

A Minimum Income Standard for the United Kingdom in 2022

Abigail Davis, Juliet Stone, Chloe Blackwell, Matt Padley, Claire Shepherd and Donald Hirsch

The Minimum Income Standard (MIS) sets out a vision of the living standards that we, as a society, agree everyone in the UK should be able to achieve. In 2022, the rising cost of living presents the most significant challenge to living standards for many years, and comes after a period of social and economic uncertainty resulting from the COVID-19 pandemic. There is a growing gap between what people have and what people need for a decent standard of living. Millions of people in the UK risk falling well short of this standard as costs continue to rise, and our social security system fails to provide adequate and appropriate support. Short-term support measures will only go so far; we need a social security system that is fit for today.

Key points and recommendations

- MIS continues to provide a unique lens through which to observe and track the impact of social, economic and cultural change on our shared vision for living standards in the UK.
- In 2022, we have recalculated from scratch the minimum budgets for pensioner and working-age households without children, and reviewed and updated the budgets for households with children.
- The research this year was undertaken at a time of uncertainty and flux. It spanned a period in which the UK was emerging from prolonged periods of COVID-19 restrictions, with the resulting ‘freedoms’ this afforded, and in which the cost of living began to increase at the fastest rate for many years. We have yet to understand the full impacts of these factors on MIS.
- A single person needs to earn £25,500 a year to reach a minimum acceptable standard of living in 2022. A couple with two children needs to earn £43,400 between them.
- The increase in what is needed for a minimum living standard over the past year is, in part, a consequence of the rapidly rising cost of many goods and services, such as domestic fuel, which have substantially increased what is required to reach MIS.
- Part of the increase is also due to changes in the specification of what is needed for a minimum living standard. The budgets reflect changes in society and emphasise the crucial importance – across all age groups – of activities outside the home for social participation, which cost more than before.
- The Cost of Living Payment aimed at supporting those households likely to be most affected by rising costs is welcome, but it does not solve more entrenched problems within the social security system. Even with the cost-of-living support payments, a couple with two children, on out-of-work benefits, only have just over half (52%) of what they need for a minimum standard of living.
- Working households can get closer to reaching MIS, but the support payments do little to address the cost-of-living challenge. A couple with two children, where one parent works full time on the National Living Wage and the other is not working, reaches 76% of MIS without the cost-of-living support payments; the same family only reaches 79% of MIS with the payments.

We can solve UK poverty

JRF is working with governments, businesses, communities, charities and individuals to solve UK poverty. A *Minimum Income Standard for the United Kingdom in 2022* plays an important part in monitoring costs and living standards – a key focus of our [strategy to solve UK poverty](#).

September 2022
www.jrf.org.uk

Contents

	Executive summary	2
1	Introduction	3
2	Updating the Minimum Income Standard in 2022 – methodology and findings	7
3	MIS budgets in 2022	20
4	Comparison of MIS with incomes on benefits and the National Living Wage	30
5	Conclusion	40
	Notes	42
	References	43
	Appendix	45
	Acknowledgements	50
	About the authors	51

Executive summary

The Minimum Income Standard (MIS) sets out a vision of the living standards that, as a society, we agree that everyone in the UK should be able to achieve. Since 2008, we have regularly returned to the public to ask what is needed for a minimum living standard, acknowledging that shared understandings of minimum needs may be affected by a range of factors – for example, changes in public policy, developments in technology, shifting social norms and expectations – and may change over time. In annual reports, we have reported on continuity and change in terms of what are identified as needs, how these needs are met and, critically, the income needed to meet these needs.

In 2022, we have recalculated from scratch the minimum budgets for pensioner and working-age households without children, and reviewed and updated the budgets for households with children. We have done this at a time of significant uncertainty and flux, both in the UK and globally. Our research has been undertaken in a society emerging from COVID-19 restrictions, in which activities that have not been possible for prolonged periods have opened up again. The research has also spanned a period in which the fallout from Brexit has started to become clearer, the horrors of the war in Ukraine have impacted global supply chains beyond the country itself, and in which the cost of living has increased at the fastest rate for many years. The combination of rising prices and post-pandemic ‘freedoms’ coalesce to mean that MIS ‘lands’ at a very particular – and peculiar – point in time. As ever, MIS establishes and captures public consensus on minimum needs, but at a point when pressures on living standards were growing substantially in a compressed time frame. Much of the fieldwork for this latest research took place in a period when restrictions were lifting, but before the full extent of the cost-of-living rises were felt. We therefore believe it is important to rebase the minimum budgets established through MIS again in 2024 for all households, to continue to ensure MIS fully captures and reflects the views of the public in this rapidly shifting context.

The new research with pensioners and working-age households without children this year confirms much of what has been established in previous MIS research. The core of the basket of goods and services that people identify as necessary to meet a minimum socially acceptable standard of living remains stable. However, the cost of what is considered essential has increased substantially over the past year, with a direct impact on the income needed to provide a minimum living standard. The substantial increase in the cost of domestic fuel, for example, has had a significant impact on what all households need in order to provide for their minimum needs.

Across households, social participation and activities outside the home (including eating out) have been important since the start of the MIS research. This year, there have been some increases in the amounts included for these activities. This partly reflects increases in prices, but could also be a response to the broader context, in which the lack of social interaction over the past two years is having an impact on social norms and expectations.

MIS continues to provide a unique means through which to track social change, and future research will show how long-lasting the impact of COVID-19 was on the shared, publicly determined vision of minimum living standards in the UK. It will also show any impact arising from high and rising inflation.

While there are different pressures operating on minimum budgets, the report this year points to a growing gap between what many people have, and what they need for a decent standard of living. It also draws attention to the growing gap between incomes for those on out-of-work benefits and those who are working – support through the social security system continues to fall away relative to what people need to cover the cost of essentials. At the same time, work is not enabling people to reach a minimum standard of living and increases in wages are not keeping up with the rapidly rising cost of essentials.

The next few years are likely to be challenging for many households in the UK, with domestic fuel prices set to rise significantly in October 2022, and inflation predicted to remain high for much of the next year. Short-term assistance from the Government through the cost-of-living support package does go some way to off-setting rising prices for some of the most vulnerable households, but does nothing to ease the pressure on household budgets beyond this year, and it certainly does not begin to restore the now frayed ‘safety-net’. MIS sets a threshold below which the public agrees no one should fall; fundamental change is needed to (re)build a system that provides adequate support when and where it is most needed.

1 Introduction

Since 2008, the Minimum Income Standard (MIS) for the UK has provided detailed information about what members of the public agree households need in order not just to survive, but to live with dignity. MIS research enables us to track changes in what people think is necessary to live at that level, and what income is required to provide it.

