on housing (32.4%).

Major items of spending within the housing group include expenditure on mortgages, household repairs and maintenance, and major household improvements. In Guernsey, the Retail Prices Index (RPI) is used as the main measure of inflation, with a subsidiary index (the RPIX) used to measure inflation excluding the effects of mortgage payments.

Figure 2.1
Percentage Expenditure by RPI group



2.9 The COICOP Classification system

For the majority of this report, the Household Expenditure Classification (HES classification) is used to present the information in the data tables. This therefore links in to the current RPI groups which appear in the quarterly RPI publication. **Table 2.1** and **Figure 2.2** give an overview of what is included in each category.

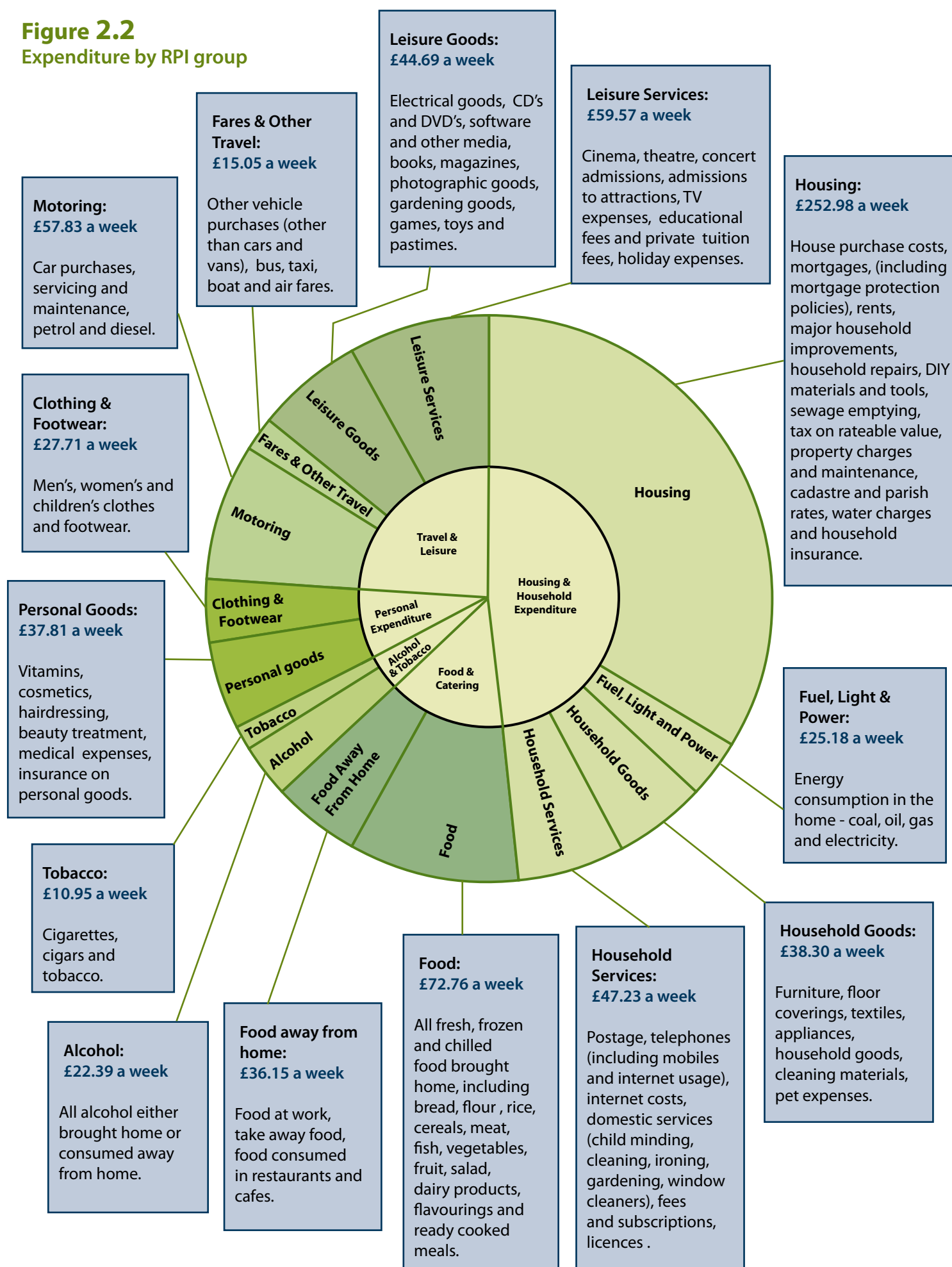
However, the opportunity has been taken to re-code items of expenditure according to the system used by the European Union (EU) and the UK in the calculation of its alternative measure of inflation known as the Consumer Prices Index (CPI). This classification system is known as COICOP (Classification of Individual Consumption by Purpose).

The COICOP coding system is increasingly being used in the UK as the main coding system for consumer expenditure, and is the basis behind the calculation of the Consumer Prices Index (now the preferred measure of inflation in the UK).

Expenditure patterns under the COICOP system are presented separately in **Chapter 8**.

2: Overview

Figure 2.2
Expenditure by RPI group



2.10 Average Household Spending

It is important to note that all expenditure is averaged across all households who took part in the survey, including those reporting zero expenditure on certain items. The effect of this is that all households are deemed to pay a proportion of an expenditure item regardless of whether the household has actually used that good or service.

For example within the housing group, all households are included when calculating rent and mortgage interest, despite the fact that households are likely to be paying either rent or a mortgage but not both. It is important to understand this conceptual convention when looking at the tables presented in this report.

2.11 Detailed breakdown of average household spending

Average (mean) Household expenditure for all households is shown graphically in [Figure 2.2](#) (left) and in detail in [Table 2.2](#) overleaf. There are a number of interesting points to note from the breakdown of household expenditure and some of these are set out in the box below ([Figure 2.3](#)).

Figure 2.3

Some observations on average household spending

- Average household expenditure on food away from home is approximately half of that spent on food brought home (£36.15 a week compared to £72.76 a week).
- Average household spending was £8.69 a week on wine brought home. When drinking away from home, most spending was on beer (£5.94 a week).
- Of the £72.76 a week spent on food, £9.03 is spent on Fresh meat, £4.33 on fresh vegetables and £5.33 on fresh fruit.
- Average household expenditure on mobile phones was £6.43 a week, compared to £5.28 for land lines.
- Three times as much is spent on women's clothes than on clothes for men (£15.41, compared to £5.09).
- Expenditure on children's clothes was £2.83 a week.
- Average household spending on domestic services was £12.57 a week or 1.7% of total spending.
- £8.70 a week is spent by the average household on sports related activities.
- The average household spends £6.52 a week on TV licence and satellite TV subscriptions.
- The average amount spent on educational fees (including private tuition such as driving lessons or music lessons) (£22.16 a week) was more than that spent on holidays (£20.55 a week).
- The average household spend on pet expenses was £7.25 a week compared to £6.43 on mobile phone charges.

2: Overview

Table 2.2
All Household Expenditure by RPI group

Weekly spend (£)	
Number of Households	1,004
Unweighted data	All Households
ALL FOOD	72.76
Bread	3.95
Flour	0.41
Biscuits	1.40
Cakes	2.43
Pasta/Rice/Cereals	2.36
Fresh Meat	9.03 Highest
Cooked meat/meat products	3.04
Frozen meat	1.13
Seafood	3.27
Eggs	0.64
Butter / Margarine	0.97
Yoghurt	1.97
Milk	3.27
Cream	0.28
Cheese	2.39
Cooking oils / lard/ fat	0.37
Baby Foods/Milk	0.62
Fresh Vegetables	4.33
Fresh Salad	1.01
Tinned/Dried Vegetables	1.15
Frozen Vegetables	0.29
Potatoes and Potato products	3.08
Fresh Fruit	5.33
Canned, dried and frozen fruit	0.41
Sugar	0.35
Marmalades, syrups, jams	0.33
Spreads	0.23
Ice Cream	0.77
Sweets	3.45
Other packaged Foods	3.07
Ready to eat meals	3.20
Flavourings	1.33
Sauces/Chutneys/Pickles	0.99
Tea	0.53
Coffee	0.74
Drinking Chocolate	0.15 Lowest
Fruit Juices	1.63
Soft Drinks	2.84

Weekly spend (£)	
Number of Households	1,004
Unweighted data	All Households
ALL ALCOHOL	22.39
Beers brought home	1.78
Cider brought home	0.36
Fortified wines brought home	0.24
Unfortified wines brought home	8.69 Highest
Spirits / Liqueurs brought home	1.85
Beers away from home	5.94
Cider away from home	0.32
Fortified wines away from home	0.01 Lowest
Unfortified wines away from home	1.71
Spirits / Liqueurs away from home	0.88
Alcoholic drinks with meals out	0.60
ALL TOBACCO	10.95
Cigarettes	9.85 Highest
Tobacco	0.67
Cigars	0.43 Lowest
ALL HOUSING	252.98
House Purchase/Sale Costs	16.61
Mortgage Costs	100.50 Highest
Rents	17.85
Major Household Improvements	65.11
Household repairs and maintenance	25.97
DIY Materials	5.84
DIY Tools	1.30
Sewage Emptying	1.25
Tax on Rateable Value	1.54
Water Charges	4.80
Parish rates (occupiers rates)	2.08
Property Charges	0.40 Lowest
Household Insurance	7.95
Other Housing Expenditure	1.79
ALL FUEL, LIGHT & POWER	25.18
Coal	1.39 Lowest
Oil LESS rebates	9.31
Gas LESS rebates	3.82
Electricity LESS rebates	10.66 Highest

Please note: The data presented in the tables have been rounded independently. The sum of the component items may not therefore add to the totals shown.

Table 2.2 (continued)
All Household Expenditure by RPI group

Weekly spend (£)		Weekly spend (£)	
Number of Households	1,004	Number of Households	1,004
Unweighted data	All Households	Unweighted data	All Households
ALL HOUSEHOLD GOODS	38.30	ALL MOTORING	57.83
Furniture	7.66 Highest	Vehicle Purchases	22.11 Highest
Floor Coverings	1.54	Servicing and repair costs	9.44
House Textiles	2.98	Spares and accessories	2.22 Lowest
Baby equipment	0.62	Fuel Costs (motoring)	12.87
Appliances	3.68	Other motoring costs	11.18
Spare Parts for Electric Goods	0.26		
Reps to Domestic Appliances	0.40	ALL FARES AND OTHER TRAVEL	15.05
China/Glass Pottery	0.90	Other vehicle purchases	2.60
Mirrors	0.22 Lowest	Other vehicle costs	2.55 Lowest
Other Household Goods	5.29	Fares	9.89 Highest
Stationery	2.99		
Tissues/toilet paper	1.18	ALL LEISURE GOODS	44.69
Soap products/washing powder	1.80	Electrical Goods	10.11 Highest
Other cleaning materials	1.54	Parts and servicing for Leisure Goods	1.27
Pet Expenses	7.25	Musical Instruments/Parts	1.02 Lowest
		Software and Media	1.14
ALL HOUSEHOLD SERVICES	47.23	Prerecorded material purchases	3.07
Postage Charges	1.06	Telephone purchases	1.03
Mobile phone charges	6.43	Sports Goods	4.32
Fixed Line Telephone Costs	5.28	Books	2.15
Internet Costs - ISPs	1.95	Newspapers and Magazines	5.21
Other Internet Costs	0.81 Lowest	Games/Toys/Pastimes/hobbies	5.53
Domestic Services	12.57	Photography	2.32
Charges for repairs and cleaning	0.91	Cut Flowers	1.28
Charges and other fees	13.79 Highest	Gardening	6.23
Other Household Services	4.45		
		ALL LEISURE SERVICES	59.57
ALL CLOTHING AND FOOTWEAR	27.71	Cinema/Theatre/Concert admissions	1.08
Men's Clothing	5.09	Sports costs	8.70
Women's Clothing	15.41 Highest	Admission to attractions	0.56
Children's Clothing	2.83 Lowest	TV	6.52
Footwear	4.38	Mooring and hangar fees	0.01 Lowest
		Education / Tuition fees	22.16 Highest
ALL PERSONAL GOODS	37.81	Holiday expenses	20.55
Miscellaneous personal goods	6.85		
Vitamins, Cosmetics, Toiletries	9.78	ALL FOOD AWAY FROM HOME	36.15
Hairdressing and beauty treatment	6.64	Food at work	0.50 Lowest
Medical expenses	14.44 Highest	Meals Out	27.85 Highest
Insurance on Personal Goods	0.11 Lowest	Take Away meals/snacks	7.80
		ALL EXPENDITURE	748.58

3 Expenditure by Household Income



- Average weekly expenditure for those households in the lowest income group was £319.04 per week.
- The highest household income group spent on average £1,189.47 per week which represented the top 20% of income bands.
- The greatest proportion (42%) of households are in the £20,000 to £50,000 income band.
- Median average household income is £41,483 per annum.

Introduction

By definition, the Household Expenditure Survey is primarily focused on how households spend their money. However, as part of the survey, information on Household Income was also collected. This helps to place spending in context since income is the key determinant of how households spend their money.

It follows that the more money available to a household, then the more it will be able to spend. It is therefore

informative to split total household income into equal parts, enabling household spending to be analysed by distinct categories of household income.

The analysis that follows is based upon dividing total household income into five equal categories or “quintiles” each one representing 20% of the distribution.

3.1 Income Sources

Each household member was asked to complete a questionnaire which provided details of personal income. Income categories captured were:

- Total annual gross income from employment or self-employment;
- Income from pensions;
- Non-earned income (benefit income, shares, interest, rental income etc.).

For households comprising more than one person, personal income for all household members was aggregated to provide total annual household income.

3.2 Explaining Income Distributions

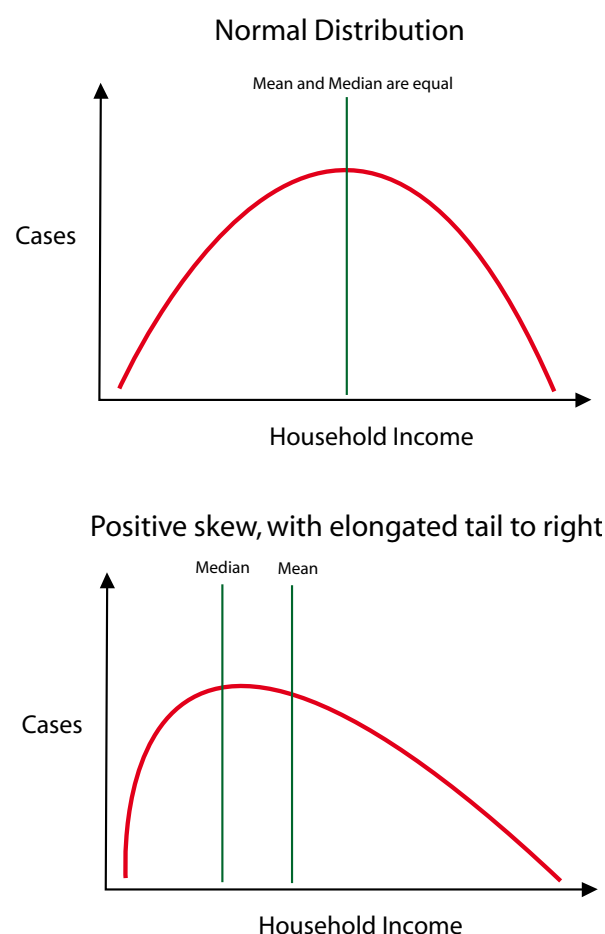
Ordering total household income from the lowest income to the highest income provides an indication of how income is distributed in Guernsey.

The results (*Figure 3.2 overleaf*) show that the shape of the income distribution is not symmetrical, with a positive skew and an elongated tail to the right signifying that a small proportion of the population have significantly higher incomes than the majority. A word of explanation is helpful.

The large difference between median and mean¹ income suggests that in statistical terms the income distribution is skewed to the right, rather than following a “normal” distribution where cases occur evenly on either side of the mean represented by the classic “bell curve”. This means that those households on higher incomes have the effect of increasing “average” household income calculated on a mean basis, but that the average experience or the median value is much lower (*see the illustration in Figure 3.1*).

The income distributions in *Figure 3.2* show that most cases occur in the lower end of the distribution, so that the effect on the graph is to create a long “tail” to the right as values of total household income become higher, but the occurrence of cases become fewer.

Figure 3.1
Normal and skewed income distributions



It should be noted that this income distribution is not unique to Guernsey. It is one that is commonly observed, and indeed is similar to that noted in the Jersey Household Expenditure Survey.

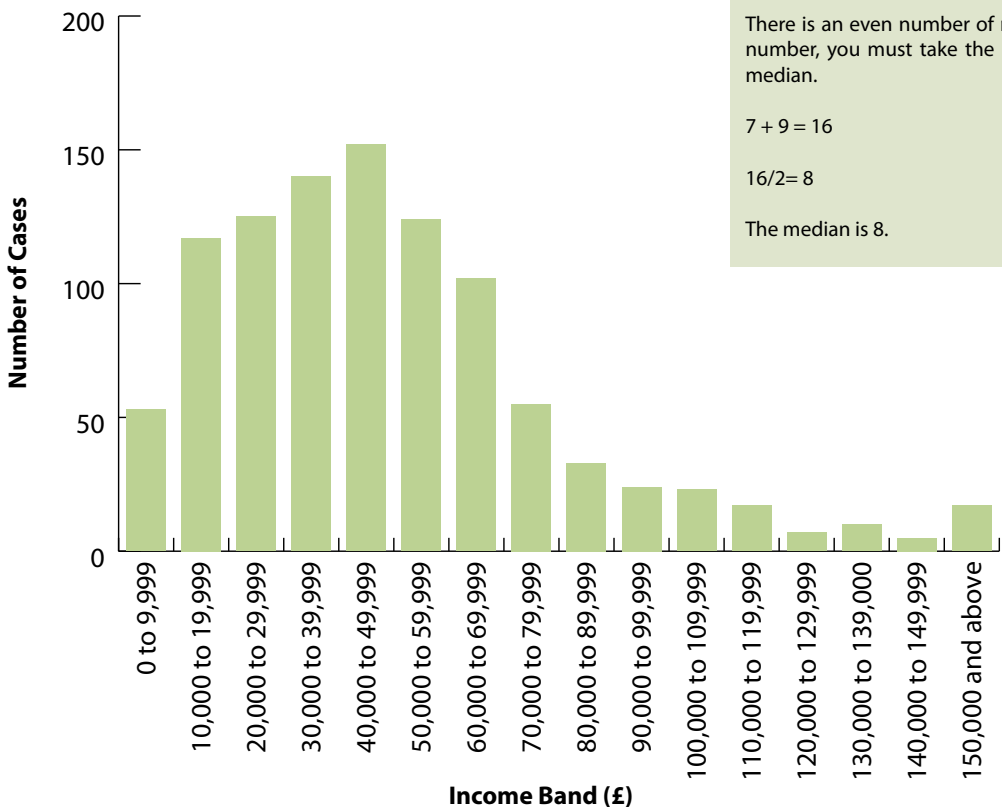
¹See Page 16 for an explanation of the terms “median” and “mean”

3: Expenditure by Household Income

Table 3.1
Total Household Income by Income Bands

Income Band (£)	Number of Cases	Mean	Median	% of Total
0 to 9,999	53	7,425	7,560	5.3%
10,000 to 19,999	117	14,885	14,920	11.7%
20,000 to 29,999	125	25,487	25,663	12.5%
30,000 to 39,999	140	34,577	34,463	13.9%
40,000 to 49,999	152	44,217	44,000	15.1%
50,000 to 59,999	124	54,584	54,637	12.4%
60,000 to 69,999	102	64,316	64,000	10.2%
70,000 to 79,999	55	74,465	74,176	5.5%
80,000 to 89,999	33	85,427	85,637	3.3%
90,000 to 99,999	23	95,053	95,319	2.4%
100,000 to 109,999	23	103,852	103,000	2.3%
110,000 to 119,999	17	113,657	113,000	1.7%
120,000 to 129,999	7	124,360	125,000	0.7%
130,000 to 139,000	10	136,065	136,274	1.0%
140,000 to 149,999	6	147,919	148,147	0.5%
150,000 and above	17	304,788	237,000	1.7%
Total	1,004	49,287	41,483	100.0%

Figure 3.2
Total Household Income by Income Bands



3.3 Household Income Distribution

Table 3.1 and Figure 3.2 show the household income distributions revealed by the Household Expenditure Survey. Total household income has been grouped into bands of £10,000 providing a distribution analysis. Annual household income ranged from a few thousand pounds to over £700,000.

41.5 % of income occurs in the range of £20,000 to £50,000. A significant proportion of households (17%) earn below £20,000. 7.9% of households earned over £100,000. 58.5% of households earn under £50,000.

Mean total household income for all households was £49,287 and median income was £41,484. For an explanation of the terms mean and median see below.

Mean: *This is the average value of a set of numbers.*

To find the mean you must add all of the numbers together, and divide by how many numbers there are. For example in the six numbers below:

$$7 + 9 + 5 + 3 + 15 + 15 = 54$$

$$54/6 = 9.$$

The mean is 9.

Median: *This is the number that is in the middle of your set.*

Numbers are ranked in order from lowest to highest.

That would be: 3, 5, 7, 9, 15, 15

There is an even number of numbers (6 total). Since there is no middle number, you must take the 7 and 9 and take their average to get the median.

$$7 + 9 = 16$$

$$16/2 = 8$$

The median is 8.

3.4 Income Quintiles

Total annual household income has been divided into five equal parts, each representing 20% of the survey cases, ranked in order of increasing household income. There are roughly 200 households in each quintile (see [Table 3.2](#)).

Income Quintile	Number of Cases	Lower end of quintile, household annual income (£)
Lowest	201	2,000
2nd	201	24,000
3rd	201	37,000
4th	201	51,000
Highest	200	69,000
Total	1004	

3.5 Analysis of Expenditure (£ per week)

[Table 3.3](#) on page 18 shows household expenditure patterns by income quintiles and by HES expenditure category. This information is also presented graphically in [Figure 3.4](#) also on page 18. As would be expected, total household expenditure increases with household income.

The lowest 20% of households by income have a weekly expenditure of £319 per week, or £16,590 per annum, compared to the highest 20% who spend £1,189 a week, which equates to £61,852 per annum.

There is significant variation in the amount of expenditure (£ per week) by Household income quintile. Taking the food group as an example, mean expenditure on food by all households was £72.76 a week, with the lowest earning households spending £44.93 a week compared to the £95.40 spent by the highest earning quintile.

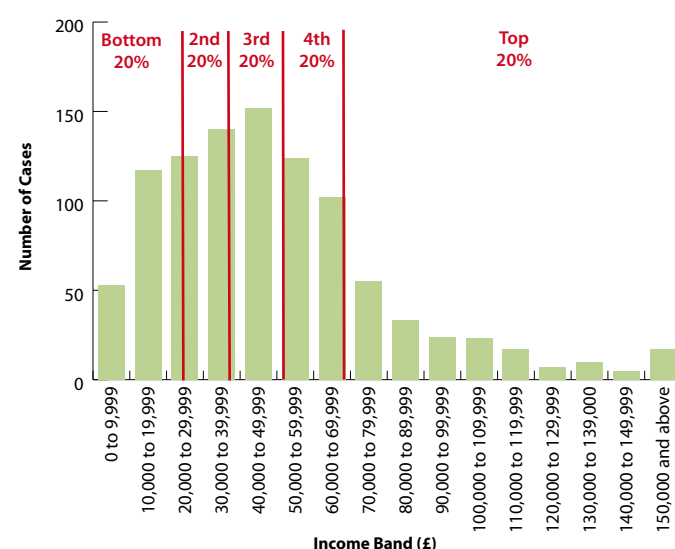
3.6 Analysis of Expenditure (% of total household expenditure)

[Table 3.4](#) on page 19 shows household expenditure patterns expressed as a percentage of total spending. Again these are divided by household income quintile and by HES group.

Unlike expenditure in monetary terms, expenditure categories are more closely matched between income quintiles.

Figure 3.3

Approximate household income quintiles



For instance, in percentage terms, mean expenditure on food was 9.72% of all expenditure for all households. This rose to 14.1% for the lowest earning quintile.

The largest area of household expenditure is in the Housing group, accounting for 33.8% of expenditure across all households. However, expenditure on housing varied from 23.1% for households in the lowest income quintile to 37% of households in income quintile 4.

3.7 Detailed tables of expenditure by total household income quintiles

[Table 3.5](#) on pages 20 to 23 shows a detailed breakdown of household expenditure patterns by total household income quintiles.

