

A Minimum Income Standard for the UK

Investigations
Work in progress

Start date: Spring 2010

What do members of the public think is a minimum acceptable standard of living in the UK?

The Minimum Income Standard (MIS) is an ongoing project to establish how much people need to achieve a minimum acceptable standard of living in the UK today, based on what ordinary people think should be in a household budget and experts' views of what is adequate. It aims to influence debates about the nature of poverty in the UK.

This programme:

- Will provide a benchmark for what is an adequate income in this country.
- Aims to influence debates on poverty and inequality.

We aim to:

- continue to update MIS to assess the impact of inflation, price rises, benefits changes etc. on people's standard of living;
- check these figures against what real people think should be the minimum income for people in the UK, alongside experts' views of what is adequate;
- impact on thinking about minimum income requirements;
- affect practices such as the setting of wages by employers and distribution of funds by charities to people in hardship.

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For the latest information, visit:

www.jrf.org.uk/work/workarea/minimum-income-standards

At a glance

Programme title: A Minimum Income Standard for the UK

Aim: This programme aims to provide a benchmark for what is an adequate income in this country, and influence debates on poverty and inequality

Timescale: 2010–2014

Budget: £612,000

Contact: Chris Goulden (Programme Manager) or Louise Ross (Research Administrator)

In July 2008, the JRF launched a programme of work examining the minimum income needed for an acceptable standard of living in the UK. This paper outlines what we are doing, why, and what we hope to achieve through this work.

This information is correct at the start of the programme. However, our programmes of work develop throughout their course. For the most up-to-date information, visit: www.jrf.org.uk/work/workarea/minimum-income-standards

What is the issue?

There is now a widespread acceptance among many commentators in the UK that a minimum standard of living should include social participation and not just food, warmth and shelter. The Minimum Income Standard (MIS) is an ongoing project to establish how much people need to achieve a minimum acceptable standard of living in the UK today, based on what ordinary people think should be in a household budget. It aims to influence debates about the nature of poverty in the UK.

The Minimum Income Standard programme updates Seebohm Rowntree's pioneering work on budget standards for the 21st century. It aims to provide a benchmark of income adequacy to influence debates about poverty and inequality in the UK.

So far, this research has already influenced policy and practice, such as informing 'living wage' calculations and assessments of need for grant-giving charities.

What do we want to achieve?

JRF will continue to update MIS to assess the impact of inflation, price rises, benefits changes etc. on people's standard of living.

We will also check these figures against what members of the public think should be the minimum income for people in the UK, alongside experts' views of what is adequate.

The overall aim is that MIS will:

- inform living/minimum wages and policies affecting the needs of people in the UK;
- impact on thinking about minimum income requirements; and
- affect practices such as the setting of wages by employers and distribution by charities of funds to people in hardship.

This programme will be relevant to policy-makers and advisers in government, academics, think-tanks and anyone working to reduce poverty and raise living standards. It will be of interest to those involved in setting wage levels (public and private sector employers, unions and the Low Pay Commission) and paying benefits (HM Treasury, DWP, HMRC and Local Authorities), and to those that influence them (media, Living Wage movement, the poverty lobby).

What are we doing?

- Making annual updates to the research data:
 - Review in 2010 – convening discussion groups to examine the existing lists of goods and services to check whether items need to be added and/or removed.
 - Up-rating in 2011 – using the Retail Prices Index data to reflect changes in prices.
 - Re-basing in 2012 – repeating the original research by bringing together new groups of members of the public, with input where relevant by experts.
 - Up-rating again in 2013.
- Maintaining and updating the Minimum Income Calculator (www.minimumincome.org.uk), which allows the public and experts to check how incomes compare to the MIS.
- Influencing – this will initially focus on the implications for living wages and the relative costs of children.

Why is this topic a priority for the JRF?

The Minimum Income Standard (MIS) programme is a means of updating Seebohm Rowntree's pioneering work on budget standards for the 21st century. It aims to provide a benchmark of income adequacy to influence debates to reduce poverty and inequality in the UK, a key aim for JRF as a whole.

What has informed our thinking?

The MIS programme is based on analysis of official data, alongside work with groups of members of the public.

About the Joseph Rowntree Foundation

The Joseph Rowntree Foundation and the Joseph Rowntree Housing Trust are two independent charities that work together to understand the root causes of social problems, identify ways of overcoming them, and show how social needs can be met in practice.

Our purpose is to influence policy and practice by searching for evidence and demonstrating solutions to improve:

- the circumstances of people experiencing poverty and disadvantage;
- the quality of their homes and communities;
- the nature of the services and support that foster their well-being and citizenship.

Most of our work centres on the interconnected themes of poverty, place and empowerment.

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