The world in 2022 is a challenging and uncertain one for many. Households in the UK have emerged from the constraints and challenges of the COVID-19 pandemic to find themselves facing rocketing fuel prices and rapidly rising inflation. The strains on household incomes are substantial, affecting and limiting the choices and opportunities available to individuals, and placing constraints on what people can do and the extent to which they are able to participate fully in society. Having been hit hard by the multiple pressures resulting from the pandemic, families on low incomes are faced with meeting the escalating cost of essentials, something that has the potential to have even more damaging consequences than COVID-19 for households already struggling to make ends meet (Hill and Webber, 2021 and 2022). The report this year considers these increases in costs, looking at the effect these are having on how much is needed for a minimum socially acceptable standard of living. It also looks at the impact of government interventions intended to help households with costs, particularly those households on the lowest incomes. While the additional support provided by the Government goes some way to mitigating the effects of high inflation, it offers only a very short-term ‘fix’ to what is likely to remain a substantial challenge over the coming years.

The research at the heart of MIS captures the effects of changes in social norms and expectations, in prices, and in policies that affect service provision. The weekly MIS budgets – setting out what is needed for a minimum standard of living – are the result of hours of group deliberation, during which participants negotiate and reach consensus on the goods and services that individuals and households need both inside and outside the home for this living standard. These include tangible items such as furniture, bedding and clothing, as well as the resources needed to feel able to participate in society – such as being able to travel to visit relatives and meeting up with friends to socialise.

Table 1 sets out the standard schedule of updates to MIS over a four-year cycle. Under this model, the MIS budgets are updated annually, and we conduct new research every two years. So, in 2022, we completed a ‘rebase’ of the budgets for households without children (single and couple pensioners, and single and couple working-age adults without children), and a ‘review’ of budgets for lone and couple parents and children. For the rebase, groups started from scratch, identifying everything that they agreed would be required for an individual or couple to have an acceptable standard of living. In the review, groups of parents across the UK looked at the budgets devised in 2020 and advised on whether any of the items included needed to be changed to reflect life in 2022 for lone and couple parents and for four different ages of children (toddler, preschool, primary school and secondary school).

Table 1: The current MIS updating cycle

	2020	2021	2022	2023	2024
Households without children	Review	Inflation uprating	Rebase	Inflation uprating	Rebase
Families with children	Rebase	Inflation uprating	Review	Inflation uprating	Rebase

In the current climate of global and societal economic challenges, the increasing cost of essentials and post-pandemic uncertainty, there are a great number of factors that could potentially be shaping and changing social norms and expectations regarding minimum living standards in the UK. When we add in the pace of social, cultural and economic change over the past few years, as well as the particular and peculiar time when this year’s fieldwork took place, we believe it is important to rebase the minimum budgets established through MIS again in 2024 for all households, to continue to ensure MIS fully captures and reflects the views of the public in this rapidly shifting context.

Chapter 2 outlines how we adapted the methodology to cope with the ongoing challenges posed by COVID-19. It presents the findings of the new research on the needs of pensioners and of working-age households without children, and reports on the changes made by review groups looking at the budgets for families. Chapter 3 shows the income needed to reach MIS for selected household types, and how that compares to state support for pensioners and out-of-work households, and earnings at National Minimum Wage (NMW) level.

In May 2022, then Chancellor Rishi Sunak announced a cost-of-living support package aimed at alleviating some of the financial pressures on low-income households. These included a payment of £650 to households in receipt of benefits and £300 to some pensioner households, with a non-means tested payment of £150 to disability benefit recipients. Chapter 4 looks at the impact of these interventions. Chapter 5 draws conclusions and suggests key areas where policy change could make a significant difference to low-income households.

Box 1: MIS in brief

What is MIS?

The Minimum Income Standard (MIS) is the income that people need to reach a minimum socially acceptable standard of living in the UK today, based on what members of the public think. It is calculated by specifying baskets of goods and services required by different types of household to meet these needs and to participate in society. Based on consultation with groups of members of the public in the original research, this minimum is defined as follows:

A minimum standard of living in the UK today includes, but is more than just, food, clothes and shelter. It is about having what you need in order to have the opportunities and choices necessary to participate in society.

How is it arrived at?

Members of the public have detailed negotiations, in groups, about the things a household needs to achieve an acceptable living standard. Each sequence of groups has a different role. The first set of groups go through all aspects of the budget, identifying what goods and services would be needed, of what quality, how long they would last and where they would be bought. Experts make selective inputs, notably checking the nutritional adequacy of the food baskets, calculating domestic fuel requirements and advising on motoring costs where relevant. Subsequent groups check and amend the budget lists, which are then priced at various stores and suppliers by the research team. Groups typically comprise six to eight people from a range of socioeconomic and ethnic backgrounds, but all participants within each group are from the household category under discussion. So, parents with dependent children discuss the needs of parents and children, working-age adults without children discuss the needs of single and couple adults without children, and pensioner groups decide the minimum for pensioners. In all, over 160 groups, involving new participants on each occasion, have taken part in the MIS research since it began in 2008.

A crucial aspect of MIS is its method of developing a negotiated consensus among these socially mixed groups. This process is described in detail in Davis et al (2015). The MIS approach uses a method of projection, whereby group members are asked not to think of their own needs, but of those of hypothetical individuals (or case studies). Participants are asked to imagine walking around the home of the individuals under discussion, to develop a picture of how they would live, to reach the living standard defined above. While participants do not always start with identical ideas about what is needed for a minimum socially acceptable standard of living, through detailed discussion and negotiation they commonly converge on answers that the group as a whole can agree on. Where this does not appear to be possible, for example where there are two distinct arguments for and against the inclusion or exclusion of an item, or where a group does not seem able to reach a conclusion, subsequent groups help to resolve differences.

What does it include?

As set out in the definition above, a minimum is about more than survival alone. However, it covers needs, not wants; and necessities, not luxuries: items that the public think people need to be part of society. In identifying things that everyone requires as a minimum, it does not attempt to specify extra requirements for particular individuals and groups who may have additional needs – for example, those resulting from living in a remote location or having a disability. So, not everybody who has more than the minimum income can be guaranteed to achieve an acceptable living standard. However, someone falling below the minimum is unlikely to achieve such a standard.

How can the results be accessed?

There are several ways of accessing MIS results for different users, all via the MIS pages¹ on the website:

- The online Minimum Income Calculator² shows the budgets and earnings requirements for any specified household type.
- There are lists of the items used to compile the budgets for each household type.
- For users who want to analyse the data, there are spreadsheets showing the budgets broken down by category for each of the main household types for each year of MIS.
- There is also an Excel version of the current year calculator that can generate results for any specified household type for the present year.

To whom does it apply?

MIS applies to households that comprise a single adult or a couple, with or without dependent children. It covers most such households, with its level adjusted to reflect their composition. The needs of more than a hundred different family combinations (according to numbers and ages of family members) can be calculated. It does not cover families living with other adults in the main calculations, although supplementary reports on single adults sharing accommodation (Hill et al, 2015) and single adults in their 20s living with their parents (Hill and Hirsch, 2019) estimate variations for these household types.

Where does it apply?

