

Statistical bulletin

Average household income, UK: Financial Year Ending 2024

Estimates of average household income in the UK, with analysis of how these measures have changed over time, accounting for inflation and household composition.

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1 . Main points

In the financial year ending (FYE) 2024:

- Median household disposable income in the UK did not change statistically significantly from FYE 2023, it had a small increase of 0.8% to £36,700; this is in line with pre-coronavirus (COVID-19) pandemic, FYE 2020 levels.
- Median household disposable income for the poorest fifth of the population decreased by 2.6% to £16,800, largely because of a reduction in wages and salaries; this remains 4.9% below pre-pandemic, FYE 2020 levels.
- Median household disposable income for the richest fifth of the population decreased by 1.6% to £71,100, because of a reduction in original income; this is 5.8% below pre-pandemic, FYE 2020 levels.
- Median household disposable income in the 10 years up to FYE 2024 (FYE 2015 to FYE 2024) increased by 7.0%, with an average increase rate of 0.8% per year for this period.

Absolute and relative year-on-year changes presented in this bulletin are adjusted for inflation and are presented in real terms, unless stated otherwise.

2 . Analysis of average disposable income

This analysis is based on a disposable income measure, unless otherwise stated, which is the amount of money households have available for spending and saving after direct taxes have been accounted for. It includes earnings from employment, private pensions and investments, as well as cash benefits provided by the state. All values presented in this bulletin have been equivalised. See [Section 4: Glossary](#) for the definition of a disposable income measure and equivalisation.

Household disposable income estimates for financial year ending (FYE) 2024 include several ongoing cost of living financial support schemes, these were continued from FYE 2023. Low-income benefits and tax credits Cost of Living Payment, the Disability Cost of Living Payment, and the Pensioner Cost of Living Payment were continued and captured within cash benefits. The Energy Support Scheme, Council Tax rebate schemes (Great Britain), and the Alternative Fuel Payment were discontinued in FYE 2024 and were captured in original income for FYE 2023.

Median income did not change statistically significantly between FYE 2023 and FYE 2024 with a small increase of 0.8% (Figure 1). This follows a decrease of 2.5% between FYE 2022 and FYE 2023. Mean income decreased by 1.2% between FYE 2023 and FYE 2024, following a larger reduction of 4.7% between FYE 2022 and FYE 2023. Median income decreased by 1.7% between FYE 2022 and FYE 2024, while mean income statistically significantly decreased by 5.9% over the same period.

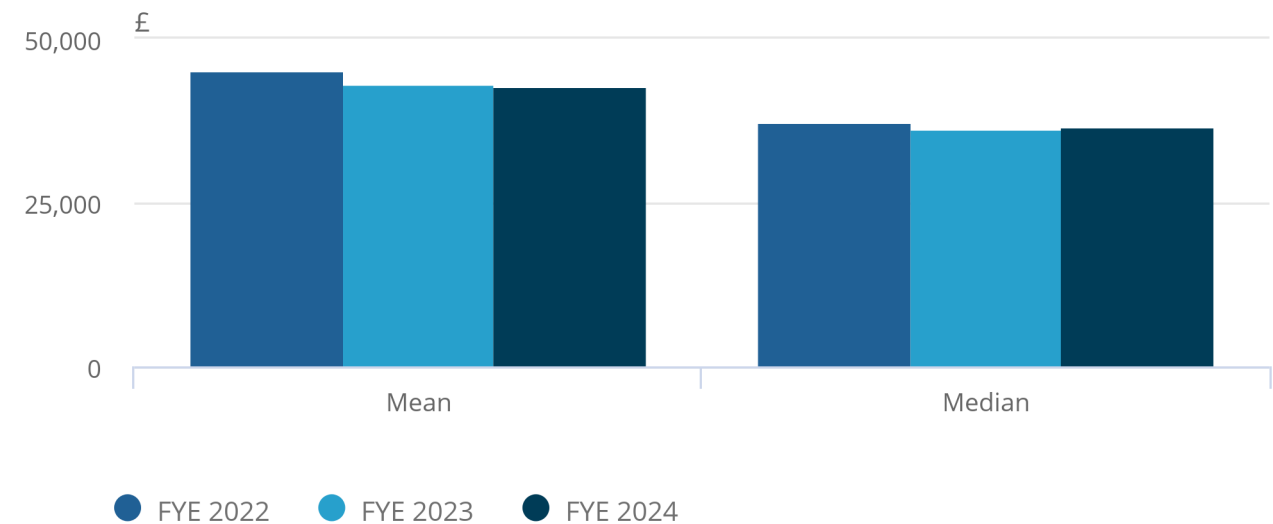
Household income is reported using both means and medians. However, when considering changes in income and direct taxes by income decile or types of households, the mean allows for these changes to be analysed in an additive way. See [Section 4: Glossary](#) for a definition of means and medians.

