

South East has biggest share of the wealthiest households

Coverage: **GB**

Date: **03 December 2012**

Geographical Area: **Region**

Theme: **Economy**

Animated YouTube Video

A podcast explaining this story using audio commentary and graphical animations is available on the [ONS YouTube Channel](#).

The key points are:

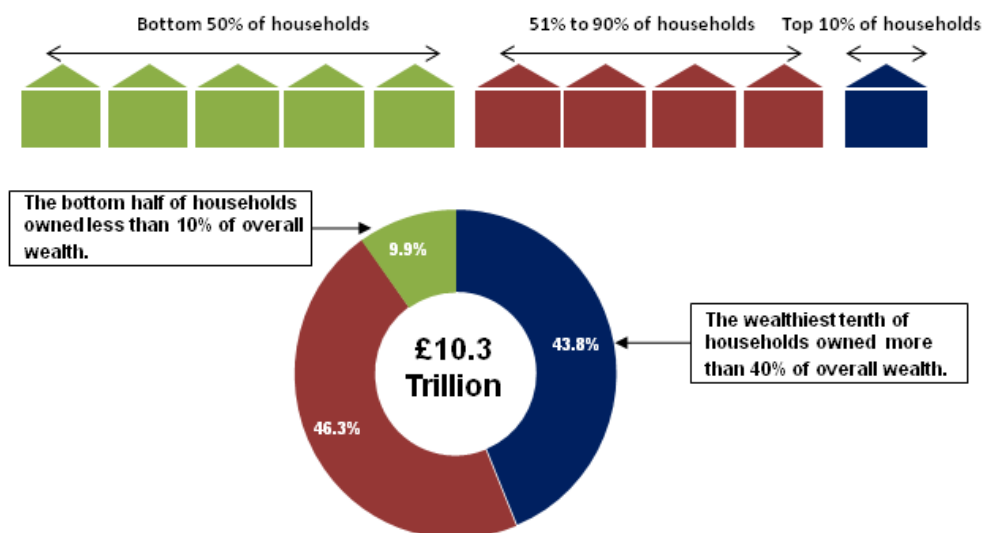
- The wealthiest tenth of households owned more than 40% of overall wealth and were over 850 times wealthier than the least wealthy tenth of households.
- A household required total wealth greater than £967,000 to belong to the wealthiest 10% of the distribution.
- The south-east of England had the highest percentage of 'wealthy' households.
- Over half of the combined wealth held by the top 10% of households was private pension wealth.

The South East has biggest share of the wealthiest households

In 2008/10 the Wealth and Assets Survey (WAS) estimated aggregate total wealth; the combined net wealth of all private households within Great Britain, at £10.3 trillion. The wealth held by the richest 10% of households combined was £4.5 trillion and represented a 43.8% share of aggregate total wealth.

In contrast, the combined wealth of the bottom half of households in the distribution was £1.0 trillion; a value which accounted for 9.9% of aggregate total wealth. The wealth held by the top 10% of households was therefore over 4 times greater than the wealth of the bottom half of all households combined and, over 850 times greater than that of the least wealthy 10% of households.

Figure 1: Distribution of Total Household Wealth, Great Britain, 2008/10



Source: Wealth and Assets Survey - Office for National Statistics

Download chart

[PNG](#) [PNG](#)

(18.7 Kb)

Download chart

[XLS](#) [XLS format](#)

(42 Kb)

The median value for household total wealth was £232,000, i.e. half of all households had total wealth less than this and half of all households had total wealth more than this. Belonging to the wealthiest 10% of households required total wealth greater than £967,000. To be in the bottom 10% of the distribution, a household's value of total wealth needed to be less than £13,000.

Figure 2: Household Total Wealth Thresholds, Great Britain, 2008/10

Wealth Band	Total Wealth (£)
Bottom 10%	13,000
50%	232,000
Top 10%	967,000
Top 1%	2,807,000