3: Expenditure by Household Income

Table 3.3
Household spending by household income quintiles and HES expenditure groups
£ per week

Number of Households	201	201	201	201	200	1,004
Household Income Quintile	Lowest	2	3	4	Highest	All Households
	£	£	£	£		
Food	44.93	62.55	78.97	81.81	95.40	72.76
Alcohol	10.56	18.39	20.51	27.96	34.58	22.39
Tobacco	10.61	12.38	14.21	9.15	8.37	10.95
Housing	73.69	162.01	223.32	334.80	390.20	252.98
Fuel, Light and Power	19.89	22.47	23.99	26.96	32.62	25.18
Household Goods	21.28	26.08	35.38	38.13	70.80	38.30
Household Services	16.13	33.89	45.71	57.18	80.01	47.23
Clothing & Footwear	13.19	19.66	31.21	28.74	45.83	27.71
Personal goods	20.80	31.44	37.48	42.43	56.97	37.81
Motoring	30.19	41.22	53.11	72.81	91.99	57.83
Fares and Other Travel	4.20	10.16	15.86	18.85	26.23	15.05
Leisure Goods	20.06	30.50	42.37	57.90	72.73	44.69
Leisure Services	21.27	36.48	52.51	64.97	122.97	59.57
Food Away From Home	12.24	27.95	35.72	44.17	60.78	36.15
ALL WEEKLY EXPENDITURE	319.04	535.20	710.34	905.86	1,189.47	748.58
All Annual Expenditure	16,590	27,830	36,938	47,105	61,852	38,926

Figure 3.4
Household expenditure by income quintiles (£ per week)

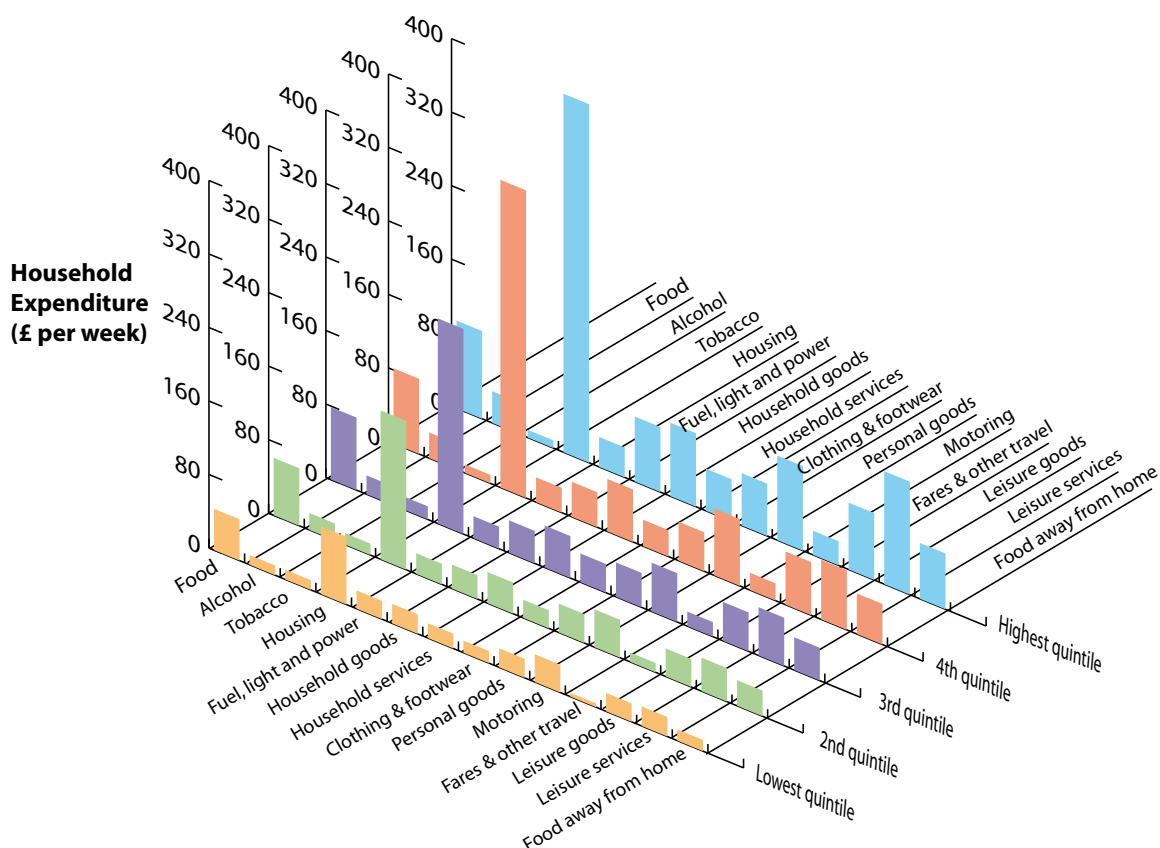
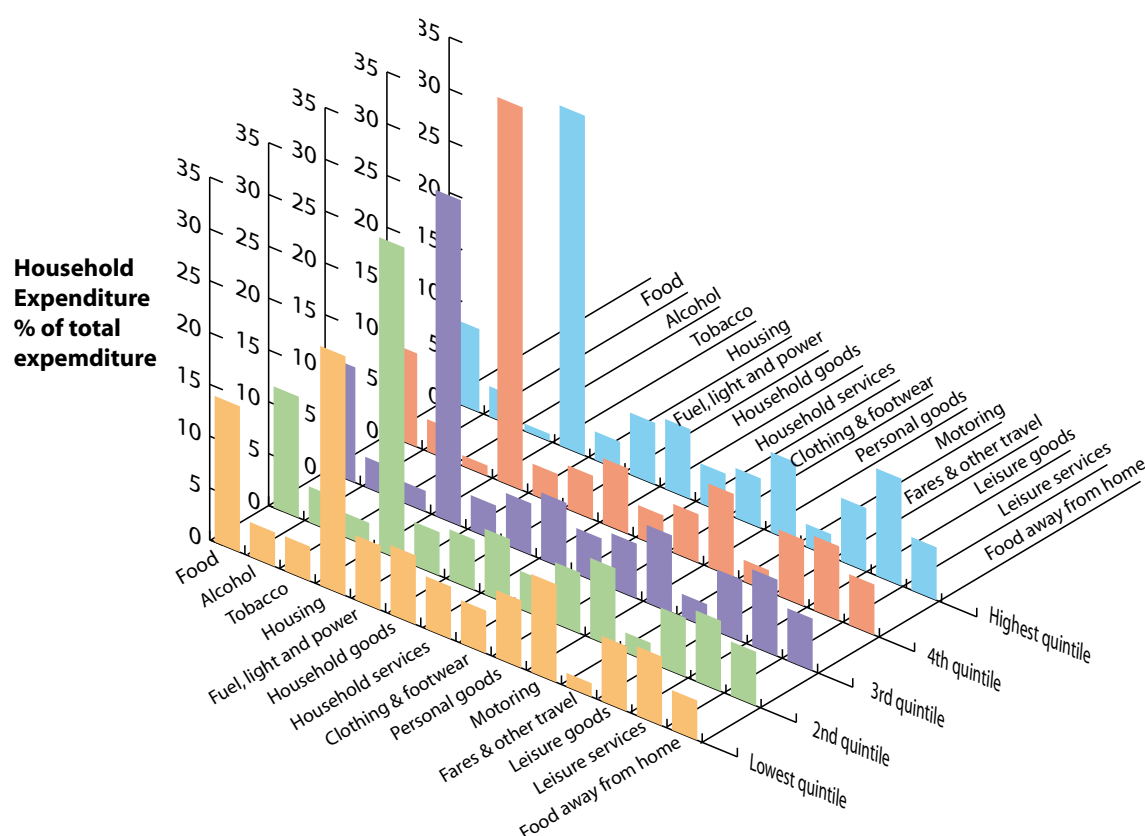


Table 3.4
Household spending by household income quintiles and HES expenditure categories
Percentage expenditure

Household Income Quintile	Lowest	2	3	4	Highest	All Households
Food	14.08	11.69	11.12	9.03	8.02	9.72
Alcohol	3.31	3.44	2.89	3.09	2.91	2.99
Tobacco	3.33	2.31	2.00	1.01	0.70	1.46
Housing	23.10	30.27	31.44	36.96	32.80	33.79
Fuel, Light and Power	6.23	4.20	3.38	2.98	2.74	3.36
Household Goods	6.67	4.87	4.98	4.21	5.95	5.12
Household Services	5.06	6.33	6.43	6.31	6.73	6.31
Clothing & Footwear	4.14	3.67	4.39	3.17	3.85	3.70
Personal goods	6.52	5.88	5.28	4.68	4.79	5.05
Motoring	9.46	7.70	7.48	8.04	7.73	7.73
Fares and Other Travel	1.32	1.90	2.23	2.08	2.20	2.01
Leisure Goods	6.29	5.70	5.97	6.39	6.11	5.97
Leisure Services	6.67	6.82	7.39	7.17	10.34	7.96
Food Away From Home	3.84	5.22	5.03	4.88	5.11	4.83
All weekly expenditure	100.00	100.00	100.00	100.00	100.00	100.00

Figure 3.5
Household expenditure by income quintiles (Percentage of total expenditure)



3: Expenditure by Household Income

Table 3.5

Expenditure by Household Income Quintiles — weekly expenditure (£)

Number of Households Unweighted data	Total household income (Quintiles)					1,004 All Households
	201 Lowest	201 2	201 3	201 4	200 Highest	
ALL FOOD	44.93	62.55	78.97	81.81	95.40	72.76
Bread	2.79	3.69	4.31	4.16	4.80	3.95
Flour	0.33	0.37	0.46	0.34	0.57	0.41
Biscuits	0.86	1.20	1.41	1.55	1.97	1.40
Cakes	1.75	2.17	2.58	2.71	2.94	2.43
Pasta/Rice/Cereals	1.26	1.81	2.60	2.74	3.40	2.36
Fresh Meat	5.05	7.63	10.22	10.20	12.07	9.03
Cooked meat/meat products	1.86	2.75	3.23	3.55	3.80	3.04
Frozen meat	0.70	1.09	1.37	1.37	1.13	1.13
Seafood	2.15	2.63	3.33	3.30	4.92	3.27
Eggs	0.42	0.62	0.70	0.62	0.83	0.64
Butter / Margarine	0.93	0.89	0.97	0.99	1.07	0.97
Yoghurt	1.18	1.68	2.06	2.27	2.64	1.97
Milk	2.47	3.24	3.37	3.15	4.12	3.27
Cream	0.16	0.30	0.30	0.27	0.39	0.28
Cheese	1.20	2.17	2.56	2.93	3.12	2.39
Cooking oils / lard/ fat	0.31	0.27	0.36	0.42	0.50	0.37
Baby Foods/Milk	0.13	0.13	0.51	1.88	0.46	0.62
Fresh Vegetables	2.69	3.59	4.55	4.88	5.94	4.33
Fresh Salad	0.53	0.82	1.17	1.08	1.45	1.01
Tinned/Dried Vegetables	0.69	0.87	1.23	1.16	1.78	1.15
Frozen Vegetables	0.28	0.22	0.30	0.33	0.31	0.29
Potatoes and Potato products	1.68	3.03	3.63	3.49	3.59	3.08
Fresh Fruit	3.60	4.50	5.31	5.40	7.87	5.33
Canned, dried and frozen fruit	0.42	0.32	0.47	0.42	0.40	0.41
Sugar	0.62	0.27	0.28	0.35	0.25	0.35
Marmalades, syrups, jams	0.30	0.28	0.39	0.37	0.33	0.33
Spreads	0.12	0.28	0.29	0.21	0.25	0.23
Ice Cream	0.48	0.62	0.90	0.88	0.97	0.77
Sweets	2.05	3.22	3.67	3.93	4.38	3.45
Other packaged Foods	1.72	2.62	3.67	3.56	3.81	3.07
Ready to eat meals	1.87	2.45	3.57	3.65	4.45	3.20
Flavourings	0.75	1.05	1.58	1.48	1.81	1.33
Sauces/Chutneys/Pickles	0.48	0.78	1.14	1.21	1.35	0.99
Tea	0.46	0.53	0.47	0.49	0.70	0.53
Coffee	0.54	0.68	0.83	0.96	0.69	0.74
Drinking Chocolate	0.12	0.12	0.08	0.09	0.11	0.15
Fruit Juices	0.79	1.26	1.65	1.98	2.48	1.63
Soft Drinks	1.18	2.40	3.46	3.46	3.73	2.84

Table 3.5 (continued)
Expenditure by Household Income Quintiles — weekly expenditure (£)

Number of Households Unweighted data	Total household income (Quintiles)					
	201 Lowest	201 2	201 3	201 4	200 Highest	1,004 All Households
ALL ALCOHOL	10.56	18.39	20.51	27.96	34.58	22.39
Beers brought home	1.03	1.51	1.87	1.86	2.62	1.78
Cider brought home	0.22	0.18	0.53	0.57	0.31	0.36
Fortified wines brought home	0.33	0.32	0.07	0.32	0.19	0.24
Unfortified wines brought home	2.98	6.85	7.69	11.49	14.45	8.69
Spirits / Liqueurs brought home	1.45	1.44	1.64	2.37	2.37	1.85
Beers away from home	1.80	5.67	6.03	7.20	9.03	5.94
Cider away from home	0.60	0.34	0.25	0.11	0.30	0.32
Fortified wines away from home	0.00	0.00	0.00	0.04	0.00	0.01
Unfortified wines away from home	1.40	0.84	0.84	2.10	3.39	1.71
Spirits / Liqueurs away from home	0.24	0.70	1.18	1.10	1.19	0.88
Alcoholic drinks with meals out	0.51	0.55	0.41	0.81	0.73	0.60
ALL TOBACCO	10.61	12.38	14.21	9.15	8.37	10.95
Cigarettes	8.58	10.35	13.73	8.44	8.14	9.85
Tobacco	0.86	1.30	0.35	0.71	0.12	0.67
Cigars	1.17	0.74	0.12	0.01	0.11	0.43
ALL HOUSING	73.69	162.01	223.32	334.80	390.20	252.98
House Purchase/Sale Costs	0.00	0.00	0.00	0.00	1.41	16.61
Mortgage Costs	10.68	48.05	103.11	148.15	192.97	100.50
Rents	19.93	21.52	19.20	13.15	15.42	17.85
Major Household Improvements	13.37	42.79	54.61	107.22	107.76	65.11
Household repairs and maintenance	10.10	21.80	21.60	37.65	38.78	25.97
DIY Materials	2.95	3.67	5.79	7.69	9.11	5.84
DIY Tools	0.60	2.22	1.24	0.77	1.66	1.30
Sewage Emptying	0.65	0.88	1.09	1.47	2.17	1.25
Tax on Rateable Value	1.43	1.30	1.35	1.66	1.95	1.54
Water Charges	3.74	4.27	4.53	5.43	6.03	4.80
Parish rates (occupiers rates)	1.68	1.50	2.28	2.68	2.25	2.08
Property Charges	0.32	0.44	0.28	0.86	0.13	0.40
Household Insurance	8.05	5.86	8.15	7.97	9.71	7.95
Other Housing Expenditure	0.19	7.71	0.09	0.10	0.85	1.79
ALL FUEL, LIGHT & POWER	19.89	22.47	23.99	26.96	32.62	25.18
Coal	1.76	1.90	1.52	0.91	0.85	1.39
Oil LESS rebates	6.15	7.01	7.38	10.49	15.55	9.31
Gas LESS rebates	2.91	4.30	3.95	4.61	3.30	3.82
Electricity LESS rebates	9.06	9.26	11.13	10.95	12.92	10.66

3: Expenditure by Household Income

Table 3.5 (continued)

Expenditure by Household Income Quintiles — weekly expenditure (£)

Number of Households Unweighted data	Total household income (Quintiles)					1,004 All Households
	201 Lowest	201 2	201 3	201 4	200 Highest	
ALL HOUSEHOLD GOODS	21.28	26.08	35.38	38.13	70.80	38.30
Furniture	2.96	2.22	4.82	2.25	26.17	7.66
Floor Coverings	0.65	0.97	1.65	1.61	2.84	1.54
House Textiles	0.98	1.86	1.92	3.37	6.79	2.98
Baby equipment	0.17	0.81	0.55	0.62	0.94	0.62
Appliances	2.66	3.32	3.00	4.06	5.39	3.68
Spare Parts for Electric Goods	0.26	0.36	0.35	0.18	0.13	0.26
Reps to Domestic Appliances	0.80	0.11	0.31	0.62	0.15	0.40
China/Glass Pottery	0.43	0.99	0.91	0.48	1.69	0.90
Mirrors	0.57	0.07	0.43	0.03	0.00	0.22
Other Household Goods	3.03	3.47	4.62	6.21	9.12	5.29
Stationery	1.77	2.41	3.63	3.40	3.75	2.99
Tissues/toilet paper	0.85	1.03	1.41	1.30	1.31	1.18
Soap products/washing powder	1.13	1.74	1.93	2.03	2.14	1.80
Other cleaning materials	1.10	1.07	1.80	1.68	2.06	1.54
Pet Expenses	3.93	5.65	8.05	10.30	8.33	7.25
ALL HOUSEHOLD SERVICES	16.13	33.89	45.71	57.18	80.01	47.23
Postage Charges	0.66	0.85	1.37	0.89	1.52	1.06
Mobile phone charges	2.88	5.30	7.33	7.54	9.10	6.43
Fixed Line Telephone Costs	4.17	4.71	5.93	5.32	6.26	5.28
Internet Costs - Internet Service Providers	0.38	1.24	2.46	2.54	3.13	1.95
Other Internet Costs	0.37	0.81	0.75	1.07	1.03	0.81
Domestic Services	3.75	5.36	8.96	17.59	27.25	12.57
Charges for repairs and cleaning	0.27	0.46	0.39	1.59	1.87	0.91
Charges and other fees	2.03	12.03	14.33	18.59	22.00	13.79
Other Household Services	1.62	3.13	4.19	2.06	7.85	4.45
ALL CLOTHING AND FOOTWEAR	13.19	19.66	31.21	28.74	45.83	27.71
Men's Clothing	1.38	3.02	5.17	5.26	10.66	5.09
Women's Clothing	8.33	11.71	18.81	15.07	23.19	15.41
Children's Clothing	0.91	1.61	2.39	3.93	5.31	2.83
Footwear	2.58	3.32	4.84	4.48	6.67	4.38
ALL PERSONAL GOODS	20.80	31.44	37.48	42.43	56.97	37.81
Miscellaneous personal goods	3.81	3.90	6.23	5.56	14.77	6.85
Vitamins, Cosmetics, Toiletries	4.33	9.54	10.91	11.41	12.70	9.78
Hairdressing and beauty treatment	4.20	4.75	5.22	8.49	10.55	6.64
Medical expenses	8.45	13.23	15.13	16.81	18.58	14.44
Insurance on Personal Goods	0.00	0.03	0.00	0.16	0.38	0.11

Table 3.5 (continued)
Expenditure by Household Income Quintiles — weekly expenditure (£)

Number of Households Unweighted data	Total household income (Quintiles)					1,004 All Households
	201 Lowest	201 2	201 3	201 4	200 Highest	
ALL MOTORING	30.19	41.22	53.11	72.81	91.99	57.83
Vehicle Purchases	11.56	10.47	17.13	30.75	40.75	22.11
Servicing and repair costs	5.75	8.36	8.31	11.04	13.77	9.44
Spares and accessories	1.08	2.05	1.93	3.15	2.92	2.22
Fuel Costs (motoring)	6.36	11.78	14.69	14.01	17.55	12.87
Other motoring costs	5.44	8.56	11.05	13.87	16.99	11.18
ALL FARES AND OTHER TRAVEL	4.20	10.16	15.86	18.85	26.23	15.05
Other vehicle purchases	0.14	1.35	4.13	4.91	2.47	2.60
Other vehicle costs	0.18	1.97	2.40	1.96	6.28	2.55
Fares	3.88	6.84	9.32	11.98	17.48	9.89
ALL LEISURE GOODS	20.06	30.50	42.37	57.90	72.73	44.69
Electrical Goods	7.03	7.02	9.06	13.30	14.13	10.11
Parts and servicing for Leisure Goods	0.03	0.63	0.50	2.95	2.26	1.27
Musical Instruments/Parts	0.04	0.09	0.83	3.24	0.93	1.02
Software and Media	0.70	0.76	1.14	1.35	1.73	1.14
Prerecorded material purchases	0.73	2.68	3.84	3.30	4.82	3.07
Telephone purchases	0.09	0.59	1.15	1.86	1.45	1.03
Sports Goods	0.62	1.60	2.02	6.41	10.97	4.32
Books	0.82	1.55	2.18	1.95	4.29	2.15
Newspapers and Magazines	4.76	4.88	5.39	5.24	5.81	5.21
Games/Toys/Pastimes/hobbies	1.01	4.88	6.61	7.59	7.57	5.53
Photography	0.52	1.74	1.89	2.79	4.69	2.32
Cut Flowers	0.68	1.13	1.33	1.35	1.89	1.28
Gardening	3.04	2.95	6.44	6.57	12.19	6.23
ALL LEISURE SERVICES	21.27	36.48	52.51	64.97	122.97	59.57
Cinema/Theatre/Concert admissions	0.33	0.76	1.80	0.94	1.57	1.08
Sports costs	2.83	5.74	8.30	9.59	17.11	8.70
Admission to attractions	0.20	0.16	0.83	0.42	1.19	0.56
TV	4.42	5.35	7.01	7.11	8.71	6.52
Mooring and hangar fees	0.00	0.00	0.00	0.00	0.03	0.01
Education / Tuition fees	3.53	8.53	14.60	18.75	65.59	22.16
Holiday expenses	9.97	15.93	19.98	28.15	28.76	20.55
ALL FOOD AWAY FROM HOME	12.24	27.95	35.72	44.17	60.78	36.15
Food at work	0.08	0.41	0.64	0.50	0.85	0.50
Meals Out	10.13	20.53	27.21	32.82	48.68	27.85
Take Away meals/snacks	2.03	7.01	7.87	10.85	11.25	7.80
ALL EXPENDITURE	319.04	535.20	710.34	905.86	1,189.47	748.58

4 Expenditure by Tenure



- **Owner occupied households spend the most per week at £759.46**
- **In the highest earning income quintile, the majority of households were owner occupied.**
- **There is little difference in expenditure between owner-occupied households and private rented households.**
- **One third of owner-occupied and private rented households spending is on housing related items, primarily mortgage payments, home improvements and rents.**

Introduction

For the purposes of this report, there are four broad categories of housing tenure consistent with those used in the 2001 Guernsey Census of population and households.

The Survey shows that housing tenure has a major impact on average household spending, with those renting properties tending to have lower incomes than those whose home was owner occupied.

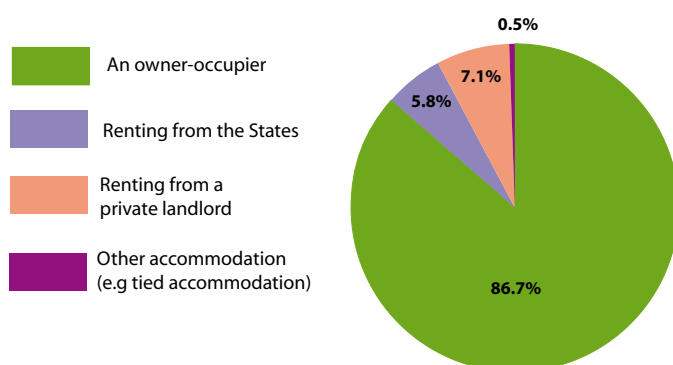
4.1 Tenure profile

The tenure profile from the 2005/6 Guernsey HES recorded a higher proportion of owner occupiers and fewer rental households than the 2001 Census profile (*Table 4.1 and Figure 4.1*)¹.

Table 4.1:
Percentage composition of households by tenure and income quintile

Tenure of Household	2005/6 HES	
	Households	% of Total
An owner-occupier	870	86.7
Renting from the States	58	5.8
Renting from a private landlord	71	7.1
Other accommodation (e.g. tied accommodation)	5	0.5
Total	1,004	100
Tenure of Household (%)	2001 Census	2005/6 HES
An owner-occupier	71.8	86.7
Renting from the States	9.4	5.8
Renting from a private landlord	18.6	7.1
Other accommodation (e.g. tied accommodation)	0.1	0.5
Total	100	100

Figure 4.1:
Profile of tenure types in Guernsey - 2005/6 HES



4.2 Tenure profile – Guernsey and Jersey

Guernsey's housing tenure profile is very different to Jersey's. Jersey has fewer owner occupiers, more households renting and more households in tied accommodation and private lodging houses than in Guernsey (*see Figure 4.2 and Table 4.2*).

It should be noted that there may be differences between the two Islands in how tenure is classified, particularly with regard to the other accommodation category where in Guernsey, lodging houses and hotels were treated as communal establishments and excluded from the survey.

Figure 4.2:
Profile of tenure types in Guernsey and Jersey (HES sample)

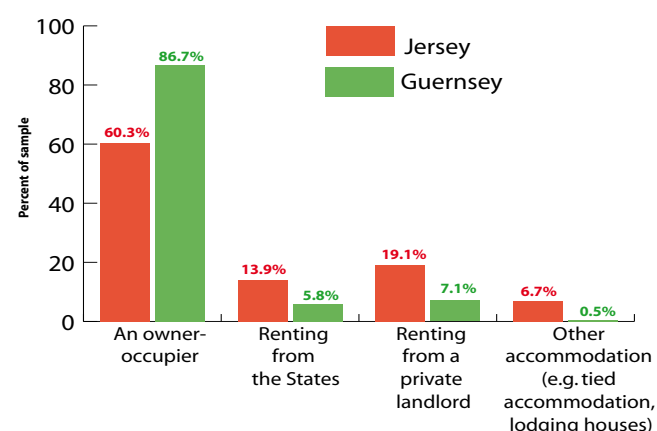


Table 4.2:
Percentage housing tenure profile - Jersey compared to Guernsey (2001 Census)

Tenure of Household	2001 Census	
	Jersey	Guernsey
An owner-occupier	51.1	71.8
Renting from the States	14.1	9.4
Renting from a private landlord	22.1	18.6
Other accommodation (e.g. tied accommodation)	12.7	0.1
Total	100.0	100.0

¹ See Appendix 2 on page 74 for a discussion on the merits or otherwise of using weighted data in this survey

4: Expenditure by Tenure

Table 4.3:
Households by tenure and income quintile (%)

	Household tenure by income quintile				
	Lowest	2nd	3rd	4th	Highest
An Owner-Occupier	74.1%	82.6%	88.1%	93.5%	95.0%
Renting from the States	17.4%	8.5%	2.5%	0.5%	0.0%
Renting from a private landlord	7.5%	8.5%	9.5%	5.5%	4.5%
Other Accommodation (e.g. Tied accommodation)	1.0%	0.5%	0.0%	0.5%	0.5%
All Households	100.0%	100.0%	100.0%	100.0%	100.0%

4.3 Tenure and Household Income

There is a strong link between household income and housing tenure, with those households who are owner-occupiers tending to have higher incomes than those renting their home.

Figure 4.3 shows that the proportion of owner occupiers increases from the lowest to the highest income quintiles. In the lowest income quintile, 25.9% of households are non owner occupiers, whereas in the highest income quintile, only 5% are non owner occupiers.

Figure 4.4 on page 27 shows the tenure type broken down by income quintile. Most households who rent from the States appear in the first and second income quintiles, while most of those who rent from a private landlord appear in the first three income quintiles. For owner occupiers, there is a relatively even distribution over the income quintiles.

Sixty percent of those renting from the States are in the lowest household income quintile, and none in the highest household income quintile.