MIS was originally calculated as a minimum for Britain; subsequent research in Northern Ireland in 2009 showed that the required budgets there were all close to those in the rest of the UK, so the national budget standard now applies to the whole of the UK.

This main UK standard is calculated based on the needs of people in urban areas outside London. Between 2008 and 2020 most groups were held in Midlands towns and cities, and from 2018 budgets have been reviewed in other parts of the UK. In 2022, as all MIS groups were held online, we were able to expand the geographical spread of groups, and held them with participants from towns and cities around the UK. The research has also been applied in other geographical contexts, in supplementary projects considering costs in rural England (Smith et al, 2010), in London (Padley et al, 2021), in remote rural Scotland (Hirsch et al, 2013) and in Guernsey (Smith et al, 2011). Further research is ongoing in remote rural Scotland as part of the Scottish Government's monitoring of fuel poverty. The London research is also ongoing, and Inner and Outer London budgets are shown as a variation of the main UK results budgets in the online Minimum Income Calculator. Other countries have used the same overall method, but employed their own definitions of the minimum, carrying out studies in Japan (Davis et al, 2013), Portugal (raP, nd), France (Gilles et al, 2014), Thailand, Singapore (Ng et al, 2019), Tunisia and Mexico (Aban Tamayo et al, 2020). An ongoing MIS programme in the Republic of Ireland uses methods based on the UK work (Collins et al, 2012). Pilot research has also been carried out in South Africa (Byaruhanga et al, 2017).

How is it related to the poverty line?

MIS is relevant to the discussion of poverty, but does not claim to be a poverty threshold. This is because participants in the research were not asked to talk about what defines poverty, but instead what, in today's society, constitutes an acceptable minimum. However, it is relevant to the poverty debate in that almost all households officially defined as being in income poverty (having below 60% of median income) are also below MIS. Thus, households classified as being in relative income poverty are generally unable to reach an acceptable standard of living as defined by members of the public.

Who produces it?

The main MIS research is supported by the Joseph Rowntree Foundation (JRF) and carried out by the Centre for Research in Social Policy (CRSP) at Loughborough University. The original research in 2008 was developed by CRSP in partnership with the Family Budget Unit (FBU) at the University of York.

2 Updating the Minimum Income Standard in 2022 – methodology and findings

In 2022, we looked in depth at the needs of retired people and working-age households without children, starting from scratch (that is, ‘rebasin’) rather than using lists drawn up in previous research. Groups of parents reviewed the budgets for households with children last developed in 2020. This chapter reports the findings from both the rebase and the review, and gives an overview of each budget category in terms of what it includes, what has remained the same and what has changed in the 2022 research.

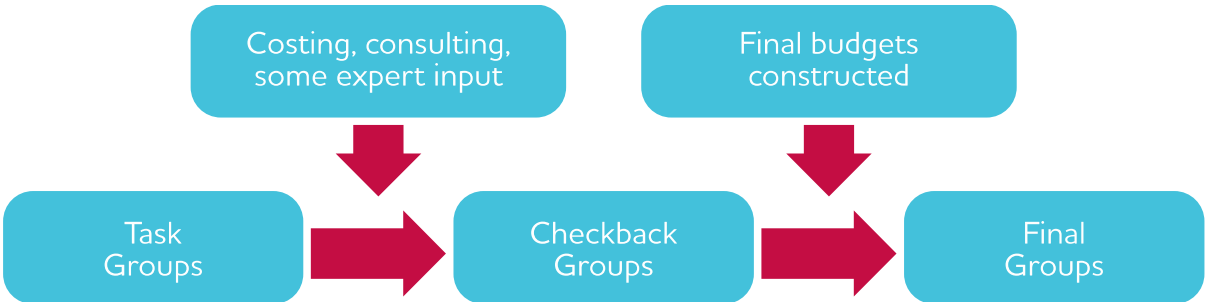
Adapting the MIS methodology in a pandemic

In 2021, as we began planning and conducting the research reported here, it was clear that face-to-face discussion groups would not be feasible due to COVID-19 restrictions. We had already had to adapt to recruiting and conducting similar groups online for other projects, so were able to use this approach for MIS.

The transfer from in-person to remote groups created a number of practical challenges. For the initial stage of the rebase (the Task Group stage), participants spend six hours discussing and deliberating on everything that the case study they are focusing on needs. It is not reasonable to expect participants to attend a six-hour long online group in one sitting, so each task group comprised two, three-hour sessions, each attended by the same participants. Subsequent groups in the Checkback stage (where a new group is recruited of the same demographic type, and the lists from the Task Group stage are checked and revised where necessary) and the Final Group stage (where another freshly recruited group resolve any outstanding issues and anomalies) were three hours each.

Figure 1 illustrates the stages of groups in the MIS process. For a more detailed account of the research stages see Davis et al (2018).

Figure 1: Stages in the MIS process



Working-age participants were generally reasonably familiar with attending online meetings, however the pensioner groups often took longer to get underway as people sometimes struggled with the technology. As in the more conventional face-to-face MIS groups, a minimum of two researchers attend each group, so while one continued to facilitate the group, the other could assist any participants having difficulty joining the Zoom call. Some people were supported by family members who helped them to use a phone, tablet or laptop to attend.

To address these challenges, we allowed more time for the groups with older people. The Checkback and Final Group phases that follow the first wave of groups (Task Groups) are usually three hours long. This was long enough for the working-age adults, but for the pensioners we doubled it so that each equivalent group was held in two sessions of three hours each.

The 13 deliberative groups of pensioners and working-age adults without children took place between July 2021 and February 2022, followed by the seven review groups with parents in March 2022. Participants for each group lived in or around the same town or city and were from the same demographic group (that is, parents, single pensioners or couple working-age adults without children). Groups were held with participants from Newcastle, Bristol, Birmingham, Leeds, Nottingham, Sheffield, Belfast and Swansea.

As in all MIS research, the purposive sample for each group included a mix of people from different socioeconomic groups identified using proxies such as income source, housing tenure, and current or most recent occupation. The groups were recorded using Zoom; the audio recordings were transcribed, and the qualitative data were analysed using NVivo.

MIS budgets in 2022

In April and May 2021, 12 months after the World Health Organization declared COVID-19 a pandemic, we conducted some additional qualitative research. We asked groups of members of the public to reflect on whether, and to what extent, COVID-19 had affected public perceptions of what people needed to be able to have a decent standard of living. That research (Davis et al, 2021) showed that people still thought it was important to socialise outside the home, go out to eat occasionally with friends and family, and take an annual UK-based holiday to relieve the pressures of everyday life – even though they had not had the ability or opportunity to do any or all of these things for much of the previous 12 months. Group discussions held in late 2021 and early 2022 as part of the MIS UK updating programme resonated strongly with the findings from that report and form the basis of this chapter.