Figure 1: Median income remained relatively stable and mean income decreased by 5.9% between FYE 2022 and FYE 2024

Mean and median equivalised household disposable income of individuals, UK, financial year ending (FYE) 2022 to FYE 2024

Figure 1: Median income remained relatively stable and mean income decreased by 5.9% between FYE 2022 and FYE 2024

Mean and median equivalised household disposable income of individuals, UK, financial year ending (FYE) 2022 to FYE 2024



Source: Household Finances Survey from the Office for National Statistics

Notes:

1. Incomes are adjusted for inflation using the Consumer Prices Index including owner-occupiers' housing costs (CPIH) excluding council tax.
2. FYE 2024 represents the financial year ending 2024, (April to March), and similarly for all other years expressed in this format.
3. Cost of Living support schemes introduced by UK government in FYE 2023. The Low-income and tax credits Cost of Living Payment, the Disability Cost of Living Payment, and the Pensioners Cost of Living Payment continued in FYE 2024, all other cost of living related benefits and schemes were discontinued in FYE 2024.

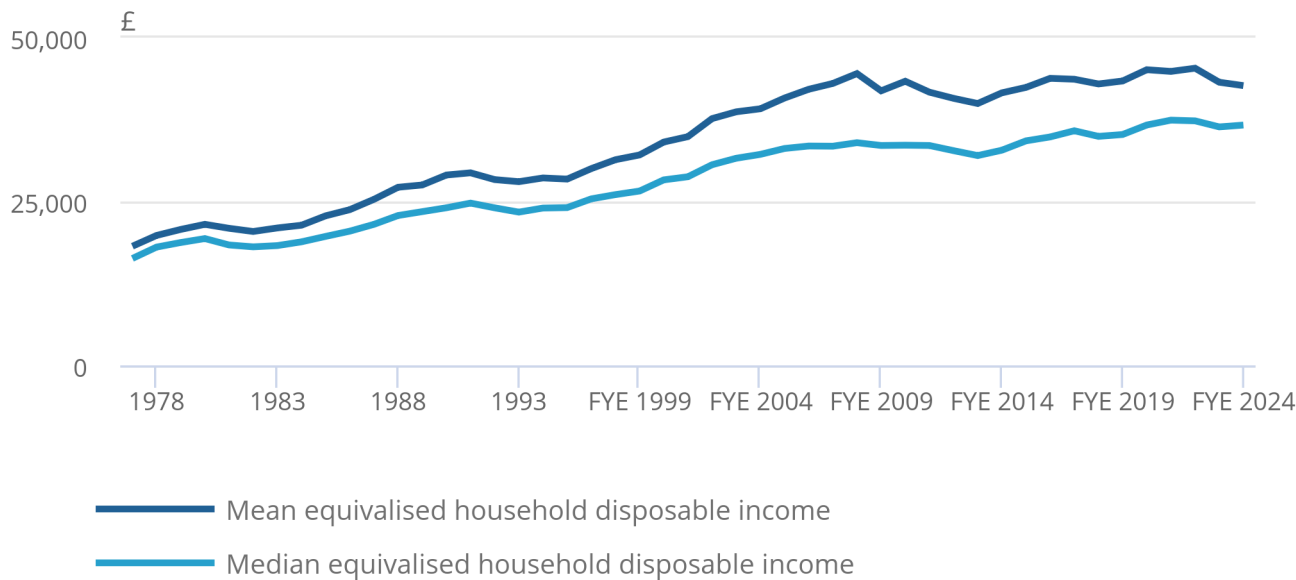
During the 10 years leading up to FYE 2024 (FYE 2015 to FYE 2024), median income grew by 7.0%, at an average rate of 0.8% per year (Figure 2). Meanwhile, mean income grew at a slower rate of 0.1% per year, with an increase of 0.6% over the same 10-year period. When compared with the pre-coronavirus (COVID-19) pandemic FYE 2020, median income remained stable (0.0% change), whereas mean income decreased by 5.4%.