Figure 4.3:
Percentage composition of household income quintile by tenure type

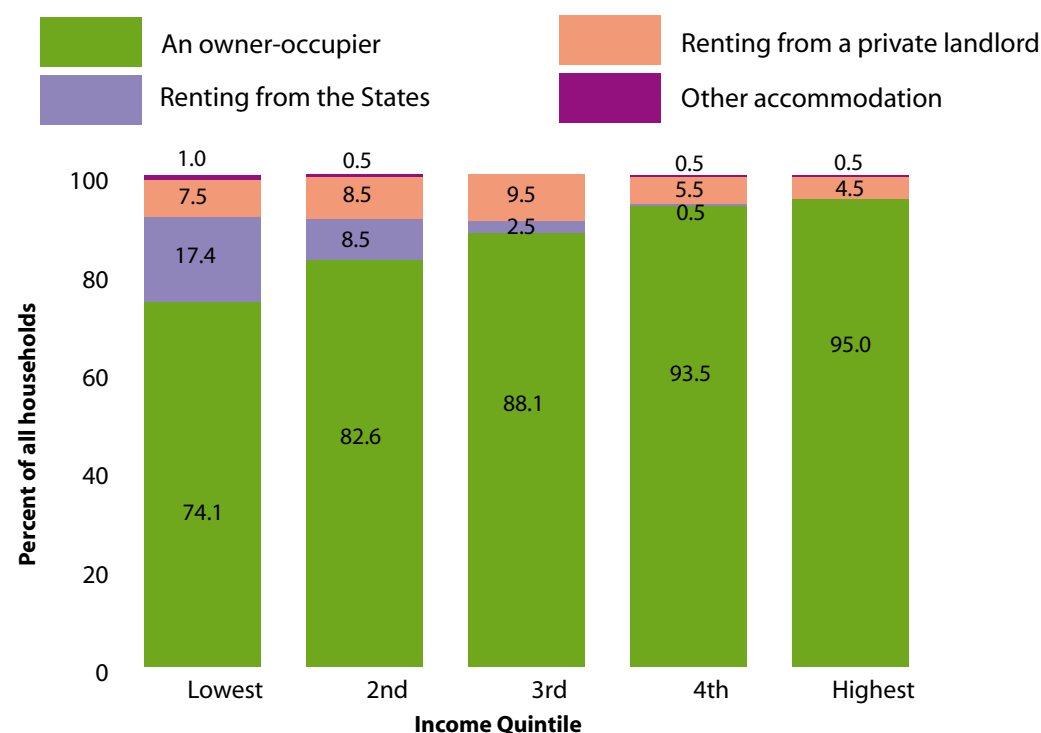


Figure 4.4:
Percentage composition of tenure type by household income quintile

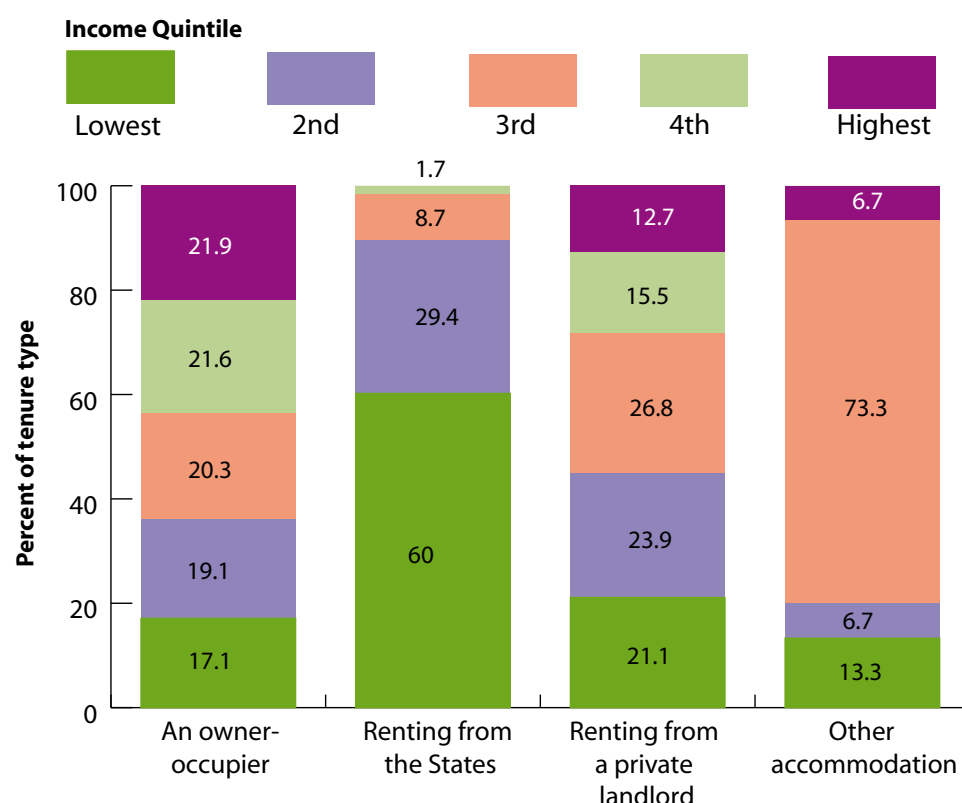


Table 4.4:
Households by tenure and household composition (%)

	Household composition							Total
	Couple (both not pensioners)	Couple with at least one dependent child under 16	Lone Parent with at least one dependent child under 16	Person living alone (not pensioner)	Person living alone (Pensioner)	Two or more pensioners	Other (e.g. Couple with children over 16)	
An Owner-Occupier	27.6%	33.6%	3.6%	7.9%	8.0%	11.0%	8.3%	100.0%
Renting from the States	17.2%	24.1%	19.0%	6.9%	13.8%	8.6%	10.3%	100.0%
Renting from a private landlord	25.4%	38.0%	7.0%	12.7%	4.2%	4.2%	8.5%	100.0%
Other Accommodation (e.g. Tied Accommodation)	0.0%	20.0%	0.0%	60.0%	0.0%	0.0%	20.0%	100.0%

4.4 Tenure and Household Composition

Table 4.4 shows the composition of households compared to household tenure. The type of household will have a significant impact on a household's expenditure.

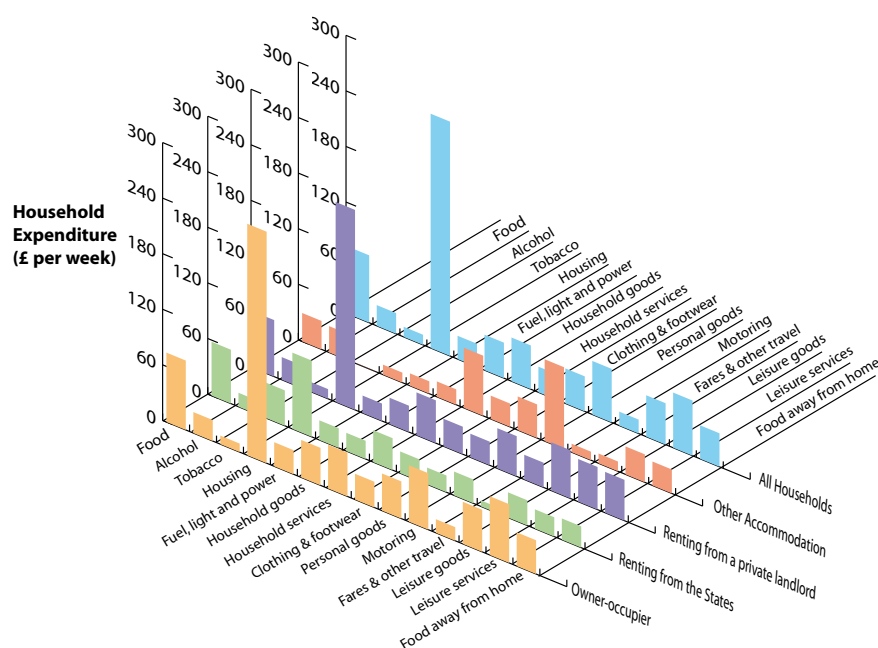
Whilst there is a reasonably even distribution between the different tenure types for couples (both with and without children), lone parents are more likely to be renting a property (either through the States or from a private landlord).

4: Expenditure by Tenure

Table 4.5:
Household expenditure by tenure - £ per week

Weekly spend (£)	Household tenure				
Number of households	870	58	71	5	1,004
Unweighted data	An owner-occupier	Renting from the States	Renting from a private landlord	Other Accommodation	All Households
Food	74.93	58.18	61.04	30.70	72.76
Alcohol	22.67	15.07	24.48	28.47	22.39
Tobacco	9.23	38.23	10.48	0.00	10.95
Housing	249.93	82.34	215.91	10.80	252.98
Fuel, Light and Power	26.03	21.25	18.84	13.35	25.18
Household Goods	40.47	19.71	28.46	16.63	38.30
Household Services	47.28	34.47	46.20	64.96	47.23
Clothing & Footwear	27.84	23.52	29.72	25.20	27.71
Personal goods	40.14	18.07	25.51	36.30	37.81
Motoring	60.97	25.75	43.44	88.39	57.83
Fares and Other Travel	14.70	6.51	26.71	9.17	15.05
Leisure Goods	45.44	27.24	52.15	10.55	44.69
Leisure Services	63.43	20.86	46.06	30.21	59.57
Food Away From Home	36.43	22.96	44.12	25.85	36.15
ALL WEEKLY EXPENDITURE	759.46	414.15	673.13	390.57	748.58
Annual Expenditure	39,492.01	21,535.97	35,002.95	20,309.75	38,926.27

Figure 4.5:
Weekly household expenditure by tenure type
(£ per week)



4.5 Household expenditure by Tenure - £ per week

Tables 4.5 and Figure 4.5 show the breakdown of household expenditure split out by tenure for the major RPI group headings.

Owner-occupiers have a higher expenditure than other household tenure types (£759.46 a week). Those households renting from the States, or living in other accommodation (i.e. staff accommodation / tied accommodation) have the lowest weekly expenditure (£414.15 and £390.57 respectively).

Interestingly, there is only a small difference between expenditure on housing between owner occupiers (£249.93) and those renting from a private landlord (£215.91).

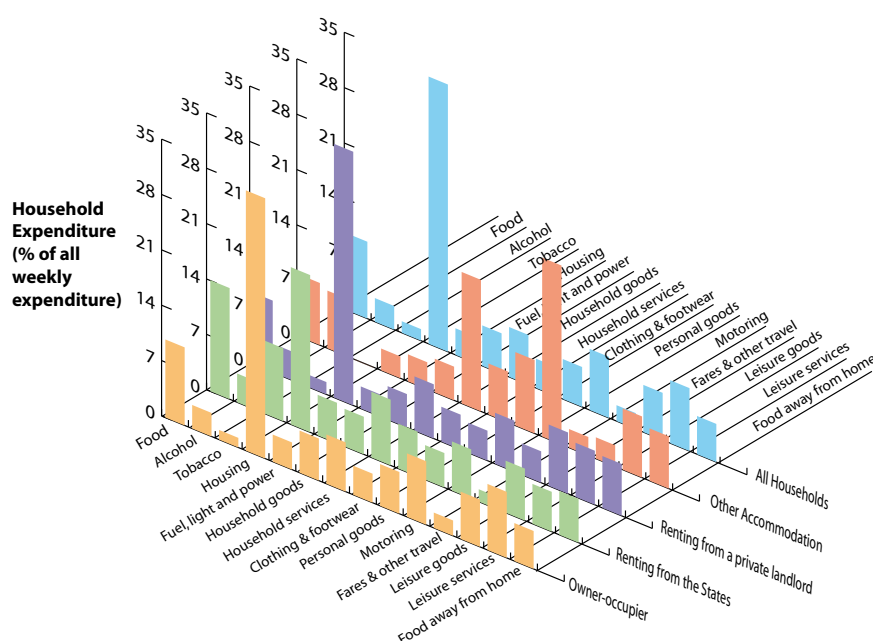
Table 4.6:
Household expenditure by tenure - Percentage of all weekly expenditure

Percentage of all weekly expenditure	Household tenure				
	870	58	71	5	1,004
Number of households	An owner-occupier	Renting from the States	Renting from a private landlord	Other Accommodation	All Households
Food	9.87	14.05	9.07	7.86	9.72
Alcohol	2.98	3.64	3.64	7.29	2.99
Tobacco	1.22	9.23	1.56	0.00	1.46
Housing	32.91	19.88	32.08	2.76	33.79
Fuel, Light and Power	3.43	5.13	2.80	3.42	3.36
Household Goods	5.33	4.76	4.23	4.26	5.12
Household Services	6.23	8.32	6.86	16.63	6.31
Clothing & Footwear	3.67	5.68	4.42	6.45	3.70
Personal goods	5.28	4.36	3.79	9.29	5.05
Motoring	8.03	6.22	6.45	22.63	7.73
Fares and Other Travel	1.94	1.57	3.97	2.35	2.01
Leisure Goods	5.98	6.58	7.75	2.70	5.97
Leisure Services	8.35	5.04	6.84	7.74	7.96
Food Away From Home	4.80	5.54	6.56	6.62	4.83
ALL WEEKLY EXPENDITURE	100.00	100.00	100.00	100.00	100.00

Figure 4.6:
Weekly household expenditure by tenure type
(percentage of all weekly expenditure)

4.6 Household expenditure by Tenure - percentage expenditure

In percentage terms of expenditure, the housing expenditure figures are even closer than for weekly expenditure in £'s (32.91% for owner occupiers and 32.08% for those renting) (see Table 4.6 and Figure 4.6). This suggests that the costs of shelter are similar between the two



4: Expenditure by Tenure

Table 4.7
Expenditure by Household Tenure

Weekly spend (£)	Household tenure				
Number of households	870	58	71	5	1,004
Unweighted data	An owner- occupier	Renting from the States	Renting from a private landlord	Other Accommodation	All Households
ALL FOOD	74.93	58.18	61.04	30.70	72.76
Bread	3.94	4.20	4.05	1.98	3.95
Flour	0.42	0.42	0.31	0.00	0.41
Biscuits	1.46	1.10	0.96	0.35	1.40
Cakes	2.48	2.33	1.97	0.66	2.43
Pasta/Rice/Cereals	2.41	1.78	2.33	1.63	2.36
Fresh Meat	9.44	6.17	6.95	1.25	9.03
Cooked meat/meat products	3.13	2.71	2.30	1.40	3.04
Frozen meat	1.15	1.29	0.81	0.37	1.13
Seafood	3.47	1.65	2.16	1.32	3.27
Eggs	0.66	0.47	0.49	0.33	0.64
Butter / Margarine	0.99	1.01	0.79	0.10	0.97
Yoghurt	2.05	1.24	1.60	1.09	1.97
Milk	3.26	3.76	3.08	1.32	3.27
Cream	0.30	0.24	0.18	0.30	0.28
Cheese	2.49	1.45	2.04	1.47	2.39
Cooking oils / lard/ fat	0.39	0.26	0.16	0.26	0.37
Baby Foods/Milk	0.68	0.20	0.32	0.00	0.62
Fresh Vegetables	4.52	2.78	3.37	2.57	4.33
Fresh Salad	1.06	0.44	0.84	0.60	1.01
Tinned/Dried Vegetables	1.18	0.82	1.03	0.43	1.15
Frozen Vegetables	0.29	0.29	0.26	0.00	0.29
Potatoes and Potato products	3.14	3.11	2.43	1.60	3.08
Fresh Fruit	5.64	2.81	3.75	3.43	5.33
Canned, dried and frozen fruit	0.42	0.44	0.26	0.12	0.41
Sugar	0.36	0.47	0.20	0.00	0.35
Marmalades, syrups, jams	0.34	0.27	0.35	0.00	0.33
Spreads	0.24	0.22	0.19	0.00	0.23
Ice Cream	0.77	0.75	0.76	0.68	0.77
Sweets	3.45	3.54	3.51	0.82	3.45
Other packaged Foods	3.14	2.72	2.63	1.47	3.07
Ready to eat meals	3.24	2.17	3.50	2.99	3.20
Flavourings	1.38	1.19	0.93	0.28	1.33
Sauces/Chutneys/Pickles	1.03	0.65	0.90	0.30	0.99
Tea	0.54	0.54	0.39	0.00	0.53
Coffee	0.75	0.77	0.68	0.00	0.74
Drinking Chocolate	0.16	0.14	0.09	0.00	0.15
Fruit Juices	1.67	1.20	1.61	0.35	1.63
Soft Drinks	2.87	2.60	2.84	1.22	2.84

Table 4.7 (continued)
Expenditure by Household Tenure

Weekly spend (£)	Household tenure				
Number of households	870	58	71	5	1,004
Unweighted data	An owner- occupier	Renting from the States	Renting from a private landlord	Other Accommodation	All Households
ALL ALCOHOL	22.67	15.07	24.48	28.47	22.39
Beers brought home	1.81	1.84	1.29	1.90	1.78
Cider brought home	0.39	0.35	0.04	0.00	0.36
Fortified wines brought home	0.27	0.00	0.12	0.00	0.24
Unfortified wines brought home	9.07	3.62	8.76	0.57	8.69
Spirits / Liqueurs brought home	1.92	1.35	1.56	0.75	1.85
Beers away from home	5.70	4.96	9.57	7.23	5.94
Cider away from home	0.30	0.95	0.00	0.00	0.32
Fortified wines away from home	0.01	0.00	0.00	0.00	0.01
Unfortified wines away from home	1.85	0.13	1.11	4.47	1.71
Spirits / Liqueurs away from home	0.74	1.54	1.18	13.56	0.88
Alcoholic drinks with meals out	0.60	0.34	0.85	0.00	0.60
ALL TOBACCO	9.23	38.23	10.48	0.00	10.95
Cigarettes	8.15	37.06	9.19	0.00	9.85
Tobacco	0.59	1.17	1.26	0.00	0.67
Cigars	0.49	0.00	0.02	0.00	0.43
ALL HOUSING	249.93	82.34	215.91	10.80	252.98
House Purchase/Sale Costs	0.00	0.00	3.97	0.00	16.61
Mortgage Costs	115.98	0.00	0.00	0.00	100.50
Rents	0.00	76.33	190.02	0.00	17.85
Major Household Improvements	74.99	0.17	1.60	0.00	65.11
Household repairs and maintenance	29.36	1.31	6.45	0.00	25.97
DIY Materials	6.25	1.75	4.58	0.00	5.84
DIY Tools	1.46	0.13	0.37	0.00	1.30
Sewage Emptying	1.41	0.00	0.50	0.00	1.25
Tax on Rateable Value	1.74	0.03	0.37	0.52	1.54
Water Charges	5.15	0.87	3.76	3.28	4.80
Parish rates (occupiers rates)	2.25	0.07	1.67	0.70	2.08
Property Charges	0.39	0.02	0.60	4.85	0.40
Household Insurance	8.90	1.67	1.86	1.45	7.95
Other Housing Expenditure	2.05	0.00	0.18	0.00	1.79
ALL FUEL, LIGHT & POWER	26.03	21.25	18.84	13.35	25.18
Coal	1.20	5.05	0.85	0.00	1.39
Oil LESS rebates	10.34	0.00	4.83	2.77	9.31
Gas LESS rebates	3.78	3.33	4.60	5.63	3.82
Electricity LESS rebates	10.72	12.86	8.55	4.94	10.66

4: Expenditure by Tenure

Table 4.7 (continued)
Expenditure by Household Tenure

Weekly spend (£)	Household tenure				
Number of households	870	58	71	5	1,004
Unweighted data	An owner- occupier	Renting from the States	Renting from a private landlord	Other Accommodation	All Households
ALL HOUSEHOLD GOODS	40.47	19.71	28.46	16.63	38.30
Furniture	8.31	1.30	5.47	0.00	7.66
Floor Coverings	1.66	0.88	0.77	0.00	1.54
House Textiles	3.05	1.12	3.00	11.60	2.98
Baby equipment	0.64	0.81	0.26	0.20	0.62
Appliances	3.81	3.31	2.66	0.00	3.68
Spare Parts for Electric Goods	0.27	0.14	0.15	1.57	0.26
Reps to Domestic Appliances	0.43	0.36	0.00	0.00	0.40
China/Glass Pottery	0.94	0.90	0.36	0.00	0.90
Mirrors	0.26	0.00	0.00	0.00	0.22
Other Household Goods	5.54	2.61	4.70	1.10	5.29
Stationery	3.11	1.40	3.06	0.29	2.99
Tissues/toilet paper	1.20	1.20	0.90	0.56	1.18
Soap products/washing powder	1.84	1.86	1.25	1.10	1.80
Other cleaning materials	1.61	1.03	1.21	0.23	1.54
Pet Expenses	7.80	2.77	4.67	0.00	7.25
ALL HOUSEHOLD SERVICES	47.28	34.47	46.21	64.98	47.23
Postage Charges	1.06	0.41	1.51	1.11	1.06
Mobile phone charges	6.16	8.34	8.02	7.53	6.43
Fixed Line Telephone Costs	5.27	5.81	4.96	4.03	5.27
Internet Costs - ISPs	1.97	1.58	1.93	2.47	1.95
Other Internet Costs	0.84	0.28	0.83	0.97	0.81
Domestic Services	13.26	4.05	11.46	7.38	12.57
Charges for repairs and cleaning	1.02	0.22	0.22	0.00	0.91
Charges and other fees	13.76	13.16	15.08	6.86	13.79
Other Household Services	3.92	0.62	2.21	34.62	4.45
ALL CLOTHING AND FOOTWEAR	27.84	23.52	29.72	25.20	27.71
Men's Clothing	4.98	4.97	6.90	0.00	5.09
Women's Clothing	15.76	12.82	13.49	13.20	15.41
Children's Clothing	2.84	2.39	3.18	1.20	2.83
Footwear	4.26	3.34	6.15	10.80	4.38
ALL PERSONAL GOODS	40.14	18.07	25.51	36.30	37.81
Miscellaneous personal goods	7.29	1.36	5.91	7.58	6.85
Vitamins, Cosmetics, Toiletries	10.23	5.97	7.34	9.87	9.78
Hairdressing and beauty treatment	7.02	3.76	4.50	3.70	6.64
Medical expenses	15.51	6.98	7.30	15.15	14.44
Insurance on Personal Goods	0.09	0.00	0.46	0.00	0.11

Table 4.7 (continued)
Expenditure by Household Tenure

Weekly spend (£)	Household tenure				
Number of households	870	58	71	5	1,004
Unweighted data	An owner-occupier	Renting from the States	Renting from a private landlord	Other Accommodation	All Households
ALL MOTORING	60.97	25.75	43.44	88.39	57.83
Vehicle Purchases	23.98	2.05	12.13	71.54	22.11
Servicing and repair costs	9.82	6.53	7.69	1.17	9.44
Spares and accessories	2.40	0.20	1.85	0.00	2.22
Fuel Costs (motoring)	13.18	10.44	11.43	8.20	12.87
Other motoring costs	11.58	6.53	10.34	7.48	11.18
ALL FARES AND OTHER TRAVEL	14.70	6.51	26.71	9.17	15.05
Other vehicle purchases	1.59	0.14	17.25	0.00	2.60
Other vehicle costs	2.69	2.44	1.14	0.00	2.55
Fares	10.42	3.93	8.32	9.17	9.89
ALL LEISURE GOODS	45.44	27.24	52.15	10.55	44.69
Electrical Goods	10.11	8.91	11.43	4.40	10.11
Parts and servicing for Leisure Goods	1.37	0.00	1.23	0.00	1.27
Musical Instruments/Parts	1.12	0.00	0.73	0.00	1.02
Software and Media	1.21	0.36	0.97	0.00	1.14
Prerecorded material purchases	3.02	2.51	4.39	0.19	3.07
Telephone purchases	1.12	0.52	0.35	0.00	1.03
Sports Goods	3.72	1.81	14.04	0.00	4.32
Books	2.25	0.66	2.37	0.00	2.15
Newspapers and Magazines	5.35	4.44	4.41	2.52	5.21
Games/Toys/Pastimes/hobbies	5.68	2.90	6.04	1.84	5.53
Photography	2.24	2.28	3.47	0.31	2.32
Cut Flowers	1.34	0.50	1.19	1.00	1.28
Gardening	6.91	2.34	1.53	0.30	6.23
ALL LEISURE SERVICES	63.43	20.86	46.06	30.21	59.57
Cinema/Theatre/Concert admissions	1.19	0.29	0.32	1.52	1.08
Sports costs	9.09	2.35	9.30	6.23	8.70
Admission to attractions	0.57	0.33	0.69	0.00	0.56
TV	6.51	7.14	6.35	2.86	6.52
Mooring and hangar fees	0.01	0.00	0.00	0.00	0.01
Education / Tuition fees	24.14	1.00	16.68	0.00	22.16
Holiday expenses	21.91	9.75	12.72	19.60	20.55
ALL FOOD AWAY FROM HOME	36.43	22.96	44.12	25.85	36.15
Food at work	0.45	0.23	1.29	0.00	0.50
Meals Out	28.31	15.45	33.03	18.30	27.85
Take Away meals/snacks	7.67	7.28	9.80	7.55	7.80
ALL EXPENDITURE	759.46	414.15	673.15	390.59	748.58

5 Expenditure by Age



- Those households whose household reference person was aged between 35 and 54 had the highest weekly expenditure at £956.59 per week.
- Those households whose household reference person was aged 75 or over had the lowest weekly expenditure at £388.98 per week.
- 55.8% of households where the household reference person was aged 75 or over had total household incomes in the lowest income quintile.
- Households with the age of the reference person 24 or under spent the lowest proportion (7%) of average weekly expenditure on food, whilst those aged 75 and over spent the most (13.5%)

Introduction

This section of the report looks at household expenditure broken down by the age of the household reference person. The age profile of a household has an influence on household expenditure, with younger and older households having smaller incomes and hence lower expenditure.

5.1 Household Reference Person

The “Household Reference Person” is the person within the household who took responsibility for completing the household section of the form on behalf of the household.

5.2 Age Categories

The age of the household reference person has been broken into a number of age bands as shown in [Table 5.1](#). There is a good representation across the ages, except perhaps in the under 24 age category. This is to be expected as there will be fewer households formed by people of this age.

Table 5.1:
Breakdown of age of Household Reference Person

Age Band	2005/6 HES	
	Households	% of Total
24 and under	14	1.4%
25 to 34	117	11.7%
35 to 54	239	23.8%
55 to 64	212	21.1%
65 to 74	198	19.7%
75 and over	224	22.3%
Total	1,004	100.0%

Table 5.2:
Age of Household Reference person by Total Household Income quintile

Age of Household Reference Person	Total household income quintile					Total
	Lowest	2	3	4	Highest	
24 and under	35.7%	21.4%	42.9%	0.0%	0.0%	100.0%
25 to 34	4.3%	25.6%	26.5%	27.4%	16.2%	100.0%
35 to 54	6.7%	14.6%	23.0%	25.5%	30.1%	100.0%
55 to 64	6.6%	15.1%	22.2%	26.9%	29.2%	100.0%
65 to 74	18.2%	28.3%	19.7%	17.2%	16.7%	100.0%
75 and over	55.8%	20.1%	10.3%	7.6%	6.3%	100.0%

5: Expenditure by Age

5.3 Age of household reference person by Income Quintile

Table 5.2 and Figure 5.1 show that those households whose household reference person was aged under 24 and over 75 tend to have the lowest incomes. For those households whose reference person is aged 24 and under, 35.7% were in the lowest household income quintile. There were no households in this age range who had income in the 4th and Highest income quintiles.

For those households with a reference person aged 75 or over, 55.8% were in the lowest income category.

Figure 5.2 shows that over 60% of households in the lowest income quintile had a household reference person aged 75 or over. This is in contrast to the Highest household income quintile where only 7% of household reference persons were aged 75 or over.