The pandemic was still very much in the public consciousness as fieldwork began for this report in July 2021, on the day the Prime Minister announced the ‘road map’ out of COVID-19 restrictions. By the time rebase fieldwork ended in February 2022, all COVID-19 measures in England were lifted, and the Government announced that free lateral flow testing would cease on 1 April. Undertaking fieldwork over a period when what people were able to do was changing often overnight, and varying from region to region, presented a logistical challenge, but also provided an uncertain backdrop for group discussions. As COVID-19 restrictions were ending, and people were once again able to do the things outside the home that have always been a key component of MIS, the set of challenges presented by the pandemic was replaced by a different set resulting from high and rising inflation. The review groups in 2022 took place in this ‘post-pandemic’/cost-of-living crisis context, while the rebasing discussions mostly occurred before the full extent of the cost-of-living crisis was apparent. The extent to which the norms and expectations that emerge from group discussions reflect or have been shaped by this context will only emerge over time. It is clear, though, that the broader social, cultural and economic environment in which the MIS 2022 research was undertaken was an extraordinary one.

The basket of goods and services that people identify as being needed to meet a socially acceptable minimum standard has remained largely stable over time, including throughout the pandemic, even though costs have significantly increased in the last year. This chapter includes an overview of what the 2022 household budgets comprise, and gives an idea of the nature of the discussions and rationales for including or excluding particular items that is intended to be illustrative rather than exhaustive. More detailed lists can be found at <https://www.lboro.ac.uk/research/crsp/minimum-income-standard/>

The goods and services included in MIS 2022 budgets are discussed in the following sections:

- Housing
- Domestic fuel
- Food and drink
- Clothing
- Household goods and services
- Health and personal care
- Transport and travel
- Social and cultural participation.

Housing

At the start of each of the rebase Task Groups, we ask participants what size of accommodation the case study individual(s) would need in order to meet their needs, and whether that would be owned or rented in the private or social rented sector. Since 2008, groups have agreed that a one-bedroom flat for single people and a two-bedroom flat for couples in the social housing sector would meet pensioners' needs as a minimum, with home-owning considered the 'nice to have' option (and therefore above the minimum acceptable level). Couples require more space and an extra bedroom, as partners may need to sleep separately during periods of ill health. Single pensioners need one bedroom, but should still be able to have overnight visitors so a sofa-bed is included in the living room furniture.

Since 2014, the accommodation for working-age singles and couples without children has been a one-bedroom flat in the private rented sector, as social housing was no longer considered to be a realistic possibility for most people in this demographic group. The couples' flat has a larger footprint than the singles' to allow for a slightly larger living space, reflecting the household composition. Flats in the private rented sector are assumed to have flooring, a washing machine, cooker and fridge freezer provided as part of the tenancy, so the lists of household goods for these homes exclude these items as they would not need to be paid for by the tenant.

In 2020, groups of parents agreed that households with lone or couple parents and one child require a two-bedroom house, and households with two, three or four children need a three-bedroom house, all in the social housing sector. This remained unchanged in 2022. Tenants in social housing would be expected to provide floor coverings and all appliances, so these are included in the household budgets for pensioners and households with children.

All household budgets include a modest annual amount to enable the occupants to maintain the condition of the property, repair any minor damage and refresh the decor on a rolling basis, repainting one room a year. All groups agree that people should be able to have household contents insurance, so this is priced using price comparison websites to find a competitively priced policy that includes accidental damage cover and replacement of new for old items.

Table 2 summarises the housing specifications for each household. All accommodation is assumed to have gas central heating.

Table 2: Accommodation by household type

Household type	Accommodation
Single pensioner	One-bed flat, social housing
Couple pensioner	Two-bed flat, social housing
Single working-age adult	One-bed flat, private rented sector
Couple working-age adult	One-bed flat, private rented sector
Lone/couple parent plus one child	Two-bed house, social housing
Lone/couple parent plus two children	Three-bed house, social housing
Lone/couple parent plus three children	Three-bed house, social housing
Couple parent plus four children	Three-bed house, social housing

Domestic fuel

All households in the main UK MIS are assumed to have gas central heating and use low-energy lightbulbs throughout the home. Pensioner households include a small, plug-in oil-fuelled heater that could be used in a living room or bedroom for cooler evenings to provide warmth instead of turning the central heating on, and an electric blanket for the bed.

In April 2022, domestic fuel costs rose significantly. The April to October price cap was 54% or almost £700 a year higher than the previous cap. In the past, MIS domestic fuel budgets have been calculated based on the

best deal available on price comparison websites. However, in 2022 there were no 'deals' as all energy providers increased their prices to the limit of the cap. The higher standing charges for gas and electricity, and the higher prices per thermal unit (gas) and kilowatt/hour (electricity), mean that this component of the budgets accounts for a large proportion in the increase in MIS overall, as is shown in Chapter 3.

Food and drink

Groups are asked to suggest the kind of food and drink that the case study individual would consume at home during an average week. Meals, drinks and snacks are listed and compiled into a week's menu by a nutritionist who adds quantities of each item and advises on amounts required for pricing (eg, taking into account waste when specifying weight of bananas required, or the drained weight of a tin of tuna in water). The nutritionist suggests any changes or additions to align the food and drink with healthy eating guidelines. These changes to macro- and micro-nutrients are taken to a further stage of groups, to check that they are appropriate and acceptable.

A typical week's food includes:

- three meals a day: breakfast, one lighter meal and one more substantial meal
- non-alcoholic drinks: tea, coffee, fruit juice, cordial and water
- a modest amount of alcohol
- one or two snacks a day (eg, a biscuit, piece of fruit or handful of nuts).

The content of the food baskets is then priced at Tesco, one of the four major supermarkets in the UK and the one with the largest market share and highest prevalence of stores. Groups agree that prices at these major supermarkets are similar, and that many of them conduct price comparisons with their main competitors and also with lower-cost supermarkets such as Aldi and Lidl. Groups continue to identify the supermarket 'own brand' version of goods as being reasonable quality, agreeing that MIS should enable people to exercise a degree of choice in their food shopping that would not be possible if only the lowest possible cost items were included.

The types of meal, drink and snack identified by groups have remained recognisably similar over time, with groups including breakfast, a midday meal and an evening meal each day as well as occasional snacks, non-alcoholic drinks and a modest amount of alcohol each week. Groups said that the majority of meals would be cooked from scratch, with a few convenience items such as a ready-made jar of sauce or a pizza.

We priced the food and drink online, and the budget reflects the reality of grocery shopping in April 2022 where there was limited availability of several items, particularly fruit and vegetables. The baskets have always included a mix of fresh, tinned and frozen produce to reflect choice and realistic shopping patterns. In some cases we were unable to price the item in the format specified in the menu, so had to include an appropriate substitute that sometimes cost more – for example, frozen broccoli was more economical than fresh broccoli as there is less wastage, but it was unavailable during several weeks of April 2022 so we priced fresh broccoli.