Figure 2: Median income increased on average by 0.8% per year between FYE 2015 to FYE 2024

Median and mean equivalised household disposable income of individuals, UK, 1977 to financial year ending (FYE) 2024

Figure 2: Median income increased on average by 0.8% per year between FYE 2015 to FYE 2024

Median and mean equivalised household disposable income of individuals, UK, 1977 to financial year ending (FYE) 2024



Source: Household Finances Survey from the Office for National Statistics

Notes:

1. Incomes are adjusted for inflation using the Consumer Price Index including owner-occupiers' housing costs (CPIH) excluding council tax.
2. Estimates of income from FYE 2002 onwards have been adjusted for under-coverage of top earners.
3. FYE 2024 represents the financial year ending 2024, (April to March), and similarly for all other years expressed in this format. Estimates prior to FYE 1995 are measured on a calendar year basis.
4. Estimates up to and including FYE 2017 are sourced from the Living Costs and Food (LCF) survey. Estimates from FYE 2018 onwards are based on the Household Finances Survey, which the LCF is part of.
5. Cost of Living support schemes introduced by UK government in FYE 2023. The Low-income and tax credits Cost of Living Payment, the Disability Cost of Living Payment, and the Pensioners Cost of Living Payment continued in FYE 2024, all other cost of living related benefits and schemes were discontinued in FYE 2024.

Median income for the poorest fifth of people decreased by 2.6% between FYE 2023 and FYE 2024 (Figure 3), following a 2.3% increase between FYE 2022 and FYE 2023. In the 10 years leading up to FYE 2024 (FYE 2015 to FYE 2024) this group has only seen a small decrease of 1.1% in median income. Since the coronavirus pandemic (FYE 2020 to FYE 2024), it has decreased by 4.9% at an average rate of 1.2% per year.

Median income for the richest fifth of people decreased by 1.6% between FYE 2023 and FYE 2024 (Figure 3). This follows a larger reduction in median disposable income of 4.9% between FYE 2022 and FYE 2023. In the 10 years leading up to 2024 (FYE 2015 to FYE 2024) income in this group decreased gradually at an average rate of 0.2% per year. Since the coronavirus pandemic (FYE 2020 to FYE 2024) it decreased by 5.8% at an average rate of 1.5% per year.

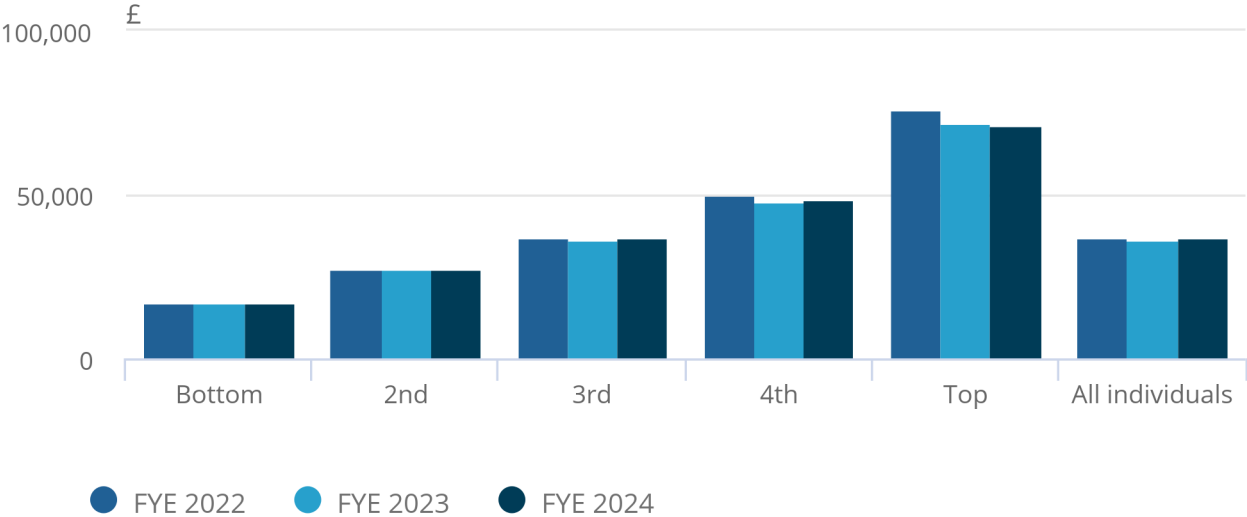
The effect of these changes across the income distribution can be found in our [Household income inequality, UK: financial year ending 2024 bulletin](#).