Figure 5.1:
Age of Household Reference person by Total Household Income range

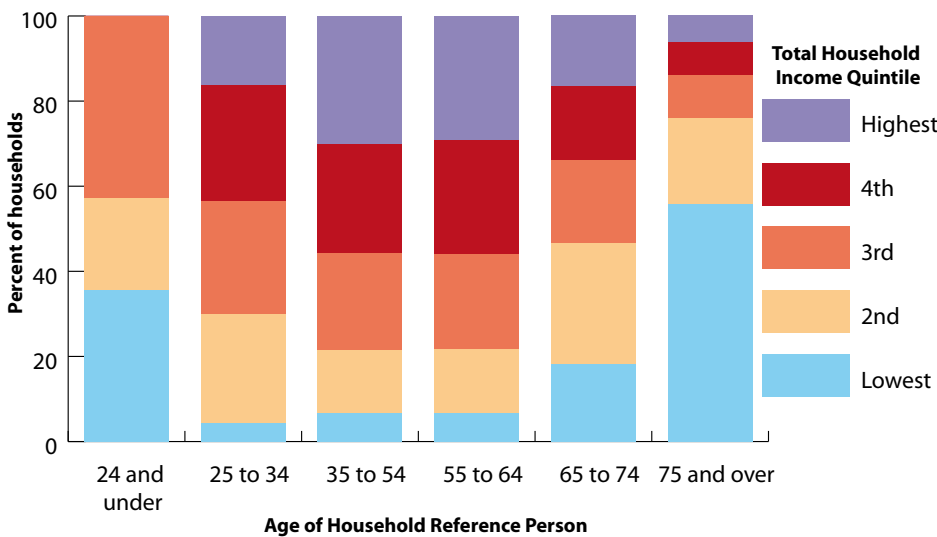


Figure 5.2:
Household Income Quintiles by age of household reference person

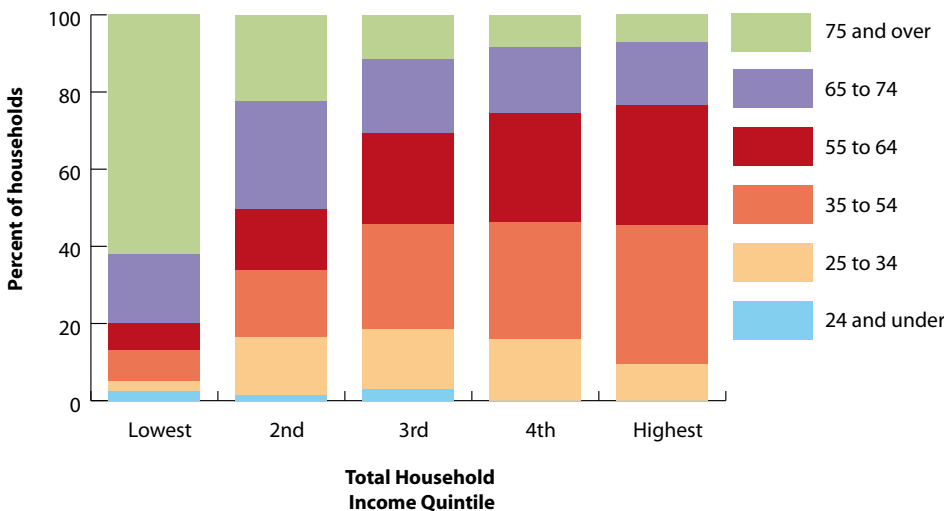
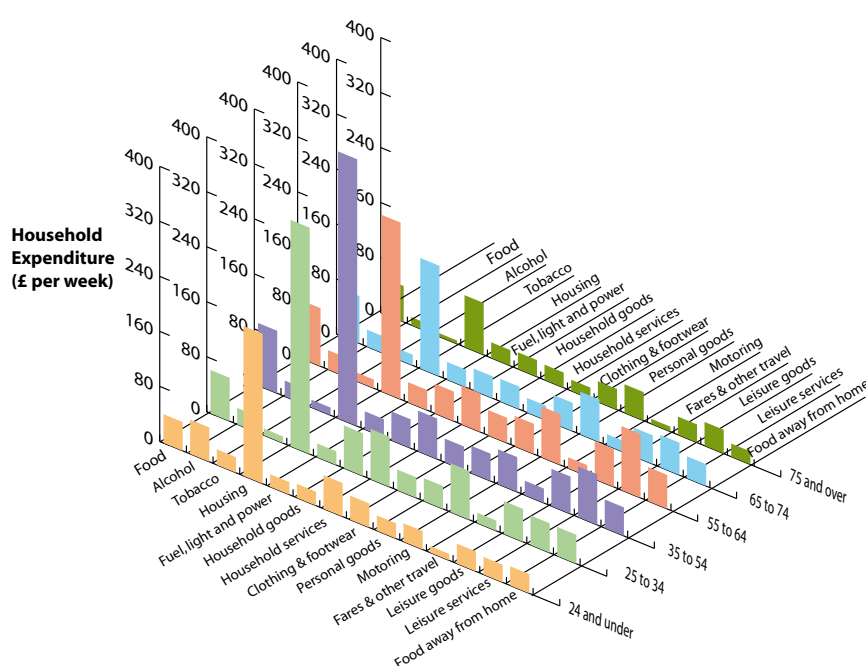


Table 5.3

Household spending by age of household reference person and HES expenditure group (£ per week)

Weekly spend (£)	Age of Household Reference Person						
Number of Households	14	117	239	212	198	224	1004
Unweighted data	24 and under	25 to 34	35 to 54	55 to 64	65 to 74	75 and over	All Households
Food	41.83	63.07	90.97	84.56	68.98	52.31	72.76
Alcohol	49.92	23.88	23.12	28.02	24.68	11.74	22.39
Tobacco	22.62	9.73	11.19	12.60	15.55	4.96	10.95
Housing	218.04	329.29	388.30	256.94	160.81	75.47	252.98
Fuel, Light and Power	18.31	19.93	26.25	29.35	25.64	22.85	25.18
Household Goods	20.25	62.10	41.99	43.00	31.91	24.28	38.30
Household Services	48.85	73.05	59.06	56.18	32.90	22.17	47.23
Clothing & Footwear	35.07	29.92	34.41	36.70	21.11	16.26	27.71
Personal goods	22.15	33.37	39.89	44.01	41.21	30.01	37.81
Motoring	26.70	70.97	50.81	73.91	61.99	41.51	57.83
Fares and Other Travel	9.45	14.94	21.06	15.85	16.23	7.23	15.05
Leisure Goods	29.12	47.89	54.34	54.98	41.83	26.46	44.69
Leisure Services	25.60	42.89	73.68	93.16	47.07	34.63	59.57
Food Away From Home	28.04	42.11	41.52	49.43	31.76	19.10	36.15
ALL WEEKLY EXPENDITURE	595.96	863.15	956.59	878.68	621.65	388.98	748.58
All Annual Expenditure	30,989.99	44,883.58	49,742.86	45,691.29	32,325.84	20,227.16	38,926.27

Figure 5.3:
Household expenditure by HES group by age of household reference person (£ per week)



5.4 Analysis of Expenditure by age

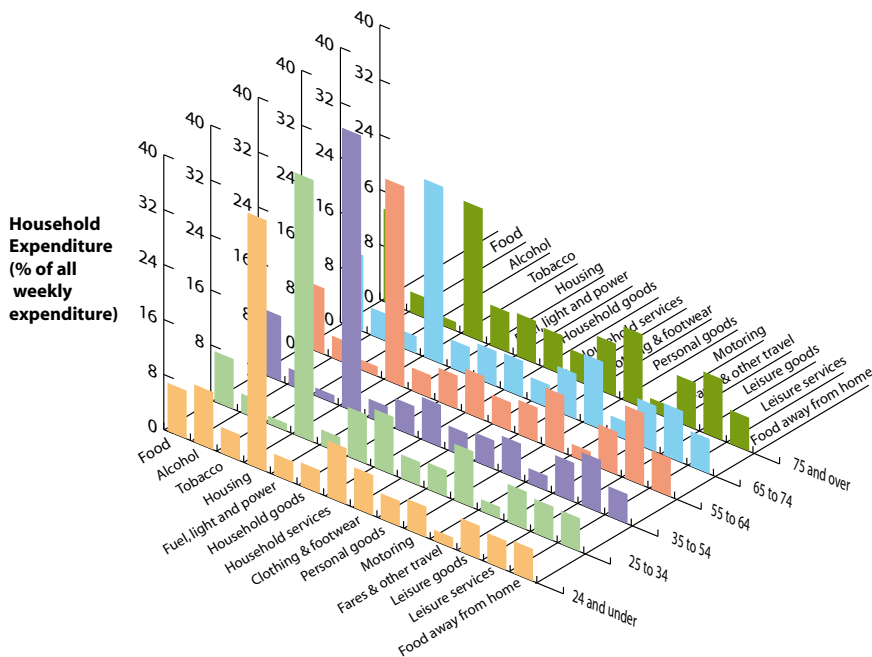
Table 5.3 and Figure 5.3 show household expenditure patterns by age range of the household reference person and by expenditure category. The highest weekly expenditure is in the 35 to 54 age bracket (at £956.59 a week) and the lowest is in the 75 and over age bracket (at £388.98 a week).

Expenditure on housing varies considerably with the age of the household reference person. Those households with a reference person aged 75 or over have the lowest expenditure on housing at £75.47 a week. This contrasts with those households with a household reference person aged 25 to 34 (£329.29 a week) or 35 to 54 (£388.30 a week).

Table 5.4
Household spending by age of household reference person and HES expenditure group
(Percentage of all weekly expenditure)

Percentage of all weekly expenditure	Age of Household Reference Person						
	24 and under	25 to 34	35 to 54	55 to 64	65 to 74	75 and over	All Households
Food	7.02	7.31	9.51	9.62	11.10	13.45	9.72
Alcohol	8.38	2.77	2.42	3.19	3.97	3.02	2.99
Tobacco	3.80	1.13	1.17	1.43	2.50	1.28	1.46
Housing	36.59	38.15	40.59	29.24	25.87	19.40	33.79
Fuel, Light and Power	3.07	2.31	2.74	3.34	4.12	5.88	3.36
Household Goods	3.40	7.19	4.39	4.89	5.13	6.24	5.12
Household Services	8.20	8.46	6.17	6.39	5.29	5.70	6.31
Clothing & Footwear	5.89	3.47	3.60	4.18	3.40	4.18	3.70
Personal goods	3.72	3.87	4.17	5.01	6.63	7.71	5.05
Motoring	4.48	8.22	5.31	8.41	9.97	10.67	7.73
Fares and Other Travel	1.59	1.73	2.20	1.80	2.61	1.86	2.01
Leisure Goods	4.89	5.55	5.68	6.26	6.73	6.80	5.97
Leisure Services	4.30	4.97	7.70	10.60	7.57	8.90	7.96
Food Away From Home	4.70	4.88	4.34	5.63	5.11	4.91	4.83
All weekly expenditure	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Figure 5.4
Household spending by age of household reference person
and HES expenditure group
(Percentage of all weekly expenditure)



5.5 Analysis of Expenditure by age of household reference person – Percentages

Table 5.4 and Figure 5.4 show household spending by the age of the household reference person in terms of the percentage spent on all weekly expenditure. Whilst housing costs are a major area of expenditure for all ages, the significance of this in terms of percentage of expenditure falls with age, with those households with a household reference person in the over 75 bracket spending 19.4% of their total expenditure on housing, compared to 40.6% in the 35 to 54 age category.

Figures 5.5 to 5.10 show percentage expenditure in selected HES expenditure groups in greater detail. For instance, for food, households with a reference person aged 75 or over spend the most on food (13.5%) compared to an average for all households of 9.7%.

Figure 5.5
Percentage expenditure on food

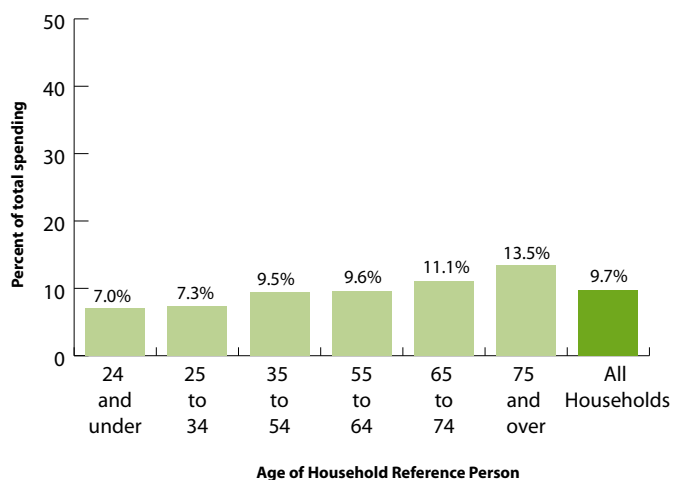


Figure 5.6
Percentage expenditure on housing

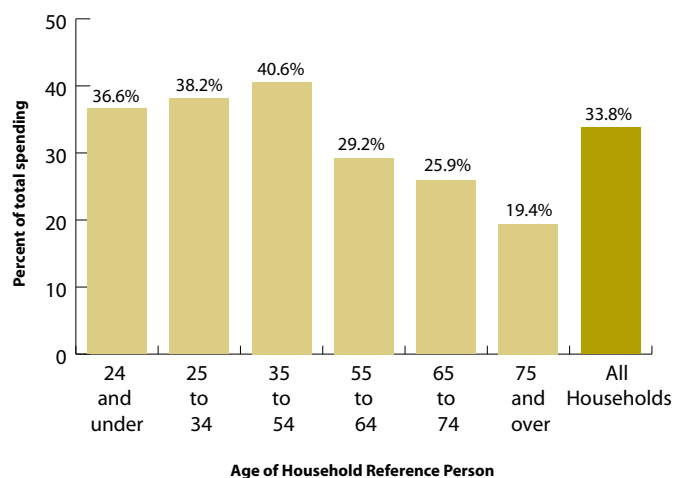


Figure 5.7
Percentage expenditure on household services

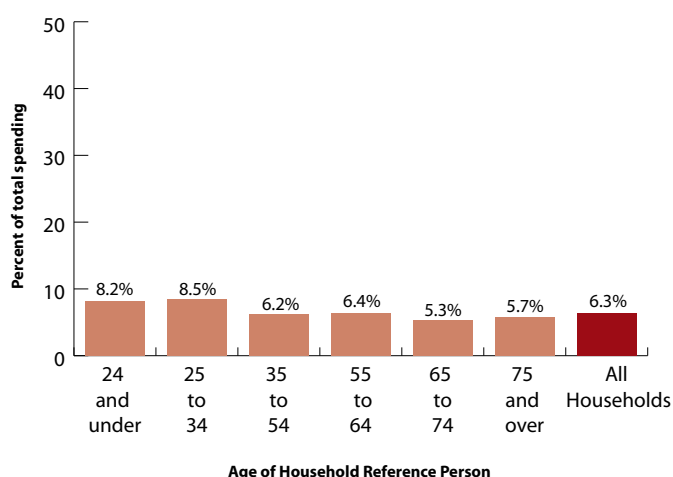


Figure 5.8
Percentage expenditure on motoring

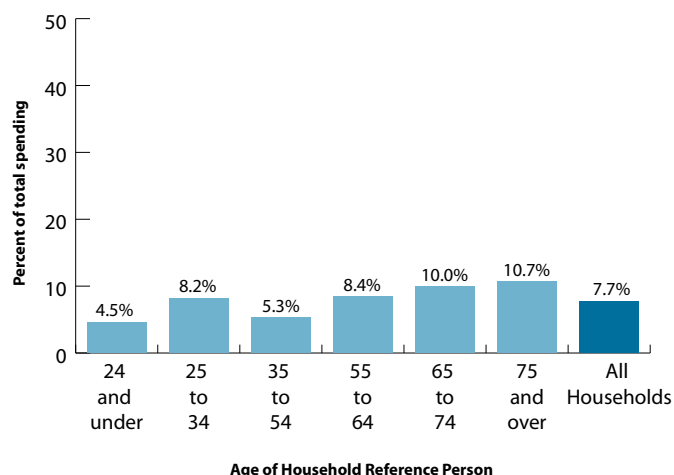


Figure 5.9
Percentage expenditure on Leisure Goods

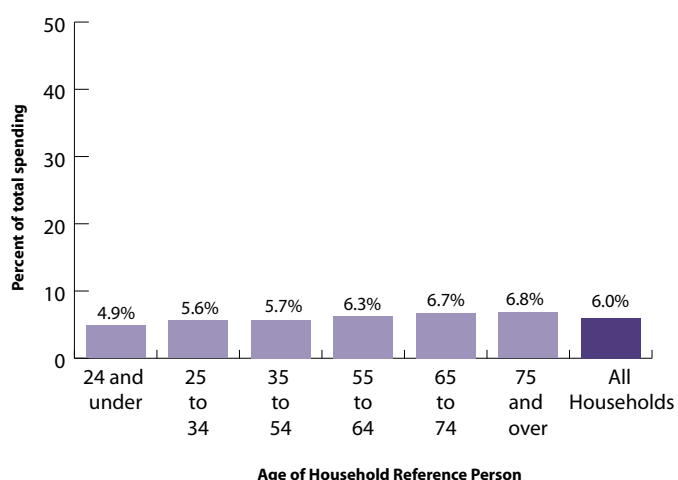
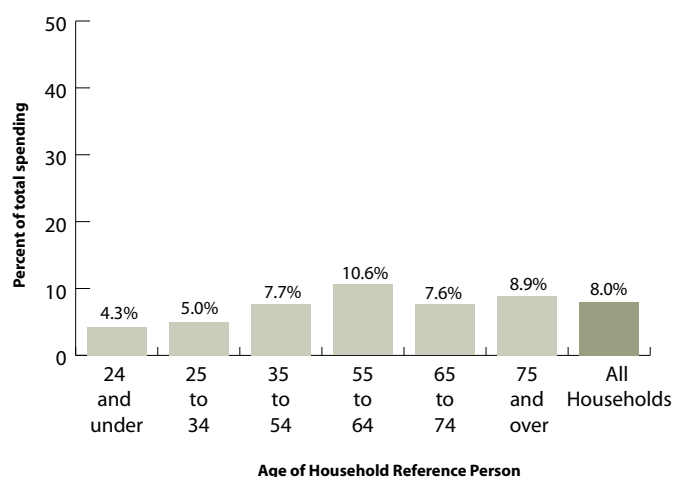


Figure 5.10
Percentage expenditure on Leisure Services



5: Expenditure by Age

Table 5.5
Expenditure by age of household reference person (weekly spend £)

Number of Households Unweighted data	Age of Household Reference Person						
	14 24 and under	117 25 to 34	239 35 to 54	212 55 to 64	198 65 to 74	224 75 and over	1004 All Households
ALL FOOD	41.83	63.07	90.97	84.56	68.98	52.31	72.76
Bread	2.71	3.71	5.00	4.46	3.54	2.91	3.95
Flour	0.03	0.24	0.50	0.44	0.42	0.40	0.41
Biscuits	1.04	0.98	2.19	1.63	1.07	0.85	1.40
Cakes	1.15	1.89	2.99	2.93	2.15	1.97	2.43
Pasta/Rice/Cereals	1.16	2.27	3.40	2.93	1.86	1.29	2.36
Fresh Meat	4.55	6.14	10.48	11.12	9.82	6.61	9.03
Cooked meat/meat products	1.53	2.25	3.89	3.52	3.12	2.10	3.04
Frozen meat	0.44	1.15	1.57	1.32	0.80	0.81	1.13
Seafood	1.03	2.17	3.53	3.36	3.75	3.17	3.27
Eggs	0.41	0.49	0.65	0.76	0.68	0.57	0.64
Butter / Margarine	0.61	0.56	0.99	1.05	0.95	1.14	0.97
Yoghurt	1.44	1.52	2.66	2.13	1.87	1.43	1.97
Milk	2.62	2.74	3.61	3.75	3.45	2.61	3.27
Cream	0.00	0.18	0.37	0.28	0.30	0.26	0.28
Cheese	1.35	2.14	3.05	2.67	2.28	1.73	2.39
Cooking oils / lard/ fat	0.12	0.25	0.44	0.41	0.38	0.33	0.37
Baby Foods/Milk	1.01	3.59	0.73	0.04	0.02	0.01	0.62
Fresh Vegetables	2.01	3.59	4.91	5.34	4.32	3.28	4.33
Fresh Salad	0.52	0.86	1.26	1.24	0.96	0.69	1.01
Tinned/Dried Vegetables	0.67	0.93	1.40	1.38	1.28	0.67	1.15
Frozen Vegetables	0.10	0.20	0.37	0.38	0.26	0.21	0.29
Potatoes and Potato products	2.59	2.94	4.22	3.85	2.53	1.74	3.08
Fresh Fruit	1.68	4.08	6.29	6.12	5.35	4.43	5.33
Canned, dried and frozen fruit	0.07	0.23	0.36	0.50	0.40	0.49	0.41
Sugar	0.10	0.08	0.26	0.28	0.36	0.67	0.35
Marmalades, syrups, jams	0.30	0.13	0.32	0.30	0.39	0.44	0.33
Spreads	0.17	0.20	0.29	0.21	0.28	0.17	0.23
Ice Cream	0.12	0.60	1.21	0.86	0.56	0.54	0.77
Sweets	1.74	3.40	4.38	4.13	2.90	2.42	3.45
Other packaged Foods	1.50	2.39	3.98	3.70	2.95	2.08	3.07
Ready to eat meals	3.29	3.34	4.55	3.87	2.56	1.61	3.20
Flavourings	1.03	1.35	1.68	1.54	1.34	0.78	1.33
Sauces/Chutneys/Pickles	0.41	0.91	1.35	1.14	0.91	0.62	0.99
Tea	0.28	0.30	0.47	0.60	0.60	0.60	0.53
Coffee	0.42	0.42	0.76	0.71	1.07	0.64	0.74
Drinking Chocolate	0.02	0.04	0.07	0.07	0.16	0.19	0.15
Fruit Juices	0.95	1.60	2.60	1.95	1.22	0.73	1.63
Soft Drinks	2.65	3.22	4.19	3.59	2.14	1.13	2.84

Table 5.5 (continued)
Expenditure by age of household reference person (weekly spend £)

Number of Households Unweighted data	Age of Household Reference Person						
	14 24 and under	117 25 to 34	239 35 to 54	212 55 to 64	198 65 to 74	224 75 and over	1004 All Households
ALL ALCOHOL	49.92	23.88	23.12	28.02	24.68	11.74	22.39
Beers brought home	2.35	1.59	2.18	2.18	1.66	1.12	1.78
Cider brought home	0.00	0.37	0.63	0.38	0.17	0.24	0.36
Fortified wines brought home	0.00	0.12	0.10	0.16	0.49	0.34	0.24
Unfortified wines brought home	2.95	5.59	11.29	9.04	11.58	5.00	8.69
Spirits / Liqueurs brought home	1.07	0.75	1.33	2.53	2.27	2.03	1.85
Beers away from home	35.22	9.84	4.28	9.26	4.54	1.96	5.94
Cider away from home	0.00	0.24	0.24	0.44	0.72	0.00	0.32
Fortified wines away from home	0.00	0.00	0.00	0.00	0.00	0.03	0.01
Unfortified wines away from home	4.00	2.40	1.36	2.62	1.96	0.52	1.71
Spirits / Liqueurs away from home	4.34	2.32	0.79	0.86	0.57	0.32	0.88
Alcoholic drinks with meals out	0.00	0.67	0.94	0.56	0.72	0.18	0.60
ALL TOBACCO	22.62	9.73	11.19	12.60	15.55	4.96	10.95
Cigarettes	19.10	8.79	10.71	12.14	13.50	3.51	9.85
Tobacco	3.52	0.95	0.44	0.45	0.89	0.59	0.67
Cigars	0.00	0.00	0.03	0.00	1.15	0.86	0.43
ALL HOUSING	218.04	329.29	388.30	256.94	160.81	75.47	252.98
House Purchase/Sale Costs	0.00	0.00	1.18	0.00	0.00	0.00	16.61
Mortgage Costs	61.32	182.55	182.44	118.93	49.69	0.15	100.50
Rents	104.77	38.71	23.39	12.42	10.75	7.01	17.85
Major Household Improvements	25.21	58.05	120.80	66.97	53.87	20.04	65.11
Household repairs and maintenance	16.65	27.57	33.30	32.06	20.26	17.18	25.97
DIY Materials	3.64	6.57	7.13	6.67	6.64	2.73	5.84
DIY Tools	0.48	0.95	1.91	1.24	1.79	0.48	1.30
Sewage Emptying	0.00	0.95	1.75	1.40	1.10	0.95	1.25
Tax on Rateable Value	0.38	1.23	1.48	1.68	1.44	1.80	1.54
Water Charges	2.36	4.21	5.00	5.63	4.96	4.11	4.80
Parish rates (occupiers rates)	0.44	1.84	2.05	1.97	1.74	2.74	2.08
Property Charges	0.77	0.76	0.33	0.27	0.18	0.61	0.40
Household Insurance	2.03	5.83	7.01	7.64	8.28	10.40	7.95
Other Housing Expenditure	0.00	0.07	0.54	0.04	0.11	7.27	1.79
ALL FUEL, LIGHT & POWER	18.31	19.93	26.25	29.35	25.64	22.85	25.18
Coal	2.62	0.82	1.22	1.65	1.65	1.31	1.39
Oil LESS rebates	0.63	7.09	9.00	11.40	9.41	9.28	9.31
Gas LESS rebates	5.80	3.03	4.33	3.58	4.59	3.10	3.82
Electricity LESS rebates	9.26	9.00	11.70	12.72	9.99	9.16	10.66