We took into account discounts where appropriate, for example Tesco Clubcard prices, which offer discounts on a range of items across the store for Clubcard holders. There is no additional charge for having a Tesco Clubcard. We also considered realistic shelf lives of perishable goods, so didn't take advantage of multi-buy discounts for households where goods would be unlikely to be consumed within the specified best-before date, or where an item wouldn't keep beyond the specified period once opened. Some exceptions were made for items where it would be reasonable to assume that someone could cook more than one serving at a time and freeze the leftovers, for example using a large jar of curry sauce to make several portions. Groups include a fridge freezer and plastic storage tubs in the list of household goods, so this would be feasible for the case study households.

The rebase groups of pensioners and working-age adults without children agreed that people may have become accustomed to having their groceries delivered during lockdown periods, when people were urged to stay at home unless strictly necessary, and that they should be able to continue to have this option. Each household therefore includes a low-cost, off-peak delivery subscription (£36 per year for mid-week deliveries with a minimum spend of £40). However, in both this and previous research, participants mentioned that

relying on an online shopping delivery meant that you weren't always guaranteed to get what you had ordered, so suggested they might return to a mix of delivery and in-person shopping.

Man 1: I think erm... I think people are shopping online a lot more, and I think a lot of people will stick to grocery shopping online. At the same time I think a lot of people will still be going to or looking forward to going back to the supermarket, because I mean, I am sure we have all had an online shop at some point and you don't... It is almost like Russian roulette, you're not... necessarily going to get what you have ordered are you, you know?

Researcher: Yes.

Man 2: You can have it turn up and half of your items missing, so yes.

Working-age group, Newcastle

Parents in the review groups did not make any changes to the diets or eating patterns described in 2020, but said that as the MIS households with children specify ownership of a second-hand car, these families would not need to get their groceries delivered. They therefore did not include the grocery delivery cost, but did specify the need to buy re-usable shopping bags, with households with up to two children needing to spend £2 a month on these and larger families with three or four children spending £3 a month. Parents explained that bags needed to be replaced quite frequently because of wear and tear, being used for other purposes (holding laundry, toys, and so on), and because often they forgot to take them with them and had to buy more to hold the shopping.

The food and drink budgets also include money for additional items for 'celebrations' and to cover the cost of eating out. These are discussed in the section on social participation.

Clothing

Clothing lists for each individual in MIS include:

- underwear, socks, tights
- nightwear
- casual and smart clothing
- outerwear (coats, jackets, hat, scarf, gloves)
- footwear
- swim and sportswear.

Rebase groups listed the items and quantities required by case study individuals in each of these categories, and identified suitable retailers where we should price clothing and footwear of appropriate quality, based on the expected lifetime or replacement rate of the item. The majority of clothing was priced at relatively low-cost outlets – supermarkets, Primark, Matalan and Sports Direct, with a few items from specified retailers where a higher quality of item or wider range of options was thought necessary. The budget for working-age men without children includes two suits from Next: one for weddings and one for funerals, with each expected to last five years. The budget for working-age women without children includes two dresses for special occasions – one for weddings and one black dress for evening events, also priced at Next and expected to last three years.

Most of the working-age women's footwear is priced at New Look, and the men's at Next, with trainers, walking shoes and wellingtons from Sports Direct. The pensioner groups specified that shoes should be priced at Clarks as older people are more likely to suffer discomfort from poor-quality footwear, but each pair is expected to last longer than the less expensive shoes priced from other retailers for the working-age budgets.

Working-age groups in the COVID-related research conducted in early 2021 considered whether clothing requirements had changed during the pandemic. We wanted to know if there were changing expectations as a result of a lengthy period where people were encouraged to work from home where possible. Their conclusion was that enough of each kind of clothing should be included to allow for flexibility – those still needing smarter work clothes would be able to spend more on this and less on casual clothes, and vice versa. Participants in

2022 groups mentioned that some firms had moved on a seemingly permanent basis to hybrid working, but that this was not a universal change, especially for people working in the hospitality, education, health and public service sectors.

The review groups made no changes to the clothing for parents and children that had been detailed in 2020.

Household goods

Items in this section include:

- furniture
- flooring (for those in social housing, see above)
- soft furnishings
- appliances
- small electrical items
- kitchenware, crockery, cutlery
- cookware
- cleaning and laundry supplies
- children-specific items (for example, stairgates, highchairs, baby monitors).

Lists of living room and bedroom furniture remained similar to those developed in 2018. Groups emphasised that good quality sleep was important, and said that people should be able to purchase a reputable brand of mattress from a retailer where they could try them out first. Pensioners said that people should be able to buy the bed from the same place as the mattress, whereas working-age people said it was acceptable for the frame to be from an inexpensive retailer such as Argos. Sourcing items from different retailers meant that the pensioners' divan bed (specified for its storage) was more expensive than the bed identified as suitable for working-age singles and couples, but it was also expected to be higher quality and therefore groups gave it a lifetime of 20 years, compared to eight years for the cheaper bed. Both working-age and pensioner groups also said that sofas should be priced from retailers such as DFS or SCS so that customers could check them for comfort. The items selected came with a 10-year frame and springs guarantee, and were given a 10-year lifetime.

Pensioner groups included carpeting and underlay to provide noise and heat insulation, and said that using the same carpet throughout the flat would be more cost effective as it would mean offcuts could be used where appropriate. As the working-age case studies were renting in the private sector, they were assumed not to need to pay for flooring so this element was not discussed. However working-age groups did include curtains in the budget, as although rented properties were likely to already have them, they might not be of sufficient quality to block light out. Both working-age and pensioner groups agreed that blackout curtains should be included, and the option of having net or voile curtains for privacy was also taken into account.

Throughout the research, participants have strongly agreed that the minimum standard should allow people to have a comfortable and 'homely' home. Elements included to ensure this include a budget for lightshades for the main light in each room, rather than just a bare bulb, lamps in bedrooms and living areas to be able to provide a softer light, cushions, and soft throws that can be used as a blanket either on the sofa or the bed. The budgets also include a small amount to be able to personalise the home with accessories such as photo frames, house plants, and so on.

Another important aspect of the home was being able to offer hospitality, so all households have a table and four chairs (table and six chairs for households with children) to share a meal at. The single working-age households have two, two-seater sofas, and the couples have a two-seater and a three-seater sofa. In the case of the single pensioners, one of the sofas is a sofa-bed to allow for people to stay overnight. The working-age groups said that they should also be able to accommodate occasional overnight visits from friends or family, and included an inflatable mattress and pump for each household so that guests could sleep in the living room.

The lists of kitchen, dining and cleaning items required by households have also remained very similar over time. In 2022, pensioner groups discussed whether the cooker included in the budgets should be electric (that is, not gas) as they were aware of longer-term plans for UK energy supplies to move away from fossil fuels. They also considered whether a suitable minimum cooker should have a halogen or induction hob, as these were thought to be more energy efficient. After much deliberation they agreed that this might be something to be taken into consideration in the future, but in 2022, a single-fuel cooker – either gas or electric with a standard hob – would be sufficient, and would last the same length of time (10 years) as previous groups had specified.