Figure 3: Median income fell by 2.6% for the poorest fifth of people and by 1.6% for the richest fifth of people in FYE 2024

Median equivalised household disposable income of individuals by quintile group, UK, financial year ending (FYE) 2022, FYE 2023 and FYE 2024

Figure 3: Median income fell by 2.6% for the poorest fifth of people and by 1.6% for the richest fifth of people in FYE 2024

Median equivalised household disposable income of individuals by quintile group, UK, financial year ending (FYE) 2022, FYE 2023 and FYE 2024



Source: Household Finances Survey from the Office for National Statistics

Notes:

1. Incomes are adjusted for inflation using the Consumer Prices Index including owner-occupiers' housing costs (CPIH) excluding council tax.
2. FYE 2024 represents the financial year ending 2024, (April to March), and similarly for all other years expressed in this format.
3. Cost of Living support schemes introduced by UK government in FYE 2023. The Low-income and tax credits Cost of Living Payment, the Disability Cost of Living Payment, and the Pensioners Cost of Living Payment continued in FYE 2024, all other cost of living related benefits and schemes were discontinued in FYE 2024.

Median income for retired households remained relatively stable with a small increase of 0.2% in FYE 2024 (Figure 4). See [Section 4: Glossary](#) for a definition of retired households. In the 10 years leading up to 2024 (FYE 2015 to FYE 2024), retired household income increased with an annual growth rate of 0.6%. Since pre-pandemic FYE 2020, the average year-on-year increase has been 1.3%.

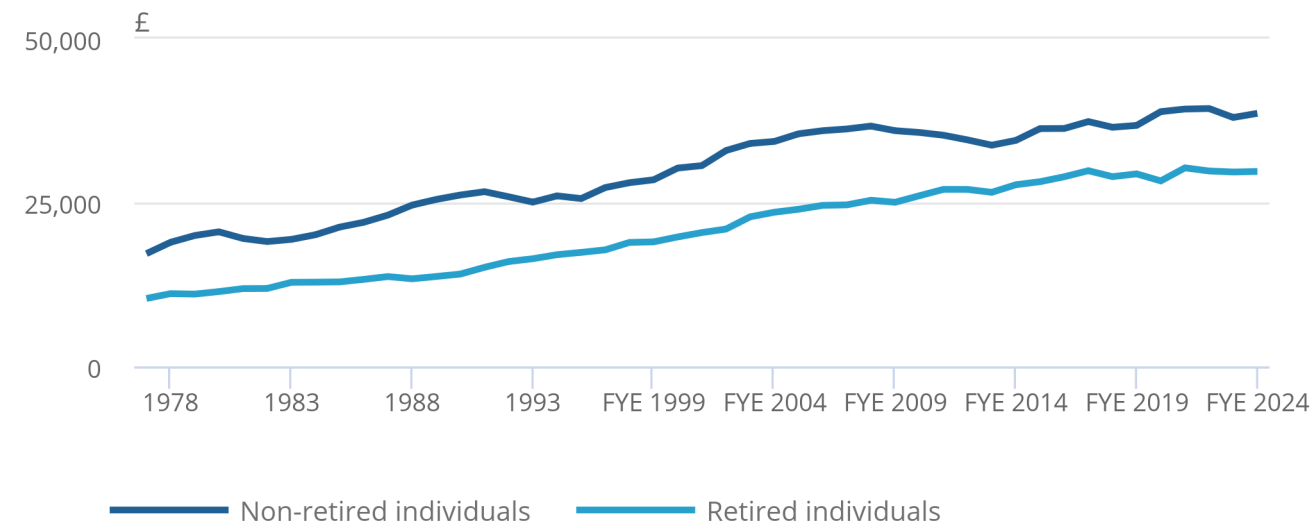
Median income for non-retired households increased by 1.7% in FYE 2024, following a 3.5% decrease the previous year, with an average annual growth of 0.7% in the 10 years leading up to 2024 (FYE 2015 to FYE 2024). However, since FYE 2020, median income in non-retired households decreased gradually at an average rate of 0.1% per year.