5: Expenditure by Age

Table 5.5 (continued)
Expenditure by age of household reference person

Weekly spend (£)	Age of Household Reference Person						
Number of Households	14	117	239	212	198	224	1004
Unweighted data	24 and under	25 to 34	35 to 54	55 to 64	65 to 74	75 and over	All Households
ALL HOUSEHOLD GOODS	20.25	62.10	41.99	43.00	31.91	24.28	38.30
Furniture	0.36	29.37	4.21	6.71	3.90	4.70	7.66
Floor Coverings	0.00	2.43	2.56	1.13	1.17	0.81	1.54
House Textiles	0.79	2.78	3.86	2.78	3.95	1.62	2.98
Baby equipment	0.30	1.41	1.50	0.12	0.16	0.16	0.62
Appliances	5.08	4.56	3.98	5.09	2.03	2.96	3.68
Spare Parts for Electric Goods	0.78	0.21	0.15	0.30	0.09	0.47	0.26
Reps to Domestic Appliances	0.00	0.18	0.20	0.48	0.96	0.17	0.40
China/Glass Pottery	0.25	0.56	0.94	1.09	1.17	0.65	0.90
Mirrors	3.54	0.13	0.54	0.06	0.09	0.01	0.22
Other Household Goods	2.22	4.32	5.99	7.91	4.33	3.59	5.29
Stationery	1.11	4.34	3.33	3.30	2.60	2.10	2.99
Tissues/toilet paper	0.60	1.10	1.57	1.33	1.19	0.69	1.18
Soap products/washing powder	1.00	1.56	2.53	2.16	1.43	1.16	1.80
Other cleaning materials	0.83	1.17	2.00	1.80	1.32	1.24	1.54
Pet Expenses	3.39	7.96	8.65	8.74	7.53	3.97	7.25
ALL HOUSEHOLD SERVICES	48.85	73.05	59.06	56.18	32.90	22.17	47.23
Postage Charges	0.18	1.17	1.09	0.83	1.21	1.10	1.06
Mobile phone charges	15.65	8.49	6.97	8.93	6.16	2.07	6.43
Fixed Line Telephone Costs	2.78	4.53	6.05	6.78	5.05	3.77	5.28
Internet Costs - ISPs	1.48	2.01	2.45	2.83	1.78	0.74	1.95
Other Internet Costs	0.65	0.86	1.02	0.98	0.83	0.37	0.81
Domestic Services	15.75	24.36	22.33	12.70	2.89	4.23	12.57
Charges for repairs and cleaning	0.00	0.40	0.84	1.63	0.80	0.74	0.91
Charges and other fees	11.83	27.25	14.98	17.09	9.86	5.95	13.79
Other Household Services	0.54	3.99	3.35	4.41	4.32	3.20	4.45
ALL CLOTHING AND FOOTWEAR	35.07	29.92	34.41	36.70	21.11	16.26	27.71
Men's Clothing	1.94	4.38	7.12	6.87	4.41	2.40	5.09
Women's Clothing	19.90	17.52	16.17	20.21	12.94	10.87	15.41
Children's Clothing	7.14	3.03	5.30	4.24	0.77	0.29	2.83
Footwear	6.10	4.98	5.82	5.38	2.98	2.70	4.38
ALL PERSONAL GOODS	22.15	33.37	39.89	44.01	41.21	30.01	37.81
Miscellaneous personal goods	2.14	8.04	8.23	8.25	6.90	3.67	6.85
Vitamins, Cosmetics, Toiletries	7.04	12.21	12.14	10.52	9.17	5.98	9.78
Hairdressing and beauty treatment	0.89	4.20	7.91	7.55	7.68	5.12	6.64
Medical expenses	12.07	8.92	11.48	17.67	17.46	14.89	14.44
Insurance on Personal Goods	0.00	0.00	0.14	0.01	0.00	0.35	0.11

Table 5.5 (continued)
Expenditure by age of household reference person

Weekly spend (£)	Age of Household Reference Person						
Number of Households	14	117	239	212	198	224	1004
Unweighted data	24 and under	25 to 34	35 to 54	55 to 64	65 to 74	75 and over	All Households
ALL MOTORING	26.70	70.97	50.81	73.91	61.99	41.51	57.83
Vehicle Purchases	0.10	31.70	14.73	28.91	25.82	16.65	22.11
Servicing and repair costs	7.74	9.71	8.96	12.26	9.46	7.24	9.44
Spares and accessories	0.92	2.41	1.31	2.29	3.36	2.11	2.22
Fuel Costs (motoring)	9.27	13.52	14.43	16.64	11.92	8.38	12.87
Other motoring costs	8.66	13.63	11.38	13.81	11.43	7.13	11.18
ALL FARES AND OTHER TRAVEL	9.45	14.94	21.06	15.85	16.23	7.23	15.05
Other vehicle purchases	0.14	4.13	7.10	0.81	1.21	0.08	2.60
Other vehicle costs	0.07	1.38	3.34	2.16	4.43	1.18	2.55
Fares	9.24	9.43	10.62	12.87	10.58	5.98	9.89
ALL LEISURE GOODS	29.12	47.89	54.34	54.98	41.83	26.46	44.69
Electrical Goods	9.38	8.70	11.43	14.22	8.68	6.84	10.11
Parts and servicing for Leisure Goods	1.43	0.54	0.80	3.44	0.82	0.50	1.27
Musical Instruments/Parts	0.22	1.07	0.42	3.51	0.23	0.05	1.02
Software and Media	0.96	1.27	1.81	1.40	0.80	0.42	1.14
Prerecorded material purchases	9.75	3.82	3.79	4.05	2.23	1.33	3.07
Telephone purchases	0.20	1.09	1.75	1.18	1.08	0.09	1.03
Sports Goods	1.37	6.12	8.67	3.99	2.84	0.53	4.32
Books	2.00	1.45	2.45	2.62	2.56	1.41	2.15
Newspapers and Magazines	1.61	3.61	4.00	5.59	6.50	6.09	5.21
Games/Toys/Pastimes/hobbies	0.98	6.97	8.45	5.79	4.67	2.46	5.53
Photography	0.00	5.82	1.59	3.49	1.58	0.98	2.32
Cut Flowers	0.36	1.76	1.21	0.98	1.64	1.11	1.28
Gardening	0.85	5.67	7.99	4.73	8.22	4.65	6.23
ALL LEISURE SERVICES	25.60	42.89	73.68	93.16	47.07	34.63	59.57
Cinema/Theatre/Concert admissions	0.22	1.39	1.77	1.48	0.73	0.17	1.08
Sports costs	7.79	10.04	11.75	10.28	7.45	4.43	8.70
Admission to attractions	0.00	0.16	0.97	0.71	0.47	0.29	0.56
TV	5.05	7.34	8.33	7.22	6.44	3.66	6.52
Mooring and hangar fees	0.00	0.00	0.00	0.03	0.00	0.00	0.01
Education / Tuition fees	2.61	12.33	32.01	46.87	9.31	5.97	22.16
Holiday expenses	9.93	11.64	18.85	26.57	22.66	20.11	20.55
ALL FOOD AWAY FROM HOME	28.04	42.11	41.52	49.43	31.76	19.10	36.15
Food at work	1.22	0.92	0.61	0.72	0.39	0.00	0.50
Meals Out	13.57	29.17	29.58	38.46	26.64	17.24	27.85
Take Away meals/snacks	13.25	12.02	11.33	10.25	4.74	1.85	7.80
ALL EXPENDITURE	595.96	863.15	956.59	878.68	621.65	388.98	748.58

6 Expenditure by household composition



- Of the types of household taking part in the HES, 33.3% of households were couples with at least one dependent child aged under 16 and 26.7% of households comprised a couple (both of whom were not pensioners).
- Couples with at least one dependent child had the highest weekly expenditure at £1,037.22 a week, whereas the lowest spending households were single pensioners who spent £263.05 per week.
- Out of all the household composition groups, couples with one or more dependent children spent the greatest proportion (37.6%) of weekly expenditure on housing related items such as mortgage costs and home improvements.

Introduction

This section of the report looks at household expenditure broken down by the composition of households which participated in the survey.

The results are represented in seven categories of household composition as set out in *Table 6.1*.

6.1 Household Composition

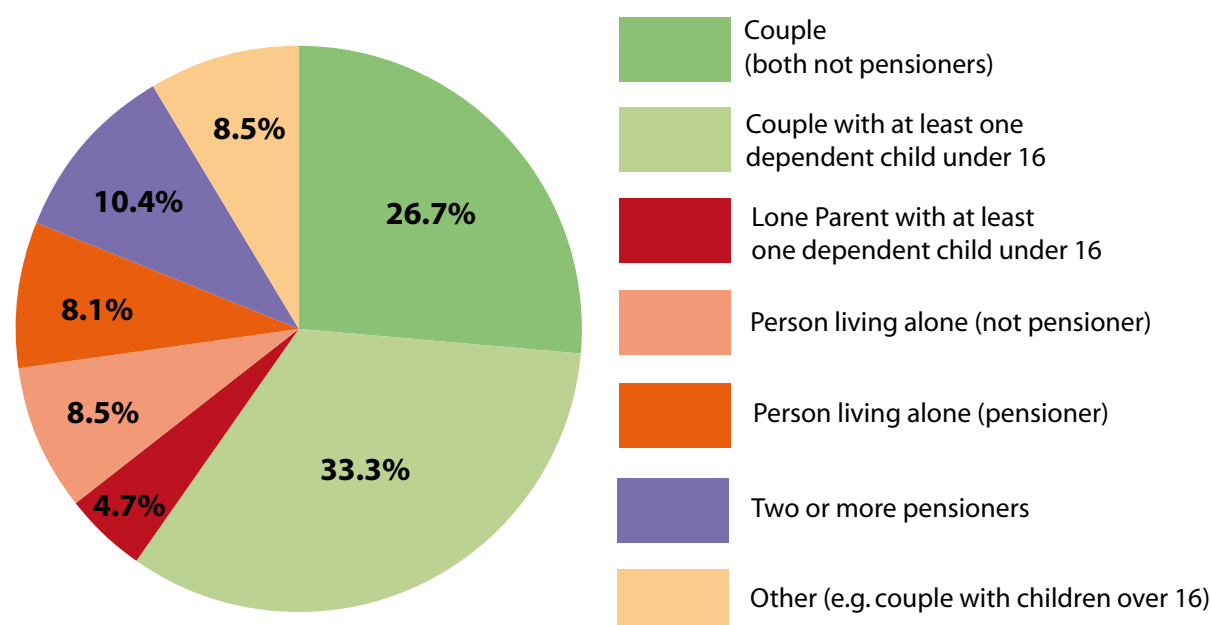
For the purposes of this analysis, households taking part in the Household Expenditure Survey were subdivided into groups of similar household composition. The aim was to group like households together so that their income and expenditure could be analysed.

Table 6.1 and *Figure 6.1* set out the seven categories of household composition and what each category comprises. 60% of households were either couples who were not pensioners or couples with children aged under 16.

Table 6.1:
Distribution of Household Composition Types

	Household Composition	Cases	%	Description of household composition group
1	Couple (both not pensioners)	268	26.7	Two persons living in the same household, both aged under 65
2	Couple with at least one dependent child under 16	334	33.3	Two persons living in the same household with a child or children aged under the age of 16
3	Lone Parent with at least one dependent child under 16	47	4.7	Household with one parent living with at least one child aged 16 or under
4	Person living alone (not pensioner)	85	8.5	Single person living alone aged under 65
5	Person living alone (Pensioner)	81	8.1	Single person living alone aged over 65
6	Two or more pensioners	104	10.4	Two or more persons aged over 65
7	Other (e.g. Couple with children over 16)	85	8.5	Other types of household not listed in groups 1 to 6. For example, couple with children aged over 16, couple living with elderly parents, more than two persons sharing a house, etc...
	Total	1,004	100.0	

Figure 6.1:
Distribution of Household Composition Types



6: Expenditure by Household Composition

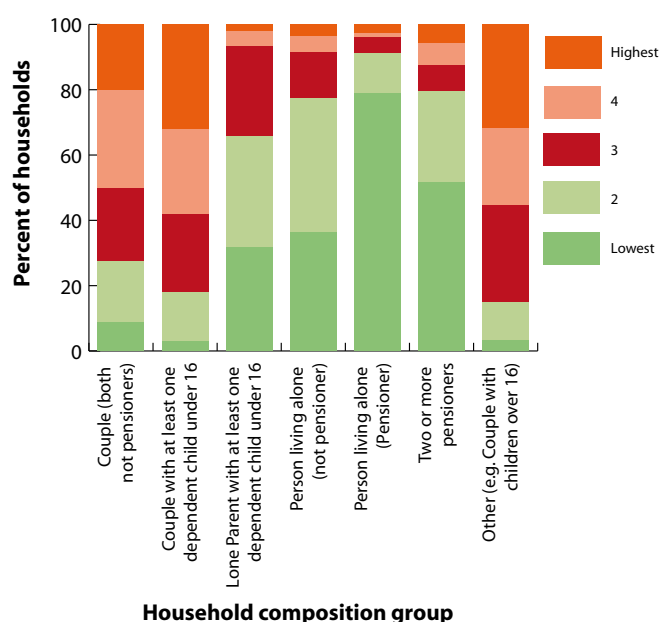
Table 6.2:
Household composition and household income

Household Composition	Income Quintile									
	Lowest		2		3		4		Highest	
	Cases	%	Cases	%	Cases	%	Cases	%	Cases	%
Couple (both not pensioners)	24	11.9	50	24.9	60	29.9	80	39.8	54	27.0
Couple with at least one dependent child under 16	10	5.0	51	25.4	79	39.3	87	43.3	107	53.5
Lone Parent with at least one dependent child under 16	15	7.5	16	8.0	13	6.5	2	1.0	1	0.5
Person living alone (not pensioner)	31	15.4	35	17.4	12	6.0	4	2.0	3	1.5
Person living alone (Pensioner)	64	31.8	10	5.0	4	2.0	1	0.5	2	1.0
Two or more pensioners	54	26.9	29	14.4	8	4.0	7	3.5	6	3.0
Other (e.g. Couple with children over 16)	3	1.5	10	5.0	25	12.4	20	10.0	27	13.5
Total	201	100.0	201	100.0	201	100.0	201	100.0	200	100.0

Figure 6.2:
Household composition by household income quintile



Figure 6.3:
Household income quintile by household composition



6.1 Household Composition by household income quintile

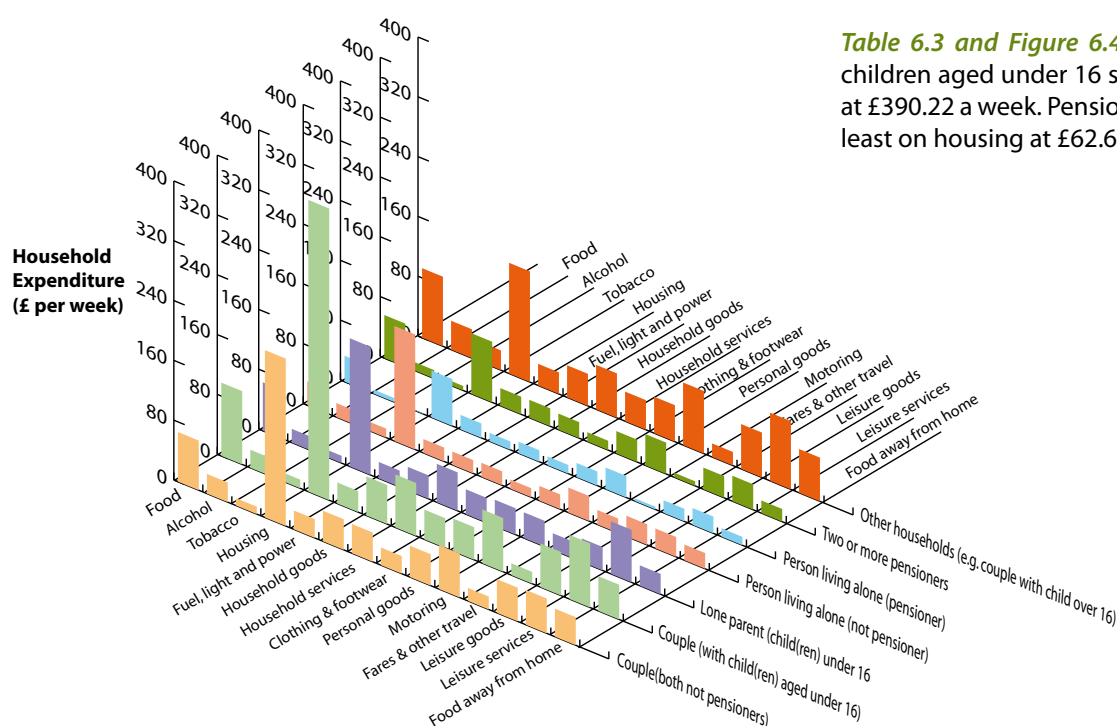
The size and make up of households has an effect on their income (*see Table 6.2*). For instance, 58.7% of households in the lowest income quintile were pensioner households, compared to 4% in the highest income quintile.

Figure 6.2 and Figure 6.3 show the household composition groups by Household income quintile. There are more single persons in each of the lowest and second household income quintiles than in the other income quintiles. It stands to reason that single person households would tend to earn less money than those households with multiple earners.

Table 6.3
Expenditure by household composition

Weekly spend (£)	Composition of household							
	Couple (both not pensioners)	Couple with at least one dependent child under 16	Lone Parent with at least one dependent child under 16	Person living alone (not pensioner)	Person living alone (Pensioner)	Two or more pensioners	Other (e.g. couple with children over 16)	All Households
Number of households	268	334	47	85	81	104	85	1,004
Food	66.42	98.02	64.81	31.91	34.69	57.61	93.09	72.76
Alcohol	26.32	24.13	18.43	18.82	5.41	11.23	38.69	22.39
Tobacco	9.95	11.62	9.78	12.00	1.01	6.10	26.44	10.95
Housing	223.95	390.22	171.56	153.92	62.65	81.16	148.07	252.98
Fuel, Light and Power	25.24	28.21	21.98	18.56	19.36	23.63	28.92	25.18
Household Goods	40.93	52.26	31.42	17.81	11.18	23.93	42.94	38.30
Household Services	39.14	70.99	51.43	18.66	15.33	21.48	59.49	47.23
Clothing & Footwear	23.63	39.78	33.33	12.10	11.61	12.50	39.61	27.71
Personal goods	42.01	43.66	35.32	19.62	18.88	29.91	48.81	37.81
Motoring	58.84	71.93	34.48	33.46	28.74	41.92	83.70	57.83
Fares and Other Travel	17.34	15.82	22.37	19.37	3.69	6.07	18.19	15.05
Leisure Goods	45.05	58.32	31.37	27.65	16.83	29.01	60.07	44.69
Leisure Services	46.56	85.81	70.26	26.58	22.42	34.04	91.24	59.57
Food Away From Home	37.54	46.45	27.33	21.03	11.24	16.95	58.48	36.15
ALL WEEKLY EXPENDITURE	702.91	1,037.22	623.86	431.48	263.05	395.55	837.72	748.58
Annual Expenditure	36,551.45	53,935.19	32,440.91	22,436.90	13,678.80	20,568.60	43,561.22	38,926.27

Figure 6.4:
Expenditure by household composition



6.2 Household expenditure by household composition

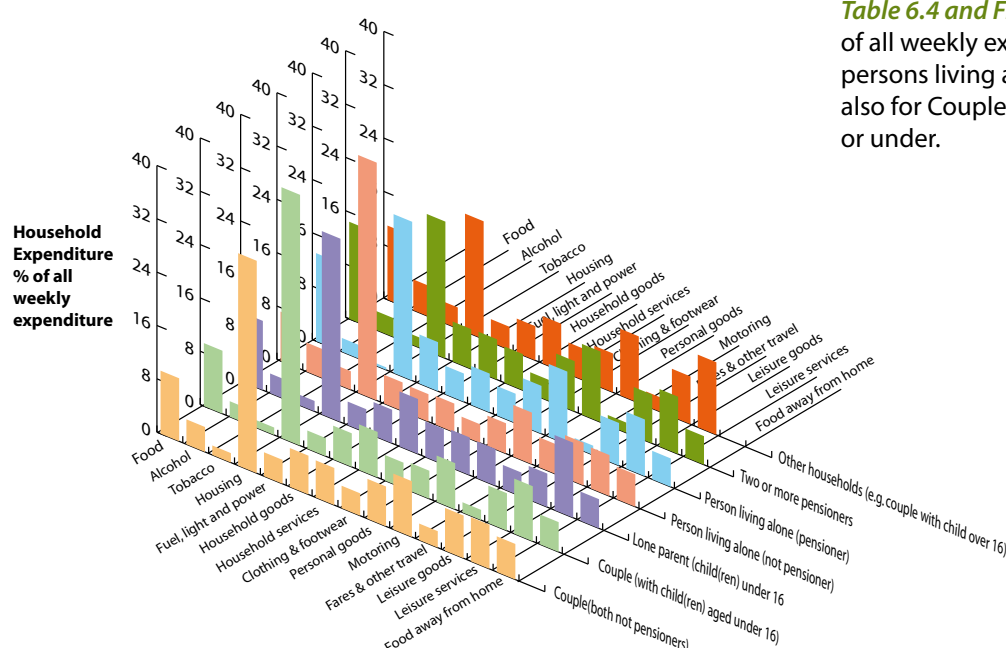
Table 6.3 and Figure 6.4 show that couples with children aged under 16 spent the most on housing at £390.22 a week. Pensioners living alone spent the least on housing at £62.65 a week.

6: Expenditure by Household Composition

Table 6.4
Expenditure by household composition - Percentages

	Composition of Household							All
	Couple (both not pensioners)	Couple with at least one dependent child under 16	Lone Parent with at least one dependent child under 16	Person living alone (not pensioner)	Person living alone (Pensioner)	Two or more pensioners	Other (e.g. couple with children over 16)	
Number of households	268	334	47	85	81	104	85	1,004
Food	9.45	9.45	10.39	7.40	13.19	14.57	11.11	9.72
Alcohol	3.74	2.33	2.95	4.36	2.06	2.84	4.62	2.99
Tobacco	1.42	1.12	1.57	2.78	0.38	1.54	3.16	1.46
Housing	31.86	37.62	27.50	35.67	23.82	20.52	17.68	33.79
Fuel, Light and Power	3.59	2.72	3.52	4.30	7.36	5.98	3.45	3.36
Household Goods	5.82	5.04	5.04	4.13	4.25	6.05	5.13	5.12
Household Services	5.57	6.84	8.24	4.32	5.83	5.43	7.10	6.31
Clothing & Footwear	3.36	3.83	5.34	2.80	4.41	3.16	4.73	3.70
Personal goods	5.98	4.21	5.66	4.55	7.18	7.56	5.83	5.05
Motoring	8.37	6.94	5.53	7.75	10.92	10.60	9.99	7.73
Fares and Other Travel	2.47	1.53	3.59	4.49	1.40	1.53	2.17	2.01
Leisure Goods	6.41	5.62	5.03	6.41	6.40	7.33	7.17	5.97
Leisure Services	6.62	8.27	11.26	6.16	8.52	8.61	10.89	7.96
Food Away From Home	5.34	4.48	4.38	4.87	4.27	4.29	6.98	4.83
All weekly expenditure	100.00	100.00	100.00	100.00	100.00	100.00	100.0	100.00

Figure 6.5:
Expenditure by household composition - percentage of all weekly expenditure



6.3 Household Composition by household income quintile

Table 6.4 and Figure 6.5 show that the percentage of all weekly expenditure on housing is highest for persons living alone (who are not pensioners), and also for Couples with dependent children aged 16 or under.

Figure 6.6
Percentage expenditure on food

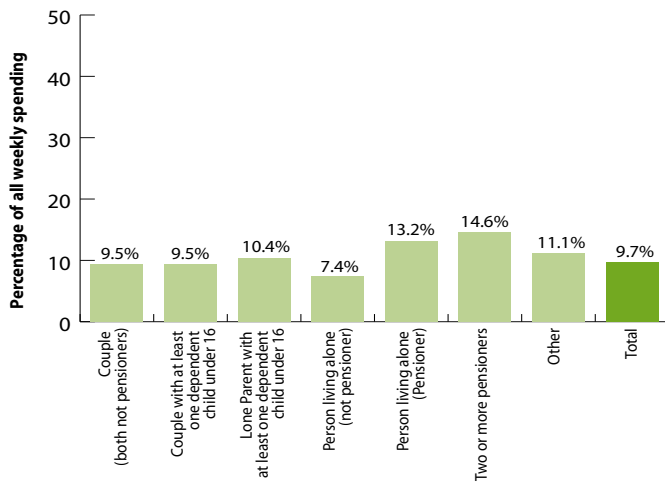


Figure 6.7
Percentage expenditure on housing

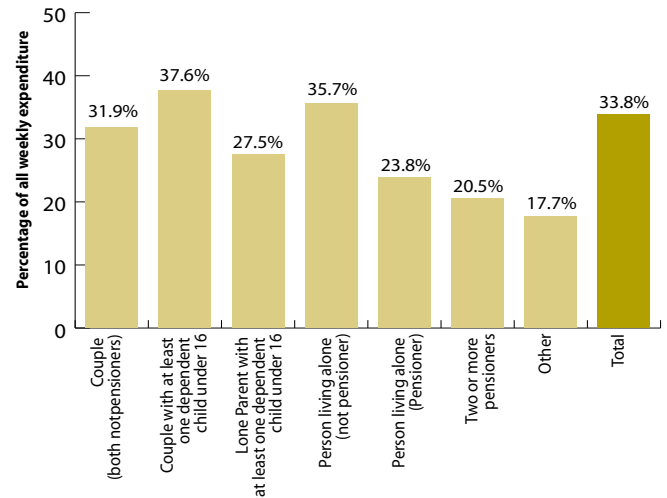


Figure 6.8
Percentage expenditure on household services

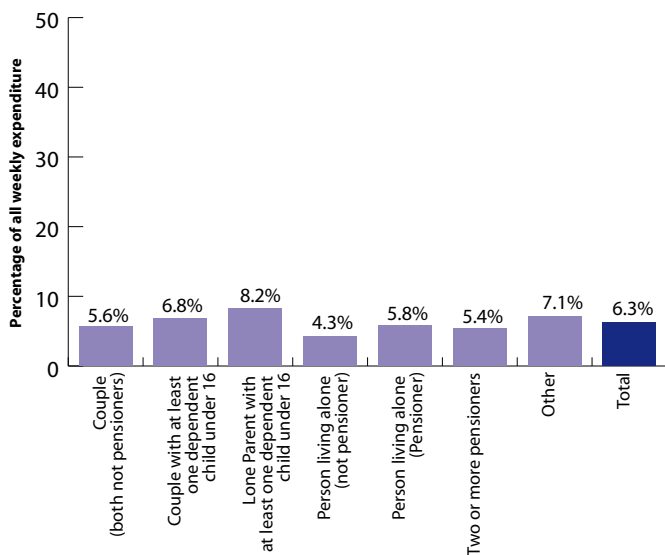


Figure 6.9
Percentage expenditure on motoring

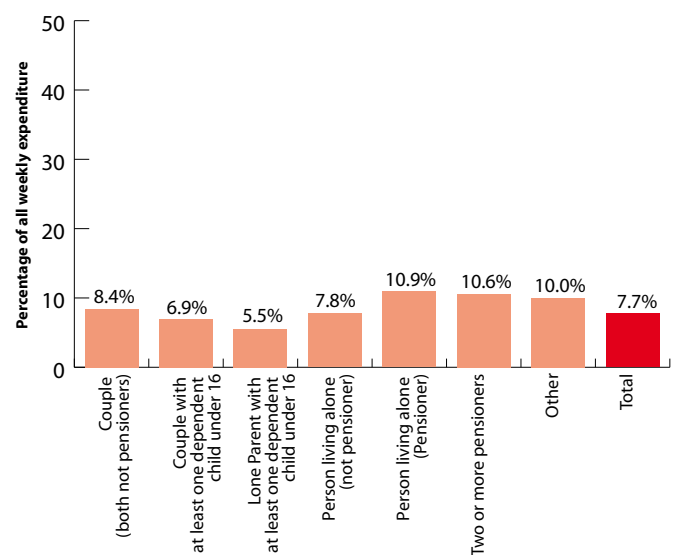


Figure 6.10
Percentage expenditure on Leisure Goods

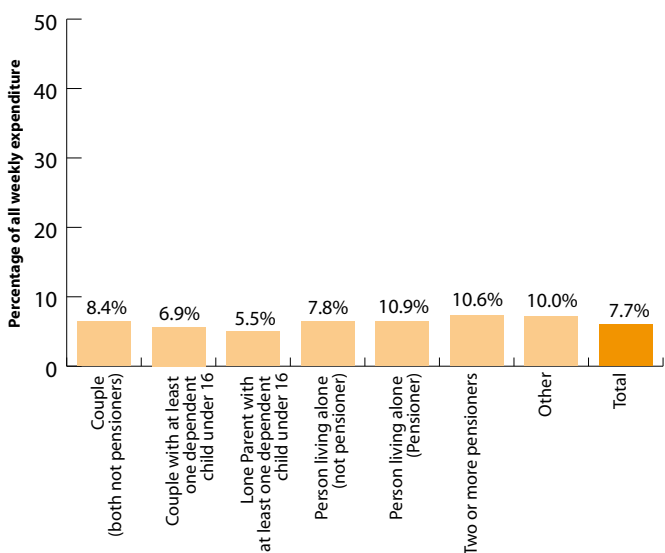
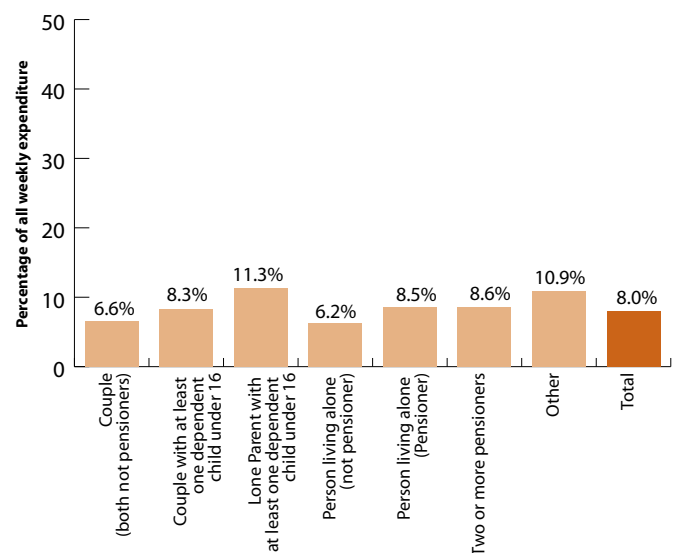