Groups reviewing the lists of household goods developed in 2020 for households with children did not make any changes.

Household services

This category includes telephone costs. Groups agreed that each adult needed an inexpensive mobile phone, saying that the cheapest contract smartphone would meet their needs as a minimum. Pensioner groups specified 2GB of data per month, while working-age adults said that a minimum of 3GB would be needed to cover data usage while out and about. This item was priced at Tesco Mobile. A £10-a-month contract includes unlimited minutes, texts and 3GB data, as well as the purchase of the handset itself, which can be upgraded at no additional cost every two years. Retired participants said it made sense to include a ‘plug-in’ landline phone as backup in case mobile phones were lost or broken, or the network went down. Working-age groups felt that a landline telephone was outdated and did not include this item.

Also in this category are postage and delivery costs. Household budgets used to include the cost of books of stamps for people to be able to send Christmas and birthday cards, bill payments, documents and application forms through the post. In 2022, groups agreed that this budget element was still needed, but would be more likely to be needed to cover delivery costs or the price of returning something ordered online. Pensioners were more likely to use conventional postal services to send cards, as well as to cover delivery and return costs, so included a higher budget than working-age groups. This reflected both the relatively high cost of postage (95p for first class and 68p for second class in April 2022), and the increase in internet shopping during the pandemic, which meant that people had made more purchases online, potentially incurring delivery and/or return costs.

Health and personal care

This section includes:

- toiletries (soap, toothpaste, shampoo)
- hairdressing costs
- home healthcare (for example, paracetamol, ibuprofen, hay fever tablets)
- prescription costs
- dentistry
- optician’s
- other health costs.

The lists of toiletries and personal care items such as shampoo, shower gel, razors, tweezers and nail clippers are another budget area where the lists do not differ significantly from report to report, and this remained the case in 2022. However, there were some notable changes in both hairdressing and health costs.

Groups agreed that the cost of going for a haircut had increased. There was less choice as some hairdressers had gone out of business during the pandemic. The salons still open needed to increase prices to cope with the loss of revenue during 2020 and 2021, and to compensate for having to operate at reduced occupancy in order to maintain social distancing. The parents in the review groups described the same phenomenon and increased the amounts for hairdressing for all family members.

Man: Just personally for me, I go to a sort of quite standard hairdresser, and you're right the losses they took, and they all have to do the same thing because if you charge too much, everyone will go somewhere else, but before the pandemic it was £12 to have my hair cut and now it is £25.

Researcher: Wow.

Man: They have... you know, massively gone up, and when you look around everyone has done the same thing because obviously if one hairdresser puts it up too much as I say, people desert them and go somewhere else. But, erm, they seem to have... yes the cost has gone a bit... they try and make up their losses for two years. You know it has almost doubled, yes it has almost doubled really.

Couple parents, Swansea

Participants in working-age groups said that people with black and minority ethnic heritage were more likely to have higher haircare costs than the costs identified in previous MIS reports. Afro-Caribbean hair is likely to need cutting more frequently and haircare products are required in order to keep hair healthy. To reflect this and offer a more inclusive budget, the hairdressing costs for working-age women included £10 a month to cover styling and haircare products, in addition to a quarterly cut and blow dry at the hairdressers and a home box dye every six weeks.

Groups added some items to the budget as a direct result of COVID-19. These included nutritional supplements, seen as a preventive measure to promote optimal health, a pack of washable fabric face coverings per person, per year, and a large bottle of hand sanitiser for each home plus smaller, refillable bottles for individuals to keep in a pocket, handbag or changing bag.

Woman 1: I think [vitamin D supplements] should [be included], a lot of... Since the pandemic, a lot of people are taking them and trying to be healthier.

Woman 2: Yes or multivitamins like... yes.

Researcher: Right, do you want vitamin D, or do you want a multivitamin?

Woman 1: I think a multivitamin.

Woman 2: Yes.

Researcher: You mentioned that since the pandemic people have been taking vitamin D, is that something that you feel has changed? [Is it something] you wouldn't necessarily have said before, or is it just a thing you have always said?

Woman 1: I think people are really more health conscious since the pandemic, and I know people that have had COVID are now quite concerned about, like, preventative treatment, erm, so yes, I think it probably has changed since the pandemic, it is more about preventing illness than treating it, maybe.

Single working-age women, Bristol

Towards the end of the fieldwork (March 2022), groups mentioned the difficulty of obtaining lateral flow tests via the NHS, not long after it was announced that free tests would no longer be made available routinely. Home tests were beginning to be available at a cost of approximately £2 per individual test. In response to this, groups added one lateral flow test per household member per week, as they felt it was still important to protect vulnerable people and minimise the risk of infection.

When discussing dental care, participants commented on the ongoing difficulty of getting an appointment because of the backlog caused by the pandemic. There were also observations about the number of NHS practices not taking on new patients, or informing existing patients that they would have to pay private dentistry costs. However, as in previous years, groups included enough to cover the cost of regular check-ups and an annual treatment (for example, a filling or extraction) at an NHS dentist, on the assumption that this would still be an option for most people. The pensioners' dentistry costs included a higher level of treatment, for example replacement dentures every five years.

Pensioner groups mentioned similar difficulties in accessing healthcare, especially face-to-face as many GP surgeries were still only offering telephone or video appointments. Working-age groups included the cost of four NHS prescriptions per adult, per year (pensioner prescriptions are free). Pensioners also added an amount to cover podiatry every two months, as older people might struggle to cut their own toenails and were more likely to need help with taking care of their feet.

Accessing opticians for routine eye tests was less problematic. As in previous years, working-age groups included the cost of an eye test every two years (these are free for pensioners), and a budget for pensioners and working-age adults to enable them to get new glasses if their prescription changed.

Transport and travel

Groups agreed that working-age adults without children could meet the majority of their day-to-day transport needs with a bus pass that covered journeys to the nearest major town or city, to be able to access opportunities for employment. They included some money for taxis to cover journeys where public transport was not available either early in the morning or late at night, and for emergencies.

Some of the pensioner groups debated whether public transport was still sufficient for older people to meet their needs (as it has been in MIS pensioner groups since 2008). In particular, female pensioners talked about needing a car to be able to fulfil caring responsibilities exacerbated by the pandemic – such as doing grocery shopping for an elderly relative. However, after much discussion, groups agreed that as pensioners still have free bus travel, this would meet most of their needs. Like the working-age groups, they also required some resources to be able to take a taxi for safety if travelling at night, if not well enough to travel by bus, or if they had to go somewhere that wasn't on a bus route.

Working-age and pensioner groups also included £100 per person, per year to be able to travel by rail to visit family or friends, assuming that people would book off-peak advance tickets online to make the most of this budget; for older people, a senior rail card was included that would enable them to get a 1/3 discount on rail fares.