Figure 4: Median income for retired households remained relatively stable, between FYE 2023 and FYE 2024

Median equivalised household disposable income of retired and non-retired households, UK, 1977 to financial year ending (FYE) 2024

Figure 4: Median income for retired households remained relatively stable, between FYE 2023 and FYE 2024

Median equivalised household disposable income of retired and non-retired households, UK, 1977 to financial year ending (FYE) 2024



Source: Household Finances Survey from the Office for National Statistics

Notes:

1. Incomes are adjusted for inflation using the Consumer Prices Index including owner-occupiers' housing costs (CPIH) excluding council tax.
2. Estimates of income from FYE 2002 onwards have been adjusted for under-coverage of top earners.
3. FYE 2024 represents the financial year ending 2024, (April to March), and similarly for all other years expressed in this format. Estimates prior to FYE 1995 are measured on a calendar year basis.
4. Estimates up to and including financial year ending (FYE) 2017 are sourced from the Living Costs and Food (LCF) survey. Estimates from FYE 2018 onwards are based on the Household Finances Survey, which the LCF is part of.
5. Cost of Living support schemes introduced by UK government in FYE 2023. The Low-income and tax credits Cost of Living Payment, the Disability Cost of Living Payment, and the Pensioners Cost of Living Payment continued in FYE 2024, all other cost of living related benefits and schemes were discontinued in FYE 2024.

For all UK households mean gross income decreased by 1.7% to £55,200 between FYE 2023 and 2024. This was influenced by a real terms decrease in mean original income of 2.8% (£1,400). As a result, the percentage of gross income made up by original income decreased by 1 percentage point to 87.5%.

Cash benefits for all UK households increased by 7.4% (£500), resulting in the percentage of gross income made up by cash benefits increasing by 1 percentage point to 12.5%.

Direct taxes as a percentage of gross income for all UK households remained relatively stable at 22.7%, between FYE 2023 and FYE 2024. They also remained relatively stable between years across the distribution.

Mean gross income for the poorest fifth of people decreased by 3.5% to £18,100 between FYE 2023 and FYE 2024. This was influenced by a decrease in mean original income of 7.7% to £9,600. As a result, the percentage of their gross income made up by original income decreased by 2.4 percentage points to 53.0%.

Mean gross income for the richest fifth of people also decreased by 3.1% to £120,000, between FYE 2023 and 2024. This was influenced by a decrease of 3.4% in mean original income to £116,600. The percentage of their gross income made up by original income remained relatively stable at 97.2%. Meanwhile, disposable income for the middle of the income distribution remained stable. This was because nominal increases in mean original income did not keep pace with inflation, and any increases in original income were offset by nominal increases in direct taxes. An increase in cash benefits was seen across the distribution, largely attributed to increases in state pension, universal credit and disability related benefits. This is in line with recent [House of Commons publications](#).