Figure 6.11
Percentage expenditure on Leisure Services



6: Expenditure by Household Composition

Table 6.5
Expenditure by household composition

Weekly spend (£)		Composition of household						
Number of Households	268	334	47	85	81	104	85	1,004
Unweighted data	Couple (both not pensioners)	Couple with at least one dependent child under 16	Lone Parent with at least one dependent child under 16	Person living alone (not pensioner)	Person living alone (Pensioner)	Two or more pensioners	Other (e.g. couple with children over 16	All Households
ALL FOOD	66.42	98.02	64.81	31.91	34.69	57.61	93.09	72.76
Bread	3.43	5.39	3.29	1.76	1.78	3.26	5.38	3.95
Flour	0.46	0.51	0.22	0.05	0.38	0.35	0.47	0.41
Biscuits	0.96	2.26	0.99	0.45	0.70	0.95	1.76	1.40
Cakes	2.23	3.21	1.85	1.01	1.38	2.03	3.22	2.43
Pasta/Rice/Cereals	1.88	3.73	2.19	0.87	0.87	1.41	2.70	2.36
Fresh Meat	9.35	11.31	7.32	3.37	3.99	7.41	12.49	9.03
Cooked meat/meat products	2.76	4.16	1.84	1.17	1.29	2.35	4.57	3.04
Frozen meat	0.83	1.67	1.45	0.31	0.26	1.05	1.56	1.13
Seafood	3.72	3.33	2.05	1.27	2.48	3.32	4.89	3.27
Eggs	0.69	0.74	0.54	0.26	0.39	0.62	0.76	0.64
Butter / Margarine	0.87	1.10	0.69	0.40	0.80	1.31	1.25	0.97
Yoghurt	1.75	2.77	2.08	0.87	0.76	1.60	2.13	1.97
Milk	2.80	4.17	2.66	1.56	1.99	2.97	4.83	3.27
Cream	0.31	0.34	0.16	0.10	0.20	0.27	0.31	0.28
Cheese	2.24	3.30	2.12	1.05	1.05	1.84	2.78	2.39
Cooking oils / lard/ fat	0.38	0.48	0.28	0.13	0.23	0.36	0.34	0.37
Baby Foods/Milk	0.09	1.72	0.28	0.04	0.00	0.01	0.08	0.62
Fresh Vegetables	4.65	5.29	3.35	2.01	2.08	3.88	5.08	4.33
Fresh Salad	1.01	1.26	1.04	0.64	0.45	0.80	1.15	1.01
Tinned/Dried Vegetables	1.20	1.46	1.11	0.52	0.47	0.71	1.58	1.15
Frozen Vegetables	0.26	0.40	0.34	0.14	0.16	0.29	0.20	0.29
Potatoes and Potato products	2.58	4.62	3.08	1.21	1.08	1.82	3.98	3.08
Fresh Fruit	4.93	6.75	4.37	3.10	3.19	5.04	6.21	5.33
Canned, dried and frozen fruit	0.42	0.44	0.35	0.21	0.36	0.52	0.37	0.41
Sugar	0.50	0.27	0.11	0.12	0.29	0.53	0.46	0.35
Marmalades, syrups, jams	0.29	0.36	0.23	0.17	0.24	0.63	0.31	0.33
Spreads	0.19	0.35	0.05	0.07	0.12	0.18	0.35	0.23
Ice Cream	0.63	1.14	0.65	0.34	0.27	0.63	0.91	0.77
Sweets	2.56	5.06	3.55	1.52	2.12	2.32	4.45	3.45
Other packaged Foods	2.55	4.37	2.92	1.28	1.14	2.31	4.30	3.07
Ready to eat meals	2.53	4.55	4.17	2.26	1.07	1.90	4.04	3.20
Flavourings	1.36	1.78	1.45	0.54	0.48	0.87	1.59	1.33
Sauces/Chutneys/Pickles	0.99	1.39	1.00	0.37	0.34	0.65	1.08	0.99
Tea	0.48	0.57	0.55	0.21	0.45	0.70	0.70	0.53
Coffee	0.79	0.77	0.56	0.48	0.42	0.66	1.21	0.74
Drinking Chocolate	0.13	0.06	0.06	0.07	0.12	0.18	0.21	0.15
Fruit Juices	1.44	2.55	1.82	0.81	0.46	0.82	1.45	1.63
Soft Drinks	2.19	4.40	4.03	1.16	0.82	1.05	3.92	2.84

6: Expenditure by Household Composition

Table 6.5 (continued)
Expenditure by household composition

Weekly spend (£)		Composition of household						
Number of Households	268	334	47	85	81	104	85	1,004
Unweighted data	Couple (both not pensioners)	Couple with at least one dependent child under 16	Lone Parent with at least one dependent child under 16	Person living alone (not pensioner)	Person living alone (Pensioner)	Two or more pensioners	Other (e.g. couple with children over 16	All
ALL ALCOHOL	26.32	24.13	18.43	18.82	5.41	11.23	38.69	22.39
Beers brought home	1.93	1.97	2.54	0.64	0.57	1.36	2.87	1.78
Cider brought home	0.41	0.52	0.16	0.28	0.10	0.01	0.47	0.36
Fortified wines brought home	0.25	0.10	0.00	0.60	0.39	0.38	0.27	0.24
Unfortified wines brought home	10.53	10.72	6.28	6.89	1.70	4.80	9.43	8.69
Spirits / Liqueurs brought home	2.04	1.67	1.14	1.30	0.97	2.64	2.80	1.85
Beers away from home	7.21	5.77	3.76	4.29	1.18	1.31	15.68	5.94
Cider away from home	0.42	0.15	0.57	1.04	0.00	0.00	0.49	0.32
Fortified wines away from home	0.00	0.00	0.00	0.00	0.00	0.07	0.00	0.01
Unfortified wines away from home	2.35	1.62	2.14	1.91	0.44	0.46	2.38	1.71
Spirits / Liqueurs away from home	0.76	0.71	1.01	1.16	0.00	0.07	3.44	0.88
Alcoholic drinks with meals out	0.42	0.90	0.81	0.71	0.07	0.13	0.86	0.60
ALL TOBACCO	9.95	11.62	9.78	12.00	1.01	6.10	26.44	10.95
Cigarettes	8.75	11.20	9.78	9.74	1.01	3.21	24.70	9.85
Tobacco	1.11	0.40	0.00	0.00	0.00	1.03	1.56	0.67
Cigars	0.09	0.02	0.00	2.25	0.00	1.85	0.17	0.43
ALL HOUSING	223.95	390.22	171.56	153.92	62.65	81.16	148.07	252.98
House Purchase/Sale Costs	0.00	0.00	0.00	0.00	0.00	0.00	3.31	16.61
Mortgage Costs	100.94	179.74	78.93	60.83	0.00	0.00	58.09	100.50
Rents	17.97	22.77	26.98	14.54	6.40	6.41	21.29	17.85
Major Household Improvements	53.23	126.25	23.61	30.52	17.02	18.18	23.08	65.11
Household repairs and maintenance	25.87	32.68	23.12	32.01	12.59	19.99	15.57	25.97
DIY Materials	5.98	7.84	5.20	2.93	0.23	3.78	8.65	5.84
DIY Tools	1.75	1.56	0.24	1.15	0.35	0.65	1.25	1.30
Sewage Emptying	1.16	1.76	1.19	0.28	0.67	0.97	1.47	1.25
Tax on Rateable Value	1.42	1.69	0.99	1.02	2.14	1.57	1.54	1.54
Water Charges	4.74	5.62	3.75	3.66	3.84	4.18	5.13	4.80
Parish rates (occupiers rates)	2.39	1.89	2.73	1.31	1.67	2.67	1.90	2.08
Property Charges	0.40	0.27	0.63	0.32	0.65	0.55	0.49	0.40
Household Insurance	7.92	7.74	4.20	5.34	16.65	7.22	6.10	7.95
Other Housing Expenditure	0.19	0.39	0.00	0.00	0.44	15.01	0.21	1.79
ALL FUEL, LIGHT & POWER	25.24	28.21	21.98	18.56	19.36	23.63	28.92	25.18
Coal	1.41	1.34	2.54	1.08	0.52	1.83	1.46	1.39
Oil LESS rebates	9.70	10.25	4.87	6.17	6.95	9.68	11.80	9.31
Gas LESS rebates	4.20	3.67	4.56	4.23	3.12	2.89	4.18	3.82
Electricity LESS rebates	9.93	12.94	10.01	7.09	8.78	9.24	11.48	10.66

6: Expenditure by Household Composition

Table 6.5 (continued)
Expenditure by household composition

Weekly spend (£)		Composition of household						
Number of Households	268	334	47	85	81	104	85	1,004
Unweighted data	Couple (both not pensioners)	Couple with at least one dependent child under 16	Lone Parent with at least one dependent child under 16	Person living alone (not pensioner)	Person living alone (Pensioner)	Two or more pensioners	Other (e.g. couple with children over 16	All Households
ALL HOUSEHOLD GOODS	40.93	52.26	31.42	17.81	11.18	23.93	42.94	38.30
Furniture	3.99	14.69	5.05	0.97	1.17	3.19	11.47	7.66
Floor Coverings	1.13	2.57	2.47	0.50	0.53	1.00	0.95	1.54
House Textiles	3.91	3.88	1.92	1.69	0.10	1.56	2.86	2.98
Baby equipment	0.30	1.47	0.00	0.00	0.07	0.28	0.16	0.62
Appliances	3.79	4.84	1.96	2.59	1.21	3.52	3.41	3.68
Spare Parts for Electric Goods	0.08	0.23	0.12	0.36	0.34	0.59	0.39	0.26
Reps to Domestic Appliances	0.73	0.32	0.45	0.83	0.01	0.00	0.05	0.40
China/Glass Pottery	1.34	0.95	0.43	0.58	0.03	0.74	0.91	0.90
Mirrors	0.07	0.09	3.74	0.00	0.00	0.01	0.00	0.22
Other Household Goods	7.08	6.06	3.24	2.42	1.79	3.54	6.02	5.29
Stationery	3.38	3.50	3.29	1.11	1.40	2.43	3.68	2.99
Tissues/toilet paper	1.08	1.66	1.29	0.65	0.52	0.67	1.32	1.18
Soap products/washing powder	1.77	2.41	1.90	0.80	0.79	1.19	2.09	1.80
Other cleaning materials	1.29	2.17	0.97	0.65	0.70	1.34	2.13	1.54
Pet Expenses	10.99	7.42	4.59	4.66	2.51	3.86	7.51	7.25
ALL HOUSEHOLD SERVICES	39.14	70.99	51.43	18.66	15.33	21.48	59.49	47.23
Postage Charges	1.37	1.01	0.54	0.57	1.00	0.93	1.25	1.06
Mobile phone charges	5.72	8.03	11.32	3.73	0.88	1.74	13.39	6.43
Fixed Line Telephone Costs	5.03	6.04	6.73	4.14	3.16	3.90	7.09	5.28
Internet Costs - ISPs	1.86	2.86	2.33	1.14	0.26	0.70	2.41	1.95
Other Internet Costs	1.02	0.93	0.72	0.82	0.11	0.34	0.89	0.81
Domestic Services	2.29	29.08	12.69	1.66	5.39	4.62	7.53	12.57
Charges for repairs and cleaning	0.96	1.13	0.49	0.35	0.65	0.68	1.23	0.91
Charges and other fees	16.14	17.70	13.51	5.75	2.60	4.44	21.30	13.79
Other Household Services	4.77	4.21	3.10	0.51	1.27	4.14	4.39	4.45
ALL CLOTHING AND FOOTWEAR	23.63	39.78	33.33	12.10	11.61	12.50	39.61	27.71
Men's Clothing	4.36	8.76	2.86	0.47	0.99	1.62	6.97	5.09
Women's Clothing	15.32	17.67	20.02	8.77	7.90	8.23	26.89	15.41
Children's Clothing	0.83	6.59	5.53	0.43	0.31	0.19	0.86	2.83
Footwear	3.12	6.75	4.92	2.41	2.41	2.46	4.89	4.38
ALL PERSONAL GOODS	42.01	43.66	35.32	19.62	18.88	29.91	48.81	37.81
Miscellaneous personal goods	8.26	7.79	4.73	4.59	1.34	4.78	9.90	6.85
Vitamins, Cosmetics, Toiletries	10.91	13.26	7.51	5.21	2.65	3.85	12.35	9.78
Hairdressing and beauty treatment	7.42	7.18	6.09	3.87	4.82	4.82	9.05	6.64
Medical expenses	15.42	15.32	16.98	5.95	9.14	16.42	17.52	14.44
Insurance on Personal Goods	0.00	0.10	0.01	0.00	0.93	0.04	0.00	0.11

6: Expenditure by Household Composition

Table 6.5 (continued)
Expenditure by household composition

Weekly spend (£)	Composition of household							
Number of Households	268	334	47	85	81	104	85	1,004
Unweighted data	Couple (both not pensioners)	Couple with at least one dependent child under 16	Lone Parent with at least one dependent child under 16	Person living alone (not pensioner)	Person living alone (Pensioner)	Two or more pensioners	Other (e.g. couple with children over 16)	All
ALL MOTORING	58.84	71.93	34.48	33.46	28.74	41.92	83.70	57.83
Vehicle Purchases	27.49	27.99	6.58	6.01	12.20	16.09	23.55	22.11
Servicing and repair costs	7.28	11.86	4.85	10.60	6.91	6.96	13.56	9.44
Spares and accessories	1.32	2.22	0.60	2.02	0.89	1.93	7.83	2.22
Fuel Costs (motoring)	11.58	16.53	13.63	8.50	4.52	8.86	19.40	12.87
Other motoring costs	11.16	13.32	8.82	6.33	4.22	8.09	19.37	11.18
ALL FARES AND OTHER TRAVEL	17.34	15.82	22.37	19.37	3.69	6.07	18.19	15.05
Other vehicle purchases	1.73	1.25	14.10	9.54	0.00	0.11	2.88	2.60
Other vehicle costs	4.40	3.22	0.36	0.72	0.53	0.50	1.59	2.55
Fares	11.21	11.35	7.91	9.11	3.16	5.46	13.73	9.89
ALL LEISURE GOODS	45.05	58.32	31.37	27.65	16.83	29.01	60.07	44.69
Electrical Goods	8.16	13.15	9.07	8.09	2.59	9.94	14.21	10.11
Parts and servicing for Leisure Goods	0.87	1.64	0.48	0.81	0.06	0.64	3.93	1.27
Musical Instruments/Parts	1.10	1.86	0.49	0.00	0.00	0.00	1.05	1.02
Software and Media	0.93	1.98	0.63	0.91	0.08	0.16	1.15	1.14
Prerecorded material purchases	2.82	3.96	3.46	1.89	1.32	0.71	5.92	3.07
Telephone purchases	0.65	1.59	0.61	0.86	0.15	0.04	2.47	1.03
Sports Goods	4.90	5.80	2.65	5.07	0.56	0.15	5.49	4.32
Books	1.90	2.67	1.41	1.61	1.02	1.51	3.75	2.15
Newspapers and Magazines	5.05	5.24	2.72	3.31	5.84	5.91	7.47	5.21
Games/Toys/Pastimes/hobbies	4.77	9.02	4.08	1.38	1.21	3.17	6.14	5.53
Photography	4.51	2.40	0.45	1.26	0.18	0.46	1.56	2.32
Cut Flowers	1.53	1.23	1.51	0.66	1.10	1.03	1.61	1.28
Gardening	7.87	7.77	3.80	1.81	2.71	5.29	5.31	6.23
ALL LEISURE SERVICES	46.56	85.81	70.26	26.58	22.42	34.04	91.24	59.57
Cinema/Theatre/Concert admissions	1.16	1.71	1.03	0.56	0.14	0.10	0.98	1.08
Sports costs	10.48	11.14	5.13	5.97	1.49	5.52	9.02	8.70
Admission to attractions	0.28	0.96	0.62	0.49	0.21	0.04	0.86	0.56
TV	7.18	8.03	9.01	4.15	1.55	4.24	7.01	6.52
Mooring and hangar fees	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.01
Education / Tuition fees	7.58	42.37	31.58	5.45	9.11	4.05	34.78	22.16
Holiday expenses	19.86	21.60	22.89	9.96	9.92	20.08	38.58	20.55
ALL FOOD AWAY FROM HOME	37.54	46.45	27.33	21.03	11.24	16.95	58.48	36.15
Food at work	0.53	0.51	0.98	0.42	0.00	0.00	1.23	0.50
Meals Out	29.86	33.77	17.43	17.45	10.82	15.69	45.55	27.85
Take Away meals/snacks	7.15	12.17	8.92	3.15	0.42	1.26	11.69	7.80
ALL EXPENDITURE	702.91	1,037.22	623.86	431.48	263.05	395.55	837.72	748.58

7 Comparison with Previous Surveys



- Compared to the last HES in 1999, all weekly expenditure has increased from £668.51 to £748.58 in real terms.
- Expenditure on housing has risen dramatically since the 1999 HES. In contrast expenditure on food as a percentage of total expenditure has fallen over time from 31.7% in 1964 to 9.7% in 2006.
- Fuel, light and power accounted for 6.4% of expenditure in 1964, rising to 8.2% in 1983, then falling to 3.9% in 2006.
- Clothing and footwear expenditure as a proportion of total spending has dropped by 6.5 percentage points between 1964 and 2006.

Introduction

This section of the report looks at household expenditure compared to the results of previous Guernsey Household Expenditure surveys. It should be understood that comparisons in expenditure over time can be subject to the changing pattern and availability of goods and services.

The comparisons do however provide an interesting look at how expenditure in different categories has varied over time. Particularly interesting is the shift away from food being a major component of expenditure in 1964 to housing being the major component in 2006.

7.1 Weekly expenditure

Table 7.1 and Figure 7.1 show how weekly expenditure has changed from 1999 to 2006. 1999 figures are presented both in nominal terms (i.e. in actual 1999 prices) and reflat to 2006 values. This gives a like for like comparison taking into account the effects of inflation.

Expenditure for all items has increased from £668.51 to £748.58 in real terms - an increase of £80.07.

The Housing group has increased the most, from £144.48 in 1999 to £252.98 in 2006 – an increase of £108.50. Of this increase, £16.61 is due to items included in the 2006 HES which were not included in the 1999 survey. These relate to house purchase and sale costs such as estate agent and advocates fees.

There has also been a rise in the cost of servicing a mortgage. In 2006, mortgage costs accounted for 40% of expenditure in the housing group, compared to 26% in 1999. Rents accounted for 26% of expenditure within the housing group in 2006.

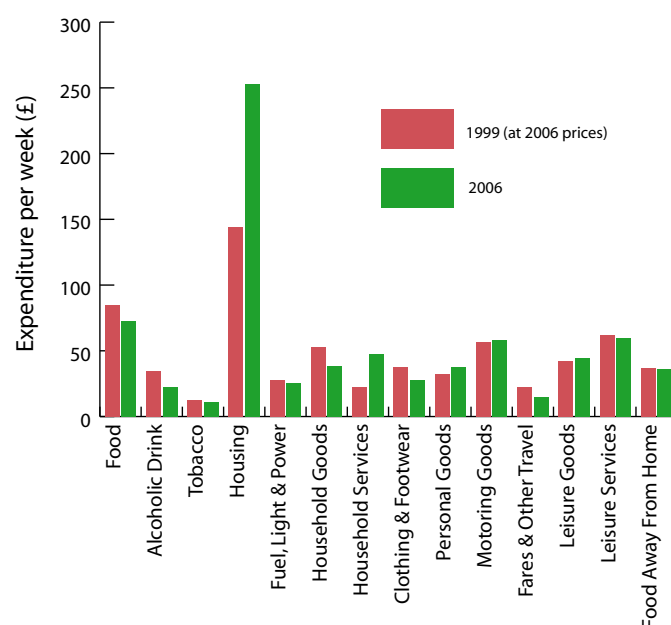
In the food group, average expenditure has fallen from £84.55 a week to £72.76 per week, and expenditure on tobacco has fallen from £12.63 a week to £10.95.

Of the other HES expenditure groups, household services has increased the most - from £22.12 per week to £47.23, largely due to an increase in expenditure on domestic services such as cleaners, gardeners and child minders as well as an increase in charges and fees such as professional subscriptions.

Table 7.1
Weekly expenditure - 1999 compared to 2006

Average Weekly Expenditure (nominal) (£)				
	1999 (Nominal)	1999 (at 2006 values)	2006	Variance (£)
Food	64.99	84.55	72.76	-11.79
Alcoholic Drink	26.67	34.70	22.39	-12.31
Tobacco	9.71	12.63	10.95	-1.68
Housing	111.05	144.48	252.98	+108.50
Fuel, Light & Power	21.30	27.71	25.18	-2.53
Household Goods	40.37	52.52	38.30	-14.22
Household Services	17.00	22.12	47.23	+25.11
Clothing & Footwear	28.72	37.36	27.71	-9.65
Personal Goods	25.04	32.58	37.81	+5.23
Motoring Goods	43.70	56.85	57.83	+0.98
Fares & Other Travel	17.03	22.16	15.05	-7.11
Leisure Goods	32.59	42.40	44.69	+2.29
Leisure Services	47.50	61.80	59.57	-2.23
Food Away From Home	28.16	36.64	36.15	-0.49
All weekly expenditure	£513.84	£668.51	£748.58	+80.07

Figure 7.1
Weekly expenditure - 1999 at 2006 values compared to 2006



7: Comparisons with previous surveys

7.2 Comparisons over time

Table 7.2 and Figures 7.2 to 7.7 show how household expenditure has changed over time. Although some of the expenditure categories have changed since 1964, it is still possible to make broad comparisons in some categories.

For instance, in 1964 food accounted for 31.7% of household expenditure, but by 2006 this had fallen to 9.7%. At the same time, expenditure on housing has increased from 10.9% in 1964 to 33.8% in 2006 – a two-fold increase. In fact proportions of expenditure in the food and housing groups have reversed in the 42 years since 1964.

Other interesting changes are in the Clothing & Footwear category which has decreased from 10.2% of expenditure in 1964 to 3.7% in 2006, and in the Food away from home group, which has increased from 0.5% of expenditure in 1964 to 4.8% in 2006. This reflects changing social behaviour common to many advanced economies throughout the World.

Table 7.2
Percentage expenditure on different expenditure groups over time¹

	Year of completion of Household Expenditure Survey							
	1964	1973	1978	1983	1988	1993	1999	2006
<i>Expenditure Category</i>								
Food	31.7	25.5	23.0	19.3	14.9	16.3	12.7	9.7
Alcoholic Drink	5.0	5.1	4.2	4.4	3.9	3.8	5.2	3.0
Tobacco	3.6	2.1	1.9	1.9	1.2	1.4	1.9	1.5
Housing	10.9	11.1	9.6	12.2	18.1	20.6	21.6	33.8
Fuel, Light & Power	6.4	7.7	7.3	8.2	5.6	5.7	4.1	3.4
Durable Household Goods	4.8	6.1	8.2	8.3	-	-	-	-
Clothing & Footwear	10.2	9.1	7.6	7.5	8.2	6.5	5.6	3.7
Transport & Vehicles	10.0	13.2	16.1	15.7	-	-	-	-
Miscellaneous	7.9	8.0	8.7	8.0	-	-	-	-
Services	9.0	9.2	9.9	10.0	-	-	-	-
Food Away from Home	0.5	2.9	3.5	4.5	5.5	4.8	5.5	4.8
Household Goods	-	-	-	-	9.5	7.0	7.9	5.1
Household Services	-	-	-	-	2.6	2.4	3.3	6.3
Personal Goods	-	-	-	-	5.8	5.8	4.9	5.1
Motoring Expenditure	-	-	-	-	9.9	10.0	8.5	7.7
Fares, Other Travel	-	-	-	-	3.2	2.6	3.3	2.0
Leisure Goods	-	-	-	-	5.2	5.7	6.3	6.0
Leisure Services	-	-	-	-	6.4	7.4	9.2	8.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

¹ There have been a number of changes to the classification system of household expenditure since 1964, the most recent being in 1988. This means that strict "like for like" comparison between all the expenditure categories is not possible prior to 1988.