Transport budgets for households with children have included one second-hand car per household since 2012, and this remained unchanged in 2022, although the increase in fuel prices has obviously had a significant impact on motoring costs. Parents said that school bus fares had also risen, and increased the amount required to pay for bus travel for secondary school children during term time. The other notable change to the family travel budget was an increase in the amount of money needed to cover parking charges. Parents said that these had risen significantly over the last two years, possibly to recoup lost revenue during the pandemic where people were less likely to be visiting places where parking had to be paid for. While some participants had to pay for parking at or near their workplace every day, groups agreed that this was not a requirement for everyone. They included £15 a week per household (increased from £5 a week in 2020) to allow families to pay for parking at weekends and/or when taking children to activities.

Social and cultural participation

Budgets relating to social and cultural participation encompass both tangible items (for example, a TV) and financial resources required to be able to exercise choice, such as a budget to allow for meeting up with friends to socialise.

Categories within this budget element include:

- entertainment and connection
- gifts, celebrations, pocket money and charitable donations
- leisure and recreation (including eating out and takeaways)
- days out and holidays.

Entertainment and connection

All household budgets include one smart TV. For working-age households with and without children, this is a 32-inch screen TV, which continues to be seen as acceptable as a minimum to meet these households' needs. Pensioner groups in 2022 said that prices for larger screen TVs had decreased over time, and that older people were more likely to need a larger screen for a clearer picture, and to make it easier to read subtitles and on-screen displays. Consequently, groups included a 43-inch smart TV for single and couple pensioners. All TVs are expected to last for 10 years because although technology is changing rapidly, groups agreed that the item would still be functional for this long.

As in 2020, groups agreed that an entry-level, single screen Netflix subscription should be included for all households, to reflect changing social norms in terms of what people watch and how they access entertainment. There were several references to the effect of the pandemic when access to additional content had compensated for not being able to go out.

- Man: I think it is a necessity in this day and age to have a Netflix subscription as a minimum... I mean, I work in an office, and it is pretty much... I mean it says how exciting the office is, but it is pretty much all that is talked about is what are you watching on Netflix, I have finished this, what do you think to this? What is next? Obviously, especially throughout lockdown as well, you have not been able to really do anything apart from sit inside and watch Netflix. And then, now it has become so integrated into people's lives that they are going to continue to watch, you know, streaming subscriptions and what have you into the future. So...
- Researcher: So if it is something people have got used to during COVID, do you feel it is reasonable for them to be able to continue to have it, rather than that sort of have to be taken away?
- Man: Definitely, yes I think... Yes I would say, definitely.
Couple working-age group, Nottingham

Another technology-related change is the inclusion of a smart speaker instead of a radio. Previously, groups included a mains-/battery-operated, portable analogue radio as an inexpensive item that would allow people to listen to the radio and to music around the home. In both rebase and review groups, participants agreed that this now seemed outdated. Conversations about having options to listen to streamed music (for example, via Spotify) and digital radio stations (unavailable on analogue radios) led to the suggestion that for the same or lower cost than a digital radio, a smart speaker could provide the same or more entertainment options, but also perform other functions.

- Man 1: For me, the 'need to have' is the radio, the smart speaker is nice to have. Yes.
- Man 2: I think that the extra money you pay is worth it for the extra functionality you get.
- Researcher: OK... So what extra functionality...?
- Man 2: You can set timers, you can make lists, you can ask it questions, if you're lonely it is someone to talk to.
- Woman: I was going to agree, I have an Alexa and I used mine all of the time, ask her questions and she plays any music I want if I want any... Any news I just watch the television, but I prefer an Alexa to a radio.
- [...]
- Man 3: I agree with [Woman], we have got an Alexa system that is very good. Very flexible, you can hear all of the radio stations, erm, my wife uses it as a timer for cooking and you can ask for various, erm, albums to be played, including nursery rhymes so it is quite a flexible system. I am not listening to the nursery rhymes, but my grandchildren are.
- [...]
- Man 2: I think for me personally, I think Alexa is absolutely fantastic and with my mother having Alzheimer's you have play tracks like the *Sound of Music*, old music that she had in her time, you know, to me I think it makes her feel [a] little bit more comfortable, a little smile on her face, I think it is brilliant Alexa, yes.
- Man 3: I think that the extra functionality is well worth the extra money, it does so much more than just having a radio.
- Pensioners group, Newcastle

As this technology has become more affordable and increasingly ubiquitous, a greater proportion of the population now own these devices. Ofcom data shows that 50% of adults in the UK owned a smart speaker in 2021 (Ofcom, 2021), compared to 20% in 2019 (Ofcom, 2019).

As mentioned above, budgets for all adults (and children of secondary school age) include an entry-level, cheap, contract smart phone with 3GB of data per month. All households also include a laptop as an additional way to access the internet. Parents' groups agreed with the specification set in 2020 of an entry-level laptop for use of both adults and children in the home, with an additional tablet or laptop needed for each additional

school child in households with more than one school-aged child. In 2020, parents said budgets should include the purchase of Microsoft Office software to ensure compatibility between school and home. However, groups in 2022 said that home schooling during the pandemic had mostly used Google Classroom, and that there were free alternative packages that meant it was no longer necessary to pay for additional software. Conversely, working-age groups maintained that being able to purchase Microsoft software was important in order to be able to have the flexibility and compatibility to deal with documents from home, so it was included in these budgets. Pensioner groups included a laptop, but did not feel additional software was required to meet their needs.

Parents' groups also discussed whether a printer and an ink subscription were still needed in 2022. Opinions varied, as some parents had found that they had needed to purchase one during the pandemic in order to support home schooling, whereas others said schools had become 'paperless', moving to online learning and electronic submission of homework. Pensioner and working-age groups did not include a printer, but for now this remains in the budget for households with children and we will revisit these discussions at the next opportunity.

Gifts, celebrations, pocket money and charitable donations

Groups agree that being able to take part in special occasions and religious and family celebrations is an important part of feeling socially included. All budgets therefore include some money for seasonal decorations (for example, lights for Diwali or Christmas), and to buy gifts for others and celebrate at special times of year. They also included an amount to cover additional food and drink for Christmas or another festive period where people were more likely to be hosting visitors, buying seasonal items that were more expensive than usual groceries (such as turkey), or attending gatherings where it would be expected to bring some food or drink to contribute.

In 2018, working-age adults without children had previously included some money to put towards a birthday celebration at home – for example, buying some drinks and a pizza for friends to come round and share. In 2022, working-age groups increased this amount because having occasions to look forward to and being able to celebrate was seen as more important in post-pandemic times, and prices for eating and drinking outside the home were seen to have significantly increased as the hospitality industry struggled to recover from the drop in trade during the previous two years.

The amounts allocated for birthday and Christmas presents were the same in both working-age and pensioner groups, indicating a similar convergence between pensioner and working-age expectations as has been seen in previous years, and reflecting an overall perception that it is harder now than previously to find acceptable gifts for less than £20. Both pensioner and working-age groups also included an additional amount to cover the cost of gifts and cards to mark special occasions such as weddings and christenings, and donations or flowers for funerals. Parents' groups also include an amount for this purpose.