Figure 5: For all households in the UK, 87.5% of gross income is made up from original income, FYE 2024

Disposable income components as a proportion of equivalised gross income, by equivalised disposable income quintile group, UK, financial year ending (FYE) 2024

Notes:

1. Gross income is defined as original income plus income from cash benefits. Direct taxes when subtracted from gross income are referred to as disposable income.
2. Cost of Living support schemes introduced by UK government in FYE 2023. The Low-income and tax credits Cost of Living Payment, the Disability Cost of Living Payment, and the Pensioners Cost of Living Payment continued in FYE 2024, all other cost of living related benefits and schemes were discontinued in FYE 2024.

3 . Average household income data

[The effects of taxes and benefits on household income, disposable income estimate FYE 2024](#)

Dataset | Released 2 May 2025

Average UK household incomes taxes and benefits by household type, tenure status, household characteristics and long-term trends in income inequality.

4 . Glossary

Disposable income

Disposable income is arguably the most widely used household income measure. Disposable income is the amount of money that households have available for spending and saving after direct taxes, such as Income Tax, National Insurance and Council Tax, have been accounted for. It includes earnings from employment, private pensions and investments, and cash benefits provided by the state.

Equivalisation

We compare different types of individuals and households (such as retired and non-retired, or rich and poor) over time after income has been equivalised. Equivalisation is the process of accounting for the fact that households with many members are likely to need a higher income to achieve the same standard of living as households with fewer members. Equivalisation considers the number of people living in the household and their ages, acknowledging that while a household with two people in it will need more money to sustain the same living standards as one with a single person, the two-person household is unlikely to need double the income.

This analysis uses the [modified Organisation for Economic Co-operation and Development \(OECD\) equivalisation scale \(PDF, 165KB\)](#).

Mean and median income

The mean measure of income divides the total income of individuals by the number of individuals. A limitation of using the mean is that it can be influenced by just a few individuals with very high incomes and therefore does not necessarily reflect the standard of living of the "typical" person. However, when considering changes in income and direct taxes by income decile or types of households, the mean allows for these changes to be analysed in an additive way.

Many researchers argue that growth in median household incomes provides a better measure of how people's well-being has changed over time. The median household income is the income of what would be the middle person if all individuals in the UK were sorted from poorest to richest. Median income provides a good indication of the standard of living of the "typical" individual in terms of income.

Retired and non-retired households

A retired household is one where more than 50% of its income is sourced from retired people. A retired person requires satisfying one of two types of criteria:

- their self-defined employment status is "Retired", and they are aged over 50 years
- their self-defined employment status is "Sick or Injured," not seeking work, and aged at or above the State Pension age

Analysis of the average income of people living in retired households can include much younger people and potentially exclude older people. However, the strength of this measure is that it highlights those individuals who are most likely to be affected by policy.

5 . Data sources and quality

Data sources

This release provides headline estimates of average disposable income, calculated using the Household Finances Survey (HFS) data. Data are derived from both the [Living Costs and Food \(LCF\) Survey](#) and the [Survey on Living Conditions \(SLC\)](#), with harmonised income collection, covering around 11,300 private households in the UK for FYE 2024.

The Office for National Statistics (ONS) estimates of household income from 1977, up to and including the financial year ending (FYE) 2017, are based on the LCF. From FYE 2018 onwards, estimates have been revised to include data from the HFS and remain comparable with those produced using the LCF for the same period. Further detail is available in our [Improving the measurement of household income methodology](#).

A decrease in HFS achieved sample size of 21% between FYE 2023 and FYE 2024 reflects the wider challenges of falling response rates for household surveys in recent years, alongside broader strategic prioritisation decisions to temporarily pause the SLC in February 2024. To ensure quality and align with the [Code of Practice for Statistics](#), all tables have been reviewed for robustness and as a result some cash benefits data have been suppressed, based upon sample size. Resultingly we would recommend that analysis of cash benefits is carried out using Total Cash benefits rather than individual cash benefits. This affects Tables 13, 14, 17, 18, 21, 22, 25, 26 and 29.

In February 2025 we announced [the cessation of the SLC](#). This was part of our strategy to deal with falling survey response rates and to boost samples that underpin headline economic statistics on prices and the labour market. This will affect future releases in this series with a sample size reduction, which may lead to further suppression of individual income components.

Next year we plan to boost the LCF sample, launch a newly streamlined Living Costs and Food (LCF) Survey questionnaire, which will include current LCF information on spending patterns, as well as core information on income previously collected using the SLC, giving an improved cross-cutting picture of household income and spending patterns.

Comparable estimates are available back to 1977, allowing analysis of long-term trends. To make robust comparisons over time, unless otherwise stated, data have been adjusted for the effects of inflation and are equivalised to account for changes in household composition. When growth rates are quoted, they compare the average for a group of households in one period with the average for a different set of households in the next period.

Cost of Living support schemes

In response to the rising cost of living, the UK government introduced several Cost of Living Payments to eligible UK households during FYE 2023. These payments have been captured as a component of household disposable income estimates following our public sector classification guidance.

Some schemes, including the Energy Support Scheme, Council Tax rebate schemes (Great Britain) and the Alternative Fuel Payment that were available in FYE 2023 were discontinued in FYE 2024. The Low-income benefits and tax credits Cost of Living Payment, the Disability Cost of Living Payment, and the Pensioner Cost of Living Payment were available in both FYE 2023 and FYE 2024.

The support schemes were introduced and implemented at pace, which meant it was not feasible to capture these directly within the HFS annual survey design. Receipt of support payments were imputed by matching criteria of support schemes against respondents' personal or household demographics, receipt of cash benefits, or interview timings, where appropriate.

Quality

Survey data used in this analysis are grossed so that totals reflect the total population of private households in the UK, as outlined in our [Household Finances Survey Quality and Methodology Information \(QMI\)](#) and our [Effects of Taxes and Benefits on Household Income \(ETB\) Quality and Methodology Information \(QMI\)](#).

For FYE 2023, HFS weights were updated in line with Census 2021 populations. Median UK disposable income reduced by less than 0.1%, when compared with the same figure without the update. Impact across the income distribution varies, with the poorest fifth of households showing a 0.8% increase in median household disposable income, through to the quintile level.

The Household Finances Survey (HFS) is a sample of the private household population and does not include those who live in institutionalised households, such as care homes and hostels, or people who are homeless. Therefore, many of the poorest in society are unlikely to have been captured.

Household income surveys can suffer from underreporting at the top and bottom of the income distribution. While an [adjustment to address survey undercoverage](#) of the richest people has been introduced for statistics covering FYE 2002 onwards, measurement issues at the bottom remain.

Accredited official statistics

These [accredited official statistics](#) were independently reviewed by the Office for Statistics Regulation in December 2011. They comply with the standards of trustworthiness, quality and value in [the Code of Practice for Statistics](#) and should be labelled “accredited official statistics”.

6 . Related links

[Income estimates for small areas, England and Wales: financial year ending 2020](#)

Bulletin | Released 11 October 2023

Small area model-based income estimates covering local areas called Middle layer Super Output Areas (MSOAs) in England and Wales.

[Effects of taxes and benefits on UK household income: financial year ending 2023](#)

Bulletin | Released 19 December 2024

The redistribution effects on individuals and households of direct and indirect taxation and benefits received in cash or kind, analysed by household type.

[Income and earnings interactive tool](#)

Database | Updated 28 March 2024

Database tool to browse income and earnings official statistics, filters include topic area, data source, and geographic coverage.

[Household below average income: for financial years ending 1995 to 2024](#)

Report | Published 27 March 2025

Statistics on the number and percentage of people living in low-income households for financial years between 1995 and 2024.

[The effects of taxes and benefits on household income, technical report: financial year ending 2019](#)

Article | 25 June 2020

The redistribution effects on households of direct and indirect taxation and benefits received in cash or kind analysed by household type, and the changing levels of income inequality over time.

[Income and earnings coherence workplan 2024 to 2025](#)

Report | 10 October 2024

The Government Statistical Service (GSS) income and earnings coherence workplan sets out the actions needed to achieve the GSS vision for coherence of income and earnings statistics.

7 . Cite this statistical bulletin

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