Figure 7.2
Changes in expenditure on food

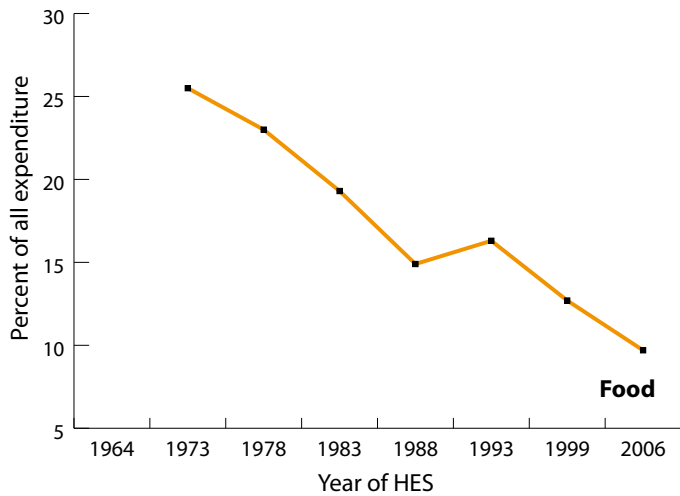


Figure 7.3
Changes in expenditure on tobacco

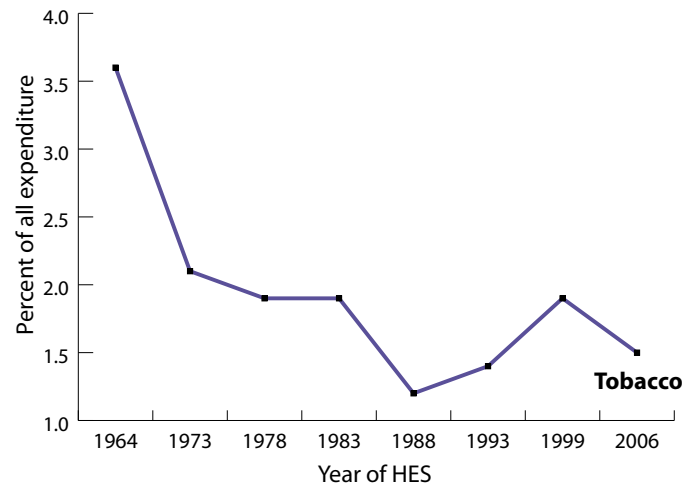


Figure 7.4
Changes in expenditure on housing

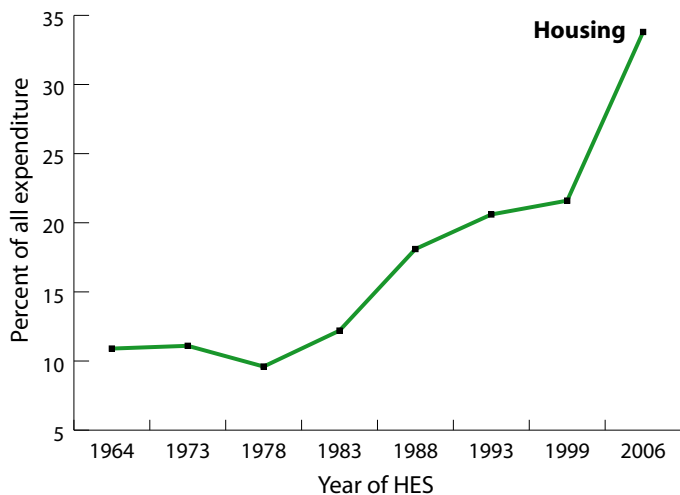


Figure 7.5
Changes in expenditure on fuel, light and power

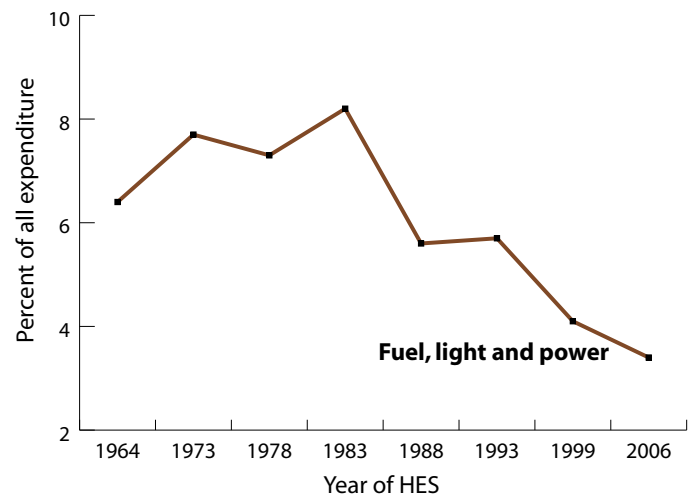


Figure 7.6
Changes in expenditure on clothing & footwear

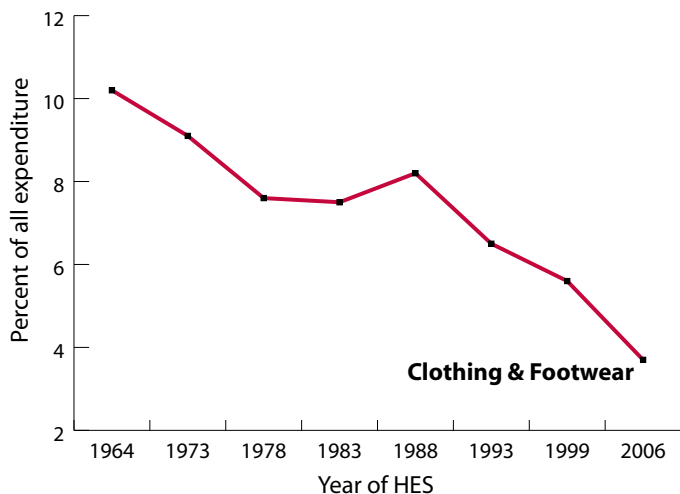
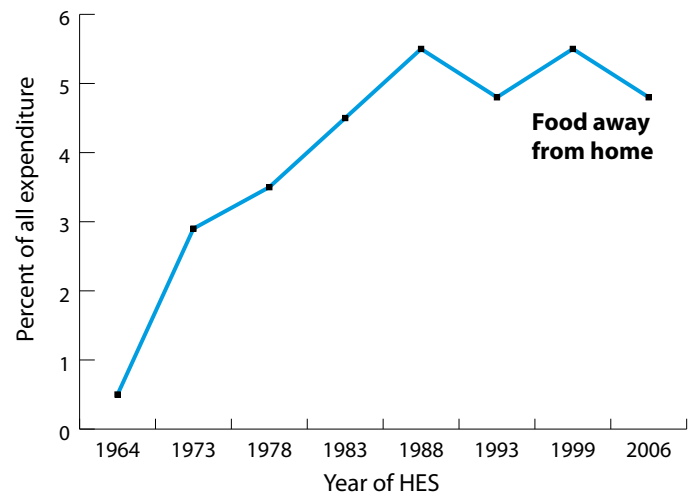


Figure 7.7
Changes in expenditure on food away from home



8 Household Expenditure using the COICOP system



- **COICOP stands for Classification of Individual Consumption by Purpose, and is an international standard for classifying consumption expenditure.**
- **The main differences between the COICOP system and the Guernsey HES categories are the amalgamation of the categories into 12 and, importantly, house purchase costs, mortgage interest payments and major household improvements are excluded from the COICOP system.**
- **Re-coding the Guernsey HES classification into the COICOP system enables comparisons of household expenditure to be made between Guernsey, Jersey and the United Kingdom.**

Introduction

Throughout this report, household expenditure has been classified using the current HES classification as currently used in the Retail Prices Index published by the States Policy and Research Unit. This method of classification has been chosen to preserve transparency and continuity with the current method of producing inflation figures in Guernsey.

However, since 2001 a new system of classifying household consumption has been used throughout Europe and this

forms the basis of the measure of inflation known as the Consumer Prices Index (CPI). This is currently the UK Government's favoured measure of inflation, although the traditional RPI figure is still produced and published by the UK Office for National Statistics.

The new classification system is known by the acronym COICOP, which stands for "Classification of Individual Consumption by Purpose"

8.1 COICOP

COICOP stands for **C**lassification of **I**ndividual **C**onsumption by **P**urpose, and is the agreed international classification for consumer expenditure as used in the calculation of National Accounts.

COICOP is the classification system used on Household Budget Surveys (The equivalent of Guernsey's HES) throughout Europe. It has also been used by the States of Jersey Statistics Unit¹ in the classification of their household consumption.

The official COICOP Classification is split into twelve headings as shown in **Table 8.1**.

In line with national accounting concepts and definitions, repayments of loans and mortgage interest, cash gifts or donations and other financial transactions, as well as house purchases and major renovations and alterations to homes (major household improvements) are considered to be non-consumption expenditure and are not included in the COICOP classification.

Table 8.1
Outline of official COICOP Classification

COICOP Category	What the category includes
1 Food and non-alcoholic drinks	All fresh, frozen and chilled food brought home, including bread, flour, rice, cereals, meat, fish, vegetables, fruit, salad, dairy products, flavourings and ready cooked meals and soft drinks brought home
2 Alcohol off sales and tobacco	All alcohol brought home and cigarettes, cigars and tobacco
3 Clothing & Footwear	Clothing materials, garments for mens, women and children, accessories, haberdashery and footwear
4 Housing, water, electricity, gas and other fuels	Rent, materials and services for maintenance and repair of the dwelling, household energy, water, household services (e.g. rubbish collection)
5 Furnishings, household equipment and services	Furniture, ornaments, carpets and floor coverings, household textiles, household appliances, tools and cleaning materials, domestic services (e.g. cleaners)
6 Health	Pharmaceutical products, medicine and medical products, optician, doctor, dentist, hospital and other medical fees
7 Transport	Purchase of cars, motorcycles, vans, bicycles and spare parts, motor fuels, lubricants, motor repairs and other services, parking and other motor fees, transport by rail, road, air and sea
8 Communication	Postal services, telephone (fixed and mobile) and telefax equipment and services
9 Recreation and culture	Audio-visual, photographic and information processing equipment, recreational items and equipment, cultural services, newspapers, books, magazines, package holidays
10 Education	Pre-primary, primary, secondary and tertiary education fees, other education fees / private tuition
11 Restaurants and Hotels	Catering services, food and drink (including alcohol) bought in restaurants, bars and cafés, accommodation services
12 Miscellaneous goods and services	Personal care, personal effects, social protection, insurance, other services

¹States of Jersey Statistics Unit. Report on the Jersey Household Expenditure Survey 2004/5. See www.gov.je/statistics

8: COICOP

8.2 COICOP and housing expenditure

The major difference between the HES classification and the COICOP classification concerns the treatment of expenditure on housing.

The differences are set out in [Table 8.2](#). Here, the official COICOP classification excludes mortgage interest payments and major household improvements. Also excluded are payments of rates (in Guernsey this equates to parish rates and tax on rateable value).

As shown in the results in other sections of this report, owner occupied households form a significant majority of households in Guernsey (around 87%) and therefore expenditure of mortgage interest and/or major household improvements is likely to form a significant part of expenditure and hence will influence the amount of disposable income left for expenditure in other areas.

Table 8.2

Guernsey HES Classification housing group items and whether they are included in the COICOP classification

HES classification Housing group housing items <u>included</u> in the COICOP classification	HES Housing classification group housing items <u>NOT included</u> in the COICOP classification
Actual rentals for housing (Private and Social)	Housing mortgage interest payments
Net rent (gross rent less housing benefit, rebates and allowances)	Mortgage interest and capital payments
Maintenance and repair of the dwelling	Mortgage protection premiums
Central heating maintenance and repair	Mortgage endowment premiums
House maintenance and repair	Parish rates and tax on rateable value
Paint, wallpaper, timber	Purchase of dwellings
Equipment hire, small materials	Outright purchase of dwellings
Water supply and miscellaneous services relating to the dwelling	Major Household Improvements
Water charges	Central heating installation
Other regular housing payments, including property service charges	Replacement kitchens
Refuse collection	Replacement bathrooms
Household Insurance	Extensions and loft conversions
Structural insurance	Conservatories
Contents insurance	Garden design and improvements

8.3 Adapting the COICOP Classification

For the reasons stated in paragraph 8.2, it is reasonable to include expenditure on mortgages and rates within a hybrid COICOP classification.

Group 4 of the COICOP classification has therefore been revised to include mortgage interest and capital payments, mortgage protection premiums, mortgage endowment premiums, parish rates and tax on rateable value.

In addition to the revisions to group 4, an additional group of expenditure has been created (group 13) into which the major household improvements have been allocated. Also in this group are other items of HES expenditure not included within the COICOP system.

The same classification system has also been adopted by Jersey, which will aid comparisons in monitoring inflation between the two Islands (see chapter 9). The classification may therefore be referred to as a "Channel Island" Hybrid.

The resulting hybrid COICOP classification is shown in [Table 8.3](#), with the Guernsey/Jersey specific amendments shown in green.

Table 8.3**Channel Island Hybrid COICOP Classification**

(Guernsey/Jersey specific amendments are shown in green)

COICOP Category	What the category includes
1 Food and non-alcoholic drinks	All fresh, frozen and chilled food brought home, including bread, flour , rice, cereals, meat, fish, vegetables, fruit, salad, dairy products, flavourings and ready cooked meals and soft drinks brought home
2 Alcohol off sales and tobacco	All alcohol brought home and cigarettes, cigars and tobacco
3 Clothing & Footwear	Clothing materials, garments for men, women and children, accessories, haberdashery and footwear
4 Housing, water, electricity, gas and other fuels	Mortgage interest and capital payments, mortgage protection premiums, mortgage endowment premiums, parish rates and tax on rateable value, rent, materials and services for maintenance and repair of the dwelling, household energy, water, household services (e.g. rubbish collection)
5 Furnishings, household equipment and services	Furniture, ornaments, carpets and floor coverings, household textiles, household appliances, tools and cleaning materials, domestic services (e.g. cleaners)
6 Health	Pharmaceutical products, medicine and medical products, optician, doctor, dentist, hospital and other medical fees
7 Transport	Purchase of cars, motorcycles, vans, bicycles and spare parts, motor fuels, lubricants, motor repairs and other services, parking and other motor fees, transport by rail, road, air and sea
8 Communication	Postal services, telephone (fixed and mobile) and telefax equipment and services
9 Recreation and culture	Audio-visual, photographic and information processing equipment, recreational items and equipment, cultural services, newspapers, books, magazines, package holidays
10 Education	Pre-primary, primary, secondary and tertiary education fees, other education fees / private tuition
11 Restaurants and Hotels	Catering services, food and drink (including alcohol) bought in restaurants, bars and cafés, accommodation services
12 Miscellaneous goods and services	Personal care, personal effects, social protection, insurance, other services
13 Other Expenditure	Major household improvements, holiday spending, money gifts and transfers

8: COICOP

8.4 Mapping of HES classification to the COICOP classification

As a separate exercise to the classification of expenditure using the traditional HES categories, for the 2006 HES the opportunity has also been taken to conduct a re-mapping exercise whereby the HES classification has been re-coded into the COICOP classification. The results are presented in [Table 8.5](#), and in more detail in [Table 8.6](#). For the purposes of comparison, expenditure using the HES classification is also shown in [Table 8.4](#).

Table 8.4 Guernsey Household expenditure		
HES classification		£ per week
1	Food	72.76
2	Alcohol	22.39
3	Tobacco	10.95
4	Housing	252.98
5	Fuel, Light and Power	25.18
6	Household Goods	38.30
7	Household Services	47.23
8	Clothing & Footwear	27.71
9	Personal goods	37.81
10	Motoring	57.83
11	Fares and Other Travel	15.05
12	Leisure Goods	44.69
13	Leisure Services	59.57
14	Food Away From Home	36.15
All Weekly Expenditure (HES)		748.58
15	Other Expenditure Items	17.34
All recorded expenditure		765.92

The translation of the HES codes into COICOP equivalent will enable easier comparison of Guernsey's expenditure patterns with other jurisdictions who use the COICOP classification (e.g. Jersey and the UK).

Table 8.5 Guernsey Household expenditure		
COICOP classification (Channel Island hybrid)		£ per week
1	Food and non-alcoholic drinks	72.76
2	Alcohol off sales and tobacco	23.87
3	Clothing & Footwear	28.21
4	Housing, water, electricity, gas and other fuels	186.90
5	Furnishings, household equipment and services	33.45
6	Health	7.23
7	Transport	61.58
8	Communication	13.79
9	Recreation and culture	91.61
10	Education	22.10
11	Restaurants and Hotels	47.85
12	Miscellaneous goods and services	83.41
All Weekly Expenditure (COICOP)		672.75
13	Other Expenditure Items	93.17
All recorded expenditure		765.92

Table 8.6
All Household Expenditure by COICOP group (using Channel Island Hybrid)

Weekly spend (£)	1,004	Weekly spend (£)	1,004
Number of Households		Number of Households	
Unweighted data	All Households	Unweighted data	All Households
All Food and non-alcoholic drink	72.76	All Alcoholic Drinks and Tobacco	23.87
Rice	0.25	Spirits and Liqueurs	1.85
Bread, buns, crispbreads and biscuits	5.41	Wines and Fortified Wines	8.93
Pasta products	0.34	Beer, Lager, Cider and Perry	2.14
Pastry products	3.15	Cigarettes	9.85
Other breads and cereals	1.97	Cigars	0.43
Beef	3.01	Other Tobacco	0.67
Pork	1.04		
Lamb	0.98	All Clothing and Footwear	28.21
Poultry	3.08	Clothing Materials	0.04
Bacon, ham sausages, pate etc.	2.31	Men's outer garments	4.75
Other preserved or processed meat and meat preparations	5.26	Men's under garments	0.34
Fish and Fish products	3.27	Women's outer garments	13.95
Milk	3.15	Women's under garments	1.46
Cheese and Curd	2.39	Children's clothes	2.78
Other Milk products	2.44	Dry cleaners, laundry and dyeing	0.43
Eggs	0.64	Footwear for Men	1.21
Butter	0.46	Footwear for Women	2.33
Margarine, other vegetable fats, peanut butter	0.55	Footwear for Children	0.84
Cooking oils and fats	0.37	Repair and hire of footwear	0.07
Fresh fruit (incl. frozen)	5.34		
Dried fruit and nuts	0.62	All Housing, Fuel & Power	186.90
Preserved fruit and fruit based products	0.18	Rent	13.44
Fresh vegetables	5.63	States House Rent	4.41
Preserved processed or dried vegetables	0.90	Materials for maintenance and repair of dwelling	4.80
Potatoes	1.16	Services for maintenance and repair of dwelling	29.87
Processed potatoes and potato products	1.93	Water supply	4.80
Sugar and sugar products	0.39	Sewerage & other services	1.25
Jams and marmalades	0.30	Other services relating to the dwelling not classified elsewhere	2.19
Chocolate	2.45	Mortgage payments (capital and/or interest)	93.64
Confectionary products	1.00	Rates	3.62
Edible ices and ice creams	0.71	Mortgage endowment policy payments	3.71
Sauces, condiments	1.83	Electricity (net of rebates)	10.66
Salts, spices and culinary herbs	0.36	Gas (net of rebates)	3.82
Baker's yeast, dessert preparations, soups	2.21	Oil (net of rebates)	9.31
Other food products n.e.c.	1.80	Coal	1.39
Coffee	0.74		
Tea	0.53		
Cocoa and powdered chocolate	0.19		
Mineral or spring water	0.50		
Soft drinks	1.97		
Fruit juices	1.96		

Table 8.6 (continued)
All Household Expenditure by COICOP group (using Channel Island Hybrid)

Weekly spend (£)		Weekly spend (£)	
<i>Number of Households</i>		<i>Number of Households</i>	
<i>Unweighted data</i>		<i>Unweighted data</i>	
	1,004		1,004
	All Households		All Households
All Household goods and services	33.45	All Recreation and culture	91.61
Furniture and furnishings	11.38	Audio equipment, accessories & CD players	2.32
Floor coverings	1.54	TV & video, incl. DVD	5.06
Household textiles	2.98	Computers	3.59
Household Appliances	4.34	Photographic, cine, optical equipment & film processing	1.87
Glassware, tableware & household utensils	1.73	Music CD, DVDs / Blank CDs/DVDs	3.49
Tools & Equipment for house & garden	2.39	Other major durables for recreation & culture	2.41
Cleaning Materials	3.34	Games, toys & hobbies	5.53
Household goods and hardware	4.19	Computer software & games	1.47
Domestic services, carpet cleaning, hire of furniture	1.57	Equipment for sport, camping & open air recreation	4.32
All Health	7.23	Horticultural goods	5.97
Pharmacy and other health products	3.73	Pets & pet food	7.24
Doctors	1.07	Sports admissions, subscriptions, leisure class fees & equipment hire	8.70
Dentists	1.76	Cinema, museums, theatre etc.	1.64
Opticians	0.34	TV, video, satellite rental, cable subs, TV licences, internet	6.63
Other medical related services	0.34	Internet subscriptions	2.76
All Transport	61.58	Misc.entertainment	*
Purchase of new cars and vans	19.54	Gambling payments	*
Purchase of second hand cars and vans	0.28	Books	2.15
Purchase of motorcycles and other vehicles	3.51	Diaries, address books, cards etc.	2.99
Spares and accessories	2.22	Newspapers	3.30
Petrol, diesel & other motor oils	12.87	Magazines & periodicals	1.91
Repairs and servicing	10.70	Package holidays (incl. cruises)	7.58
Parking	0.11	Non-package	10.68
Other motoring costs	2.45	All Education	22.10
Bus & coach fares	0.21	School fees	9.03
Taxi fares	1.11	Higher education fees & maintenance	6.41
Travel by air	6.10	Other education costs (e.g. academic evening classes, school trips)	6.66
Travel by sea	2.33	All Restaurants and Hotels	47.85
Other travel & transport	0.15	Restaurants	18.34
All Communication	13.79	Cafes, bars etc.	26.78
Postal services	1.06	Canteens / food at work (incl. school dinners)	0.50
Telephone & telefax equipment	1.03	Accommodation services	2.24
Fixed line telephone	5.28		
Mobile phone account	3.52		
Mobile phone other	2.90		

* Note: Because the HES was conducted with the HES classification in mind, and not COICOP, it has not been possible to directly map some items of expenditure, although in the majority of cases these will be included within other expenditure items.

Table 8.6 (continued)
All Household Expenditure by COICOP group
(using Channel Island Hybrid)

Weekly spend (£)	
<i>Number of Households</i>	<i>1,004</i>
<i>Unweighted data</i>	All Households
All Miscellaneous goods and services	83.41
Hairdressing & beauty treatments	6.64
Toiletries	8.53
Baby toiletries & accessories	0.62
Hair products, cosmetics & related electrical appliances	1.76
Personal effects n.e.c.	5.29
Home care	*
Nursery, creche & childcare	11.06
Household insurance - structure, contents & appliances	8.06
Medical insurance premiums (incl. sickness & redundancy)	7.87
Life insurance	*
Vehicle insurance (incl. boat insurance)	6.90
Non-package holiday & other travel insurance	0.06
Mortgage protection	3.15
Bank, building society, post office & credit card charges	1.45
Other services & professional fees	22.04
All WEEKLY EXPENDITURE	672.75
All Other Expenditure Items	93.17
Capital improvements to dwelling	61.45
Licences, fees, other non-consumption expenditure	3.74
Money transfers and cash gifts	17.34
Loan and credit card payments	6.69
Miscellaneous household services	3.95
ALL RECORDED EXPENDITURE	765.92

* Note: Because the HES was conducted with the HES classification in mind, and not COICOP, it has not been possible to directly map some items of expenditure, although in the majority of cases these will be included within other expenditure items.

9 Comparison with Jersey and the UK



- **Guernsey's average household income is higher than in Jersey and the United Kingdom.**
- **Guernsey's households spend more on mortgages than Jersey households, on average £46.19 more per week.**

Introduction

By using the COICOP classification system it is possible to compare household expenditure in Guernsey with that in Jersey and the United Kingdom.

Average household income is also important, since it will be a factor behind consumer behaviour and purchasing ability.

Broad comparisons of income levels between Guernsey, Jersey and U.K. show that Guernsey has the highest income levels, but that Jersey's also relatively high and somewhat above the levels of the UK as a whole.

9.1 Income

Since income is the main determinant of expenditure, it is helpful to make a broad comparison of income between Guernsey, Jersey and the UK.

Table 9.1 and Figure 9.1 show that average household income in Guernsey is higher than in Jersey and considerably higher than the UK, although incomes in the 4th and highest quintiles are similar in Jersey and Guernsey, albeit that Guernsey is slightly higher.

Table 9.1

Broad comparison of Jersey, Guernsey and UK average household income

	Jurisdiction		
	Jersey ¹	UK ¹	Guernsey
<i>Income Quintile</i>			
Lowest	11,600	6,900	14,000
2nd	22,300	14,600	30,000
3rd	34,000	24,500	43,000
4th	50,000	36,900	58,500
Highest	85,000	61,600	89,600

¹ Data source for Jersey and UK figures: Report on the Jersey Household Expenditure Survey 2004/5, page 93; States of Jersey at www.gov.je/statistics

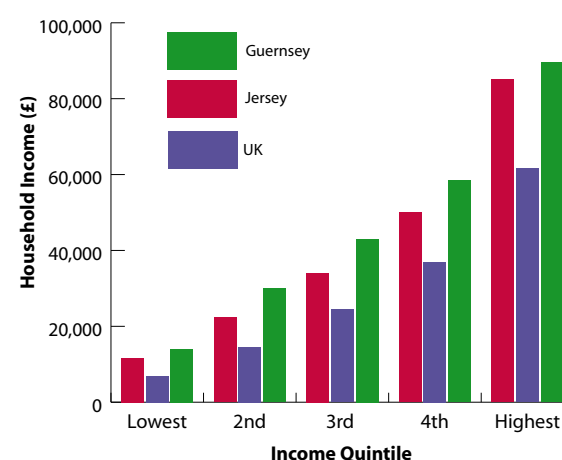
Please note:

When looking at these income comparisons, it should be considered that the analysis does not take into account the different tax and social insurance regimes in the three jurisdictions. This will have an effect on the disposable income of households, and it should be borne in mind that no attempt has been made to equalise incomes between the three jurisdictions. Differences in survey methodology and the classification of households taking part in the survey should also be considered.

These comparisons can only therefore be made at the broadest level and are included to illustrate the potential differences in income between the Channel Islands and the UK.

Figure 9.1

Broad comparison of Jersey, Guernsey and UK average household income (2006)



The scale of the three jurisdictions should also be considered, with the UK population being roughly 1,000 times bigger than that of Guernsey's.

There will also be significant regional variation within the UK regarding social and economic characteristics. For example, household income in some areas of northern England will be lower than the more affluent southern regions. Income in some small towns of equivalent population size to Guernsey (especially in the South East of England), may be broadly similar to Guernsey's, whilst taken as a whole average UK spending is lower.

Despite these considerations, the difference in income between the three jurisdictions is of note. Both Guernsey and Jersey have significantly higher average household income across all income quintiles.

In the lowest income quintile, Guernsey is twice the level of the UK and 21% higher than Jersey. In the highest income quintile, the difference between Guernsey and Jersey is much closer, with Guernsey being only 5% higher. However, the difference between Guernsey and Jersey and the UK is large: 40% for Jersey and 45% for Guernsey.