Parents in the review groups did not change the present budgets for parents and children. However, the pocket money for secondary school children was increased for the first time since 2008, to reflect both an increase in prices over time and the importance of young people being able to go and meet up with friends after two years of not being able to socialise as easily with their peers. All groups included a modest amount for contributions to charity, such as buying cakes at a bake sale, a poppy for Remembrance Sunday, or sponsoring a grandchild or colleague who was fundraising.

Leisure and recreation

Since the MIS research first began, groups have agreed that everyone should be able to engage in activities outside their homes to pursue hobbies, interests or exercise, and/or see friends. The groups we talked to in early 2021 said that one of the things they missed the most during periods of COVID-19 restrictions was being able to see family and friends, and to socialise. MIS groups emphasised the importance of being able to resume this kind of activity, with working-age groups increasing the level of resources to cover this, citing rising costs and pandemic-related changes.

In the review, parents increased the activity budgets for all ages of children. They said that the price of activities had gone up significantly since the pandemic. In addition, concessions for younger children had

reduced, so that whereas some activities used to be free for children under three years old, this was now limited to under two years.

Researcher 1: OK, erm, Alfie, so Alfie is one, erm, there are... There is £20 a month for activities so roughly the sorts of things you were talking about, erm...

Woman 1: Yes I think it rare to find any free activities nowadays, unless it is like going for a walk or to the park.

Researcher 2: Yes, well that is the kind of thing they were saying that actually with a one-year-old, you know, going for a walk to the park or maybe, you know, if you know anyone locally who has got a one year old, you might pop round to their house or whatever, and that isn't necessarily going to cost you anything but...

Woman 1: Yes I mean, having a one year old I suppose £20 a month would just cover like one of the activities that we do, so we would only be able to go to, like, the swimming lessons once a week but I don't know, I think, like, since the pandemic and stuff it is important to kind of get, like, out with your babies as well, I think at such a young age, erm, I don't think I think you could do with some more money there for that, erm, to be going out and doing more, more things. I think a lot of people kind of quite socially isolated or I think it is important for children at a young age to be going out and doing things as well, and seeing new faces.

Woman 2: I mean especially in the pandemic, like, especially like my age group, like, you know from being like [aged] two to four is loads of stuff that he has had to miss out on and that, and same with, like, older children, like they have had to miss out on so much, so it is probably even more important now to do, like, stuff like that.

Woman 3: Yes I don't think £20 a month per child is enough.

Parents, Leeds

Eating out and takeaways

All groups agreed that people should be able to have an occasional takeaway meal as a break from cooking. They said that this was another area where prices had risen, and that it had been more common for households to order meals for delivery rather than collection during the pandemic, when people were advised to stay at home as much as possible. This social norm was seen as something that had remained even after COVID-19 restrictions were lifted. It was seen as particularly helpful for lone parents with young children who wouldn't have been able to collect food easily during the evening when the children were in bed, but was also seen as a convenient option for all working-age households.

Parents' groups increased the amount included for takeaway food for each family member to reflect rising prices, and also included some money to cover the cost of delivery. Infants under two did not need any additional allocation as they would either be in bed or could share food with parents. Working-age adults and pensioners agreed a similar budget for takeaways to include delivery costs.

Being able to eat out continues to be seen as an important part of social inclusion, whether this is with friends, family or colleagues. All groups agreed the same frequency as previously (once a month for pensioners and working-age adults without children, once every three months for households with children), but pensioners and working-age groups specified higher budgets than before. This was partly because of price increases, but also marked a change in perception of a meal out as being 'special', rather than something more routine as in previous years. This brought it to a similar level to the resource required by households with children, where groups emphasised the importance of being able to have a choice of options in terms of both where and what to eat, which would not be available on a more modest budget.

Holidays

In the COVID-19 related research undertaken in early 2021, holidays were not something that many people had been able to access for some time. The unpredictability of the ongoing pandemic meant that travel restrictions changed frequently, and guidance requesting that people stay at home and (for several months) only within the local area had meant that many people had been unable to plan or take holidays. Rather than groups concluding that holidays were no longer essential as they had had to manage without, their absence had served only to reinforce their importance. Groups had predicted that once holidays were permitted again,

there would be substantial price increases as a consequence of greater demand and the same bid to recoup lost income that was mentioned in other sectors (for example, the hospitality sector and hairdressing).

In the 2022 groups, the description of what would meet households' minimum needs for a break away from home had stayed the same for parents and pensioners. The former said that a week's self-catering break at the seaside in a family-oriented location such as a Haven park would be suitable; off peak for parents with children who were below school age, and during school holidays for those with school-aged children. Pensioners identified the same coach package trip to a coastal location with half-board accommodation, some day trips and evening entertainment included.

The groups of working-age adults without children had lengthy discussions about what constituted an acceptable minimum for a holiday. As in previous years, they agreed that a UK-based holiday, possibly on the coast, or a city-break, would meet people's needs as a minimum, although cheap package holidays abroad might provide a similarly priced alternative. In the past, single working-age adults had said that they would rent a self-catering cottage and share the costs with a friend, whereas in 2022 groups said that single people shouldn't have to rely on being able to go with someone else to have a holiday. They discussed several different accommodation options, including self-catering (for example, in an Airbnb property), bed and breakfast lodgings (B&B), or a chain hotel such as a Premier Inn or Travelodge. They reached a consensus that B&B accommodation represented better value for money and offered a wider range of locations and options than hotels. These changes to the holiday specification meant that the cost of single working-age holidays was significantly more than in previous years, further exacerbated by the fact that the rise in holiday prices predicted by the groups held in early 2021 had been borne out.

This also affected the spending money budget for the working-age holiday, as people would need to eat out for all meals except breakfast. This results in greater expense than the self-catering option included in previous years. Groups also said that while on holiday, people should be able to make the most of their time away, for example by visiting attractions and sightseeing, all of which would incur additional expense.

Although all the holiday discussions centred around trips in the UK, as in previous years all groups agreed that each adult should be able to have a passport, principally for ID purposes. The cost of passport photographs and a 10-year passport were included for all adults.

Changes to the budgets in 2022

As discussed above, there have been some changes in what people consider to be an acceptable minimum since we last rebased and reviewed budgets, and many of the findings from the additional COVID-19 research undertaken in early 2021 resonate with those in this chapter. In the next chapter, we discuss the key areas where the budgets have changed, as well as looking at the impacts of inflation.

3 MIS budgets in 2022

The Minimum Income Standard is based on specific budgets calculated for a range of individuals and household types. Budgets are produced for working-age adults with and without children, and pensioners, with separate budgets for single and couple households in each of these three groups. Individual budgets are also calculated for children aged 0–1, aged 2–4, primary school age and secondary school age, allowing additional budgets to be calculated for different family configurations. In this chapter, we focus on four examples of household compositions that are produced based on these core budgets: single