Table source: Office for National Statistics

Download table

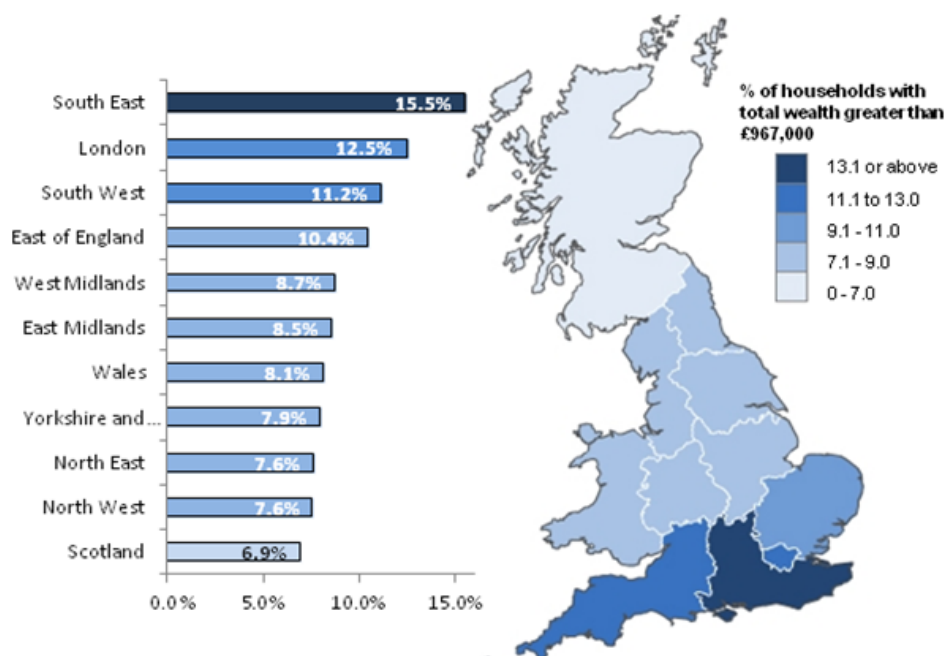
[XLS](#) [XLS format](#)

(32.5 Kb)

Wealth by Region

Considering the nine regions of England and the countries of Wales and Scotland, the South East had the highest percentage of 'wealthy' households. Of all the households in this particular region, 15.5% had a value of total wealth greater than £967,000; enough to belong to the wealthiest tenth of households in Great Britain. In comparison, only 6.9% of households in Scotland held wealth greater than £967,000.

Figure 3: Percentage of Households with Total Wealth Greater than £967,000 by Region, Great Britain, 2008/10



Source: Wealth and Assets Survey - Office for National Statistics

Download chart

[PNG](#) [PNG](#)

(127.7 Kb)

Download chart

[XLS](#) [XLS format](#)

(35 Kb)

The Components of Wealth

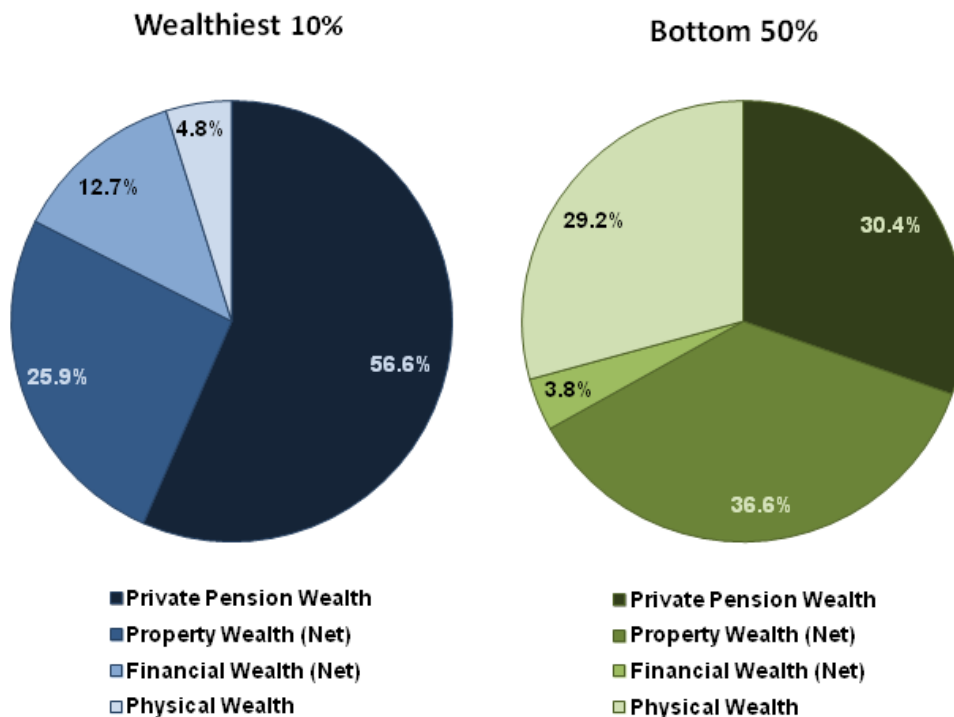
Of the total wealth held by those households in the top decile, over half (56.6%) comprised private pension wealth. Nearly all households in this top wealth decile had private pension wealth (98.0%) and the median value of private pension wealth for these households was £742,000.

Private pension wealth contributed only 30.4% to the wealth held by the least wealthy half of households. More than two out of five households (43.3%) in the least wealthy half of the distribution

had no private pension wealth at all and the median value of private pension wealth held by this group was £4,000.

The contribution of property wealth (net) to the combined total wealth of the top 10% of households was 25.9% with a median value of £340,000. Property wealth made the largest contribution to total wealth for the least wealthy half of households (36.6%) even though only 41.4% of households in this group had any value of property wealth.

Figure 4: Breakdown of Total Wealth by Components, Great Britain, 2008/10



Source: Wealth and Assets Survey - Office for National Statistics

Download chart

[PNG](#) [PNG](#)
(34.4 Kb)

Download chart







[XLS](#) [XLS format](#)
(51.5 Kb)

Net financial wealth contributed 12.7% of overall wealth held by the wealthiest tenth of households; the median value of this wealth was £123,200. For the least wealthy half of households, net financial wealth accounted for 3.8% of the overall wealth held by this group with a median value of £400.

Physical wealth (the value of a household's possessions, valuables etc.) made a far greater contribution to the combined wealth holdings of the least wealthy half of households (29.2%) than to the most wealthy tenth of households (4.8%). Nevertheless, the median value of physical wealth

was lower for those households in the bottom half of the distribution (£18,000) than those in the top tenth (£68,000).

Figure 5: Household Characteristics and Wealth, Great Britain, 2008/10

	Median Private Pension Wealth 	Median Net Property Wealth 	Median Net Financial Wealth 	Median Physical Wealth 	% of Households Owning At Least One Car 	% of Households Owning a Personalised Number Plate 
Top 10%	£742,000	£340,000	£123,200	£68,000	95.7%	13.7%
Bottom 50%	£4,000	£0	£400	£18,000	58.0%	2.5%

Source: Wealth and Assets Survey - Office for National Statistics

Download chart

[PNG](#) [PNG](#)

(18.9 Kb)

Download chart

[XLS](#) [XLS format](#)

(240.5 Kb)

Characteristics of the Household Head

Socio-Economic Classification:

Almost four out of every five household heads (78.1%) living in the wealthiest 10% of households were in high skilled managerial or professional occupations. In comparison, just over one in every four household heads living in the least wealthy half of all households held a job at this level (24.9%).

Highest Qualification:

Household heads living in a household in the top 10% of the distribution were three times more likely to hold a degree level qualification or higher than household heads living in households in the least wealthy half of households combined. Over half (55.1%) of household heads living in households in the top 10% of wealthy households had gained a qualification at degree level or above. This compared with 16.4% of household heads with a degree level qualification or higher living in households in the bottom half of the wealth distribution.

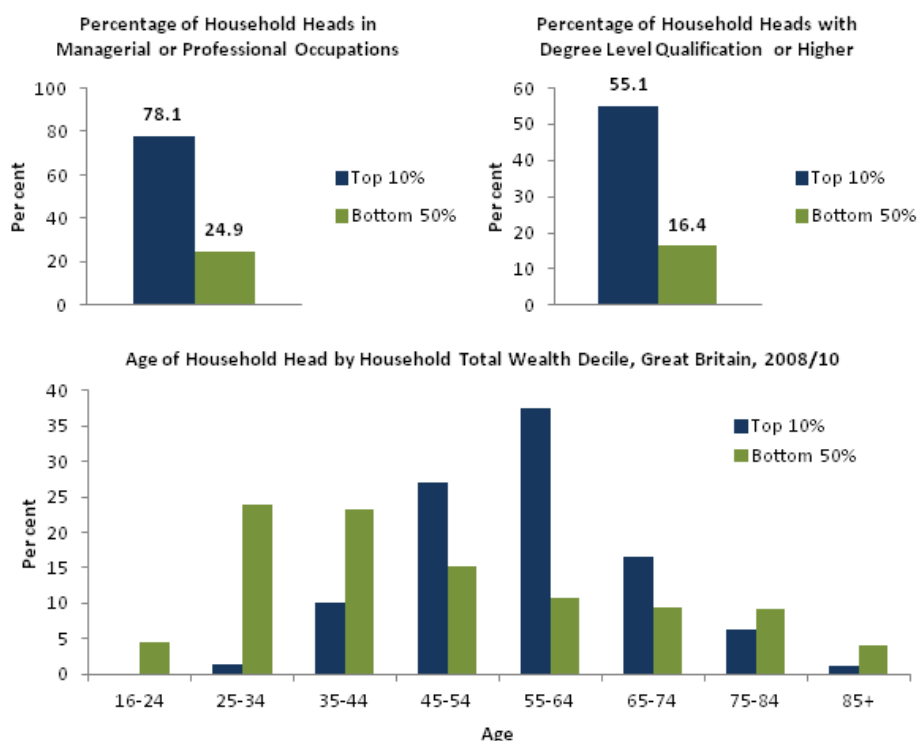
Age:

In the wealthiest 10% of households, the highest percentage of household heads was for those aged 55 to 64 (37.6 %). For household heads living in a household in the bottom half of the wealth distribution, the highest percentage were aged 25 to 34 (24.0%). A number of reasons might help to

explain why household heads living in the wealthiest 10% of households tend to be older than those living in households in the lowest half of the distribution.

For instance, income is expected to increase as an individual becomes older and more experienced. At a younger age it will be more necessary for individuals to borrow money. Later in life the prospect of higher earnings will enable the paying off of liabilities and the greater opportunity to accumulate wealth.

Figure 6: Characteristics of the Household Head, Great Britain, 2008/10



Source: Wealth and Assets Survey - Office for National Statistics

Download chart

[PNG](#) [PNG](#)
(20 Kb)

Download chart

[XLS](#) [XLS format](#)
(55.5 Kb)

Background notes

1. The Wealth and Assets Survey (WAS) is a longitudinal survey conducted by the ONS which aims to address gaps identified in data about the economic well-being of households. It gathers information on, among others, level of assets, savings and debt; saving for retirement; how wealth is distributed among households or individuals; and factors that affect financial planning.

The WAS is currently in its fourth wave of interviewing and to date has released major reports from the first two waves:

[Wealth in Great Britain: Main results from the Wealth and Assets Survey Wave 1: 2006/08](#)

[Wealth in Great Britain: Main results from the Wealth and Assets Survey Wave 2: 2008/10, Part 1](#)

[Wealth in Great Britain: Main results from the Wealth and Assets Survey Wave 2: 2008/10, Part 2](#)

[Wealth in Great Britain: Main results from the Wealth and Assets Survey Wave 2: 2008/10, Part 3](#)

2. All analysis presented is on a cross-sectional basis using wave 2 data (2008-10) from the Wealth and Assets Survey (WAS).
3. To aid interpretation of the distribution of wealth, the current story has sorted households into ascending order based upon their total household wealth and then divided them into ten groups of equal size (deciles).
4. Within the current story only median values are presented. The median is the value of the middle item when data are arranged in ascending order. If the number of items is even the median is the average of the middle pair of values. Where the distribution of wealth is unequal (for example in private pension wealth where a small proportion of individuals have high values of wealth), the median gives a better measure for the whole population. The mean, which provides the arithmetic average, is likely to be influenced by high values so it does not reflect the experience of most individuals. The mean values are available within the background tables.
5. For some topics it is necessary to select one person in the household to indicate the characteristics of the household more generally. WAS uses the household head or household reference person (HRP) for this purpose.

The HRP is defined as follows:

- in households with a sole householder, that person is the HRP,
 - in households with joint householders the person with the highest income is taken as the HRP,
 - if both householders have exactly the same income, the older is taken as the HRP.
6. Although the current story acknowledges the likelihood that a number of other characteristics of the household head will also play a significant contributory role over a household's wealth holdings, further investigations into these will form the basis for a future publication.
 7. The questions required to determine the socio-economic group of an individual are asked of all persons aged 16 and above (excluding those still in full time education). There is no upper age limit. If the individual is out of work (whether this be through retirement, unemployment, a period

of inactivity) but has worked before, questions used to determine socio-economic grouping will pertain to their most recent employment. In some instances those sampled gave insufficient information to determine their socio-economic group.

8. Details of the policy governing the release of new data are available by visiting www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html or from the Media Relations Office email: media.relations@ons.gsi.gov.uk

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods; and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

Copyright

© Crown copyright 2012

You may use or re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit www.nationalarchives.gov.uk/doc/open-government-licence/ or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

This document is also available on our website at www.ons.gov.uk.