9: Comparisons with the Jersey and the UK

Table 9.2

Average weekly household spending in Guernsey, Jersey and the UK using the Official COICOP Classification

COICOP Category	Guernsey			Jersey			UK		
	£ per week	% of total	% of all	£ per week	% of total	% of all	£ per week	% of total	% of all
Food and non-alcoholic drinks	72.76	12.7	10.3	61.70	11.2	9.7	44.70	12.3	10.3
Alcohol off sales and tobacco	23.87	4.2	3.4	16.10	2.9	2.5	11.30	3.1	2.6
Clothing & Footwear	28.21	4.9	4.0	24.80	4.5	3.9	23.90	6.5	5.5
Housing, water, electricity, gas and other fuels	85.93	15.0	12.2	105.60	19.2	16.6	40.40	11.1	9.3
Furnishings, household equipment and services	33.45	5.9	4.7	34.40	6.2	5.4	31.60	8.7	7.3
Health	7.23	1.3	1.0	14.70	2.7	2.3	4.90	1.4	1.1
Transport	61.58	10.8	8.7	72.80	13.2	11.4	59.60	16.3	13.7
Communication	13.79	2.4	2.0	15.20	2.8	2.4	11.70	3.2	2.7
Recreation and culture	91.61	16.0	13.0	89.60	16.3	14.1	59.00	16.2	13.6
Education	22.10	3.9	3.1	14.70	2.7	2.3	6.50	1.8	1.5
Restaurants and Hotels	47.85	8.4	6.8	36.60	6.6	5.7	36.10	9.9	8.3
Miscellaneous goods and services	83.41	14.6	11.8	65.00	11.8	10.2	34.90	9.6	8.0
Total Expenditure	571.78	100.0	81.2	551.10	100.0	86.4	364.70	100.0	83.9
Other Expenditure Items	132.69		18.8	86.50		13.6	69.70		16.1
All Expenditure	704.47		100.0	637.60		100.0	434.40		100.0

9.2 Notes on expenditure comparisons

Comparisons of expenditure between Guernsey, Jersey and the UK are shown in [Table 9.2](#). The expenditure classification is based on the COICOP (see chapter 8), rather than the HES classification, as these are the classification systems used both in Jersey and the UK.

To enable comparisons to be made with published UK data, a number of modifications have been made to the data.

The data in [Table 9.2](#) are classified according to the “official” COICOP classification and not the Channel Island Hybrid examined in [Chapter 8](#). This means that:

Some housing expenditure (mortgage costs, parish rates and tax on rateable value) have been moved to the “other expenditure category” and now do not appear within the Total expenditure category of [Table 9.2](#).

Capital improvements to the dwelling (classified under section 13 “Other Expenditure Items”) no longer appear in the classification.

The total expenditure figure is lower than that shown in [Table 8.5](#) and [Table 8.6](#) of Chapter 8.

9.3 Expenditure comparisons

Total household spending in Guernsey was £571.78 a week, compared to £551.10 a week in Jersey and £364.70 in the UK. Expenditure levels between Guernsey and Jersey are therefore similar when this classification system is used.

However, Guernsey households spend more on mortgages than Jersey and this is reflected in the figure for “Other Expenditure Items” - which is £132.69 for Guernsey compared to £86.50 for Jersey.

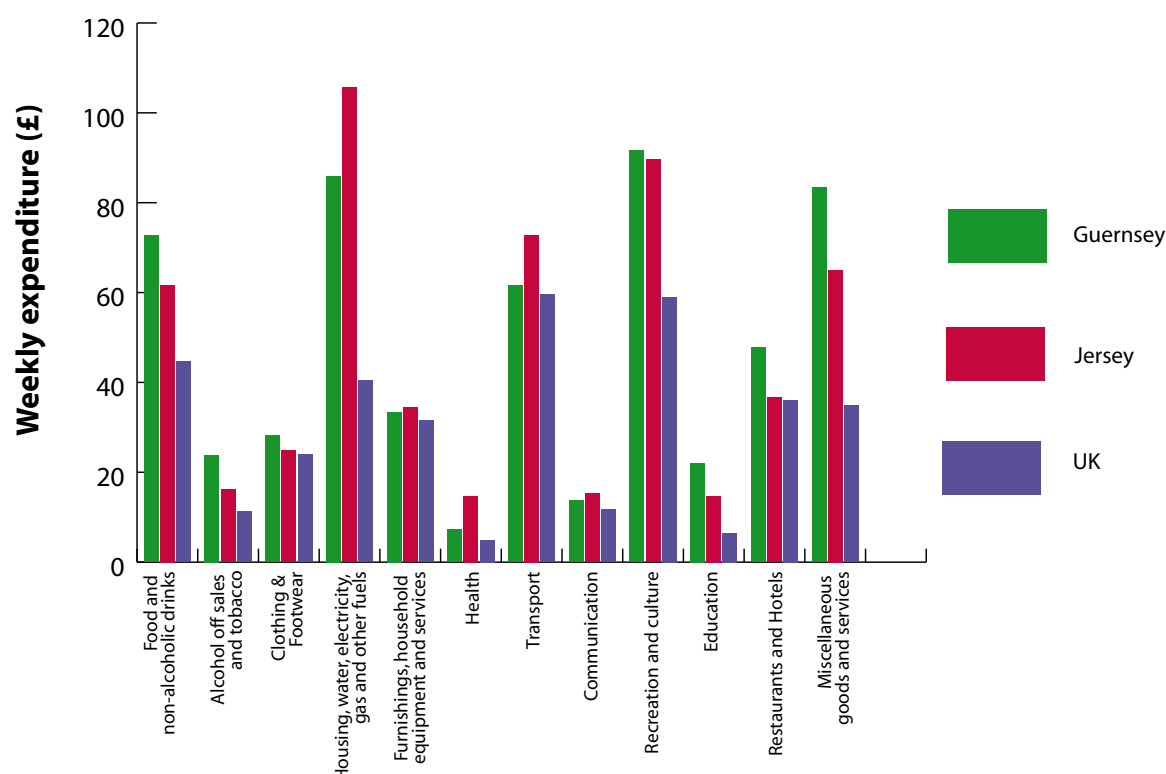
Related to this is the fact that expenditure in the Housing, water, electricity, gas and other fuels category is lower in Guernsey than in Jersey. This is because mortgage expenditure is included in “Other Expenditure Items”, which lowers Guernsey’s average in the Housing category. Because Jersey has a bigger rental sector, these figures are reflected in the fact that Jersey’s expenditure on Housing is higher in [Table 9.2](#).

There are a number of areas where housing spending in Guernsey is greater than in Jersey, notably education and miscellaneous goods and services ([Figure 9.2](#)).

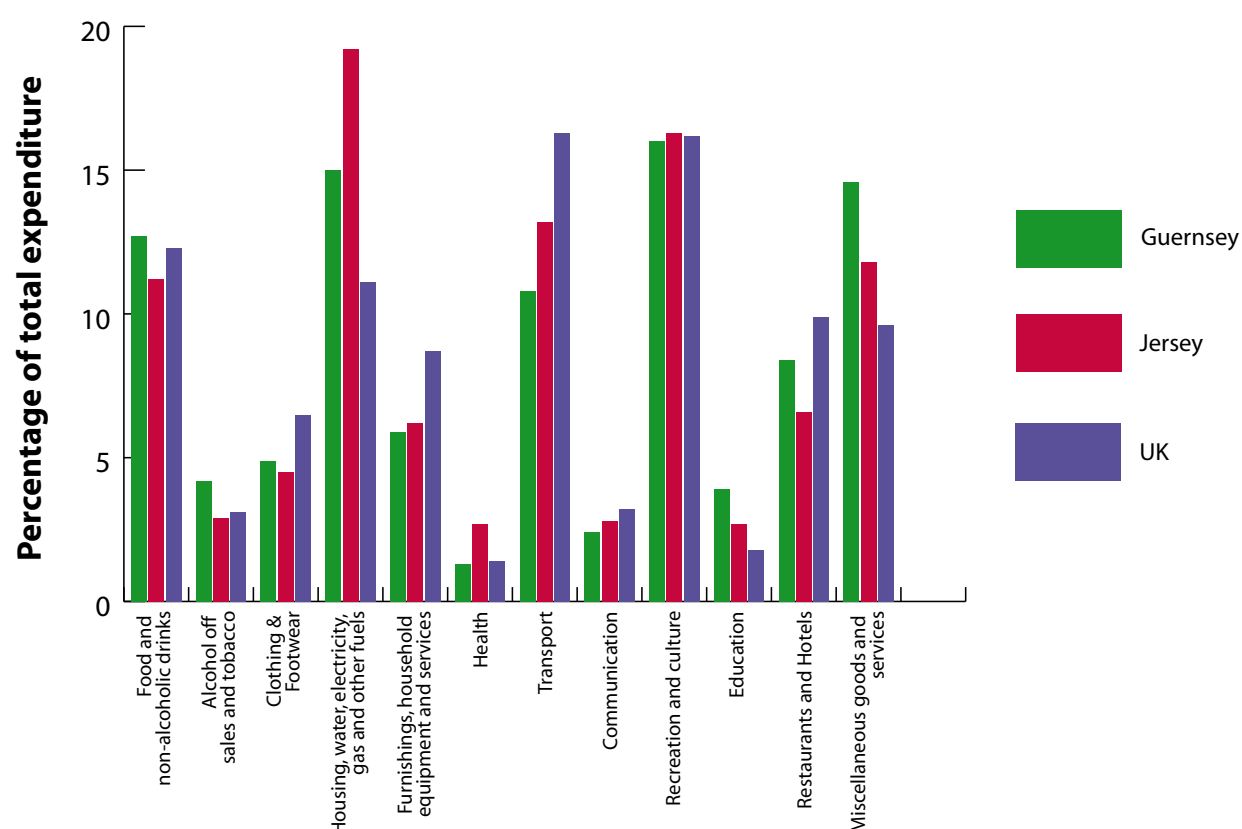
When looking at the proportion of expenditure in each group (the % of total column), expenditure categories are broadly similar ([Figure 9.3](#)), with exception of housing which may be explained by classification differences ([see paragraph 9.2](#)).

Figure 9.2

Average weekly household spending in Guernsey, Jersey and the UK (£ per week) using the official COICOP classification

**Figure 9.3**

Proportion of household spending by COICOP category in Guernsey, Jersey and the UK using the official COICOP classification



Appendix 1

Survey methodology / evaluation

The following text has been kindly supplied by BMG Research who were the appointed contractor for the fieldwork phase of the project

Introduction

A Guernsey Household Expenditure Survey (HES) has been held periodically since 1964, establishing the income and spending patterns of households on the island. HES data have a number of uses, including:

- The Retail Prices Index, including revising the basket of goods and services used in calculating the index;
- Measuring consumers expenditure and GDP;
- Tracking income data;
- Cost of Living Study comparisons; and
- Social policy research (e.g. the Corporate Anti-Poverty Programme).

The HES is a voluntary sample survey of private households and held over a minimum of 12 months to ensure that seasonal purchases are included.

Method of approach

The basic unit of the survey is the 'household', defined as:

"... one person or a group of people living at the same address and sharing common housekeeping (defined as sharing meals or a lounge). Lodgers or boarders who have at least one meal a day with the household is included in that household but, as the HES is only concerned with private expenditure, communal households are excluded."

Data are gathered via a process whereby each member of the household completes a number of forms and a personal expenditure diary over a period of 14 days, with one person also taking responsibility for completion of a Household Expenditure record. In total, the forms completed include:

Personal income:

To set the spending information in perspective, details questions are asked about the income of each adult (>16) member of the household. This allows each household to be classified by its total income. A number of questions allowing demographic profiling are included, to allow comparison to census and check the accuracy of the final sample.

Personal Expenditure:

Each adult in the household keeps a diary record of expenditure for a fortnight period. This includes a section on regular and significant expenditure over the preceding 12 months in order to capture that not occurring within the allocated fortnight.

Household Expenditure

The household reference person (or head of household) completes a pro forma detailing household expenditure, including mortgage payments, and utilities expenditure.

Sampling

It was established (through discussions between BMG and the States of Guernsey) that no comprehensive address list existed for the island. It was decided, therefore, that the cadastre file (as a record of all land parcels) be used as the sample frame for the survey. It is acknowledged that this solution represents an under sampling of property types which share a land parcel – in particular rented accommodation and multiple occupancy properties.

A random selection of 2,400 addresses was produced from the States Digimap corporate address file.

The selected addresses were grouped into clusters of ten addresses on a nearest neighbour basis. This ensured that clusters could be managed for fieldwork purposes, with proximate addresses grouped together.

After two months of fieldwork, it was concluded that the sample sizes would need to be increased to achieve the target number of interviews. The monthly sample was increased to 300 contacts which required a resampling of the island. All addresses already contacted were excluded from this second sample, with all remaining addresses going forward into a random selection and clustering process as outlined above.

A total sample size of 1,200 was the original target but, based on a high rate of refusal (over 40%), it was determined that this was unlikely to be achievable. In fact, in month 10 it was agreed that further contacts should be issued in order to achieve a target of at least 1,000 interviews. A further 800 contacts were drawn (in addition to the 3,200 already issued) using the same methodology as described above and these were added to the target addresses already selected for the project.

Overall therefore, 4,000 addresses were included in the sample issued for fieldwork purposes.

Survey process

At the start of the 2005/6 HES, 200 addresses per calendar month were sent a pre-survey letter outlining the purpose of the work, the process involved for households, and a free-phone telephone number to call should they wish to be removed from the sample. Approximately 20% of the drawn sample withdrew in this way.

One senior enumerator was based on the island for the duration of the HES, with additional enumerators (up to four at any one time) spending periods of 4-8 weeks in Guernsey in a supporting capacity.

Enumerators called upon households to invite participation in the survey, and where in agreement, the nominal household reference person (or responsible person) was taken through the process of the survey and an appointment made for the enumerator to return to check progress and offer support if needed, seven days into the fortnight period.

The survey differed from other surveys undertaken in that:

Most surveys require only a single visit to the participant while the Household Expenditure Survey required an average of three visits. This sometimes increased to four or even five and in a few cases, just two visits were made (mainly because the respondent was not available when the enumerator returned for the middle visit).

Also, questionnaires were completed by the respondent themselves rather than the enumerator as is usually the case. However, it should be noted that the enumerator spent a significant amount of time with the respondent going through the questionnaires during the first visit, and checking and, if necessary, correcting entries on the forms during the second and subsequent visits.

Enumerator feedback

Response rates

The breakdown of responses to invitations to participate across all households visited is summarised in the figure below.

Overall, the success rate was one in four households mailed, whilst the refusal rate was higher at just over two in five households mailed. Enumerators were unable to make contact with anyone in most of the remaining households and a small minority, equating to around one in twenty households, began to complete the survey but abandoned it for various reasons over the two week diary period.

The enumerator de-brief highlighted a number of experiences common to the 98/99 HES, including the relative lack of participation of elderly people, dissuaded either by the length and apparent complexity of forms, or simply by concerned relatives who imagined that participation would be beyond their parent/grandparent in some way.

Also arising in a similar way to the 98/99 HES, was the volume of refusals in St Peter Port, and accordingly, refusals were higher amongst single young males. Other issues encountered on a regular enough basis for enumerators to comment on them included:

'Rich people' not wanting to record their finances for officialdom, or simply not trusting the promise of confidentiality;

The information required was considered too personal by people (regardless of their financial position);

Some people having a political axe to grind;

Proportion of people who don't keep records, or simply throw forms away and therefore simply cannot participate;

Modern lifestyles/time pressures on spending a fortnight completing the survey forms;

Marriage issue – one half of a couple agreeing with the enumerator that they would participate, then withdrawing at the request of the partner who refused to take part;

Simple lack of interest;

It was clear to enumerators that sometimes people were in but would not answer the door to them. This is likely to be due to a number of reasons including:

Appendix 1: Survey Methodology / Evaluation

Fear. Particularly amongst elderly females living alone;

People did not hear the doorbell because they were in the garden or they were unable to get to the door.

Enumerators dealt with a number of 'call-backs' and these tended to be for two main reasons:

It was genuinely inconvenient and so an appointment was made, often on the following day. In 5 out of 6 such cases, appointments were kept by prospective respondents;

It was a way of getting rid of the enumerator without the need to actually refuse.

There were particular issues regarding response rates in St Peter Port. Refusal rates, broken appointments, abandoned completions and, especially, no responses were all higher in this area. There were two aspects to this. On the one hand refusal rates were very high in the very wealthy areas of St Peter Port. Frequently, enumerators were unable to even gain admittance to a property at all. On the other hand, in flat and bed-sitter land (e.g. Victoria Road and other similar streets) no responses, as well as refusal rates and cancellations were very high.

Cancellations

Appointments for the second visit were always made at the end of the first visit. A card with the date and time of the second visit would always be left with the respondent. Some respondents, however, would cancel between the first and second visits. This tended to be at a rate of around one in seven. The main reasons for cancelling a second visit were:

Completion of the forms was more complicated and time-consuming than respondents had realised.

Other members of the household had decided against participating in the survey. As the first interview tended to be with just the nominal household reference person, other household members' co-operation tended not to be enlisted at the time of the first visit. Sometimes, refusal of other household members was considered a possibility at the outset, other times it was a complete surprise.

Cancellations following the second visit were rare but they did occur. When they did, it tended to be due to factors which were difficult for enumerators to work around such as sudden illness or bereavement.

The first visit was particularly important in ensuring whole-hearted participation in the survey. As already mentioned, some cancellations between first and second visits were due to respondents under-estimating the time and effort involved in completing the forms and often this was a result

of insufficient attention to what the enumerator was saying during the first visit. Inevitably, there were distractions and interruptions during visits (for instance, from children) and this sometimes led to a lack of understanding of what was involved. In a number of cases where more than 3 visits were required, the senior enumerator judged it more than likely that the first visit had not been done in sufficient depth for one reason or another.

Sometimes problems arose during the second visit when the income questionnaire was given out. Although the ground for asking about income was laid out during the first visit, this did not overcome respondents' reluctance to provide this information completely. Personal income was regarded as very personal information and some respondents were reticent about providing any information about income or their employer.

Respondents were not wholly convinced that the information they provided would be dealt with in confidence and it was felt by many that it would be difficult to maintain confidentiality on an island with as small a population as Guernsey. A respondent working for a small organisation or as a head of department say (especially when they worked within the States) may have been easy to identify simply from the occupational information they provided.



**All photographs in this report are courtesy of
Gareth Jones**

Appendix 2

Sampling error and weighting issues

Sampling issues and the decision whether to use weighted or unweighted data

The 2001 Guernsey Census revealed that 71.8% of households were owner occupied, and that 7.1% of households were rented privately, whilst 9.4% were rented through the States ([Table A2.1](#)).

The tenure profile from the 2005/6 Guernsey HES recorded more owner occupiers and fewer rental households than the 2001 Census profile ([Table A2.1](#)).

Based on trends in the change in home ownership from the 1996 to 2001 Census, the percentage figure of owner occupied households is likely to be around 75%. However, at present there is no data available that would give an accurate and up to date picture of the tenure profile on the Island. The Census data is now over five years old and therefore not current.

It is likely, however, that those households who are renting will be under-represented in the survey.

In order to see how this possible error might affect the results of the survey an adjustment was made to the survey returns to compensate for the under-representation of rented

households. A weighting was calculated from the ratio of the occurrence in the sample to the overall Census population ([see Table A2.1](#)).

These weights were then applied to the data. The effect is to reduce responses from owner occupiers by a factor of 0.83 and increase the responses from those renting from a private landlord by a factor of 2.6.

The effect of the applying the weighting procedure is also to change the structure of the sample to leave an "Effective sample" that corresponds with the population found in the 2001 Census ([Table A2.2](#)). [Tables A2.3 and A2.4](#) show that the effect of using weighted data compared to unweighted data is very small, especially when viewed in percentage terms.

As a result of the uncertainty with regard to the Island's current tenure profile and in view of the fact that any likely change to the data will be small, it was the conclusion of the Retail Prices Index Steering Group that unweighted data should be used throughout this report.

Table A2.1:
Household tenure - weighting adjustments

Tenure of Household	2001 Census		2005/6 HES		Weighting factor
	Households	% of Total	Households	% of Total	
An owner-occupier	16,275	71.8	870	86.7	0.8287
Renting from the States	2,141	9.4	58	5.8	1.6353
Renting from a private landlord	4,221	18.6	71	7.1	2.6336
Other accommodation	27	0.1	5	0.5	0.2392
Total	22,664	100	1,004	100	1.0000

Table A2.2:
Household tenure - Effective sample after weighting adjustments

Tenure of Household	2005/6 HES Survey Sample		2005.6 HES Effective sample after weighting	
	Households	% of Total	Households	% of Total
An owner-occupier	870	86.7	721	71.8
Renting from the States	58	5.8	95	9.4
Renting from a private landlord	71	7.1	187	18.6
Other accommodation	5	0.5	1	0.1
Total	1,004	100	1,004	100.0

Table A2.3:
Weighted versus unweighted Household expenditure by tenure - £ per week

Weekly spend (£)	1,004	1,004	
Number of households	All Households Weighted data	All Households unweighted data	Difference
Food	70.71	72.76	-2.05
Alcohol	22.29	22.39	-0.10
Tobacco	12.19	10.95	+1.24
Housing	243.81	252.98	-9.17
Fuel, Light and Power	24.22	25.18	-0.96
Household Goods	36.24	38.30	-2.06
Household Services	46.59	47.23	+0.64
Clothing & Footwear	27.78	27.71	+0.07
Personal goods	35.32	37.81	-2.49
Motoring	54.41	57.83	-3.42
Fares and Other Travel	16.16	15.05	+1.11
Leisure Goods	44.93	44.69	+0.24
Leisure Services	56.13	59.57	-3.44
Food Away From Home	36.58	36.15	+0.43
ALL WEEKLY EXPENDITURE	727.35	748.58	-21.23
Annual Expenditure	37,822.23	38,926.27	-1,104.04

Table A2.4:
Weighted versus unweighted Household expenditure by tenure - percentages

Percentage	1,004	1,004	
Number of households	All Households Weighted data	All Households unweighted data	Difference
Food	9.72	9.72	0.0
Alcohol	3.07	2.99	+0.1
Tobacco	1.68	1.46	+0.2
Housing	33.52	33.79	-0.3
Fuel, Light and Power	3.33	3.36	-0.0
Household Goods	4.98	5.12	-0.1
Household Services	6.41	6.31	+0.1
Clothing & Footwear	3.82	3.70	+0.1
Personal goods	4.86	5.05	-0.2
Motoring	7.48	7.73	-0.3
Fares and Other Travel	2.22	2.01	+0.2
Leisure Goods	6.18	5.97	+0.2
Leisure Services	7.72	7.96	-0.2
Food Away From Home	5.03	4.83	+0.2
ALL WEEKLY EXPENDITURE	100.0	100.00	-

Appendix 3

Glossary of terms and definitions

Average weekly household expenditure

The average of expenditure of all households taking part in the survey. All expenditure items are averaged across all households, including those households where zero expenditure was recorded on a specific item

BMG Research

BMG Research was the contractor appointed by the States of Guernsey to conduct the research phase of the Guernsey Household Expenditure Survey. It is a UK company based in Birmingham.

COICOP

Classification of Individual Consumption by Purpose. This is the classification of Household expenditure used by the European Union (including the UK). It is now also being used by the States of Jersey.

COICOP - Channel Island Hybrid

An adapted version of the COICOP classification amended to include (amongst other things) expenditure on housing, otherwise omitted from the COICOP classification - see chapter 8.

CPI

Consumer Price Index. The preferred UK measure of inflation. It is based upon the COICOP coding classification and excludes expenditure on items such as mortgages.

Diary record form

One of the survey forms used in the HES. The form asked detailed questions about the expenditure of individuals within a household, such as shopping and incidentals. The survey form recorded expenditure incurred during the two week period in which the household took part in the survey.

Guernsey RPI

The Guernsey RPI is the chosen measure of inflation on the Island. It is calculated by comparing changes in the costs of a representative basket of goods and services over time.

HES Classification

The HES (Household Expenditure Classification) is a means of classifying household expenditure into groups of similar expenditure (e.g. Food, Housing, Household Goods).

Household

A household is defined:

one person or a group of people living at the same address and sharing common housekeeping (defined as sharing meals or a lounge). Lodgers or boarders who have at least one meal a day with the household are included in that household, but as the HES is only concerned with private expenditure, communal households are excluded.

Household Reference Person

This is the person who undertook responsibility for undertaking the survey on behalf of other household members (if present). They would have completed the Household Questionnaire which asked questions about expenditure of the household as a whole rather than individual expenditure

Income Quintiles

Each income quintile represents 20% of the distribution. In the case of total household income, incomes were ranked from the smallest to the largest and divided into five equal groups.

Household Expenditure Questionnaire

One of the survey forms used in the HES. The form asked detailed questions about the expenditure common to all members of the household. This included a section on regular or significant spending over the preceding 12 month period. Examples include mortgage payments or rent payments, heating and electricity, and so forth.

Personal Income Questionnaire

One of the survey forms used in the HES. The form asked detailed questions about the income of each adult (household member aged 16 or over).

Personal Expenditure Questionnaire

One of the survey forms used in the HES. The form asked detailed questions about the expenditure of each adult (household member aged 16 or over). This included a section on regular or significant spending over the preceding 12 month period.

Mean average

This is the average value of a set of numbers.

To find the mean you must add all of the numbers together, and divide by how many numbers there are. For example in the six numbers below:

$$7 + 9 + 5 + 3 + 15 + 15 = 54$$

$$54/6 = 9.$$

The mean is 9.

Median average

This is the number that is in the middle of your set.

Numbers are ranked in order from lowest to highest.

That would be: 3, 5, 7, 9, 15, 15

There is an even number of numbers (6 total). Since there is no middle number, you must take the 7 and 9 and take their average to get the median.

$$7 + 9 = 16$$

$$16/2 = 8$$

The median is 8.

RPI Group

A group of expenditure items used in the HES classification of expenditure. Each group can be further sub-divided into more specific items of expenditure. For instance, the Food group covers items of food and drink purchased in supermarkets and similar outlets for consumption at home. The group is further subdivided into like items such as meat, fruit, vegetables, and dairy products.

Sampling

The process of choosing a representative cross-section of the community to take part in the survey.

Tenure

Describes how a household occupies its accommodation - for example as an owner occupier, or renting from a private landlord.

Total Household Income

The total income earned by all members of a household. Income may include that sourced from earned (e.g. wages from employment) as well as unearned income (benefits, pensions, income from savings and investments).

Unweighted data

These are unadjusted data used as found in the survey results and not adjusted to represent a known population.

Weighted data

When the data collected from survey respondents are adjusted to represent the population from which the sample was drawn, the resulting data are called weighted data.

The weighting process involves computing and assigning a weight to each survey respondent.

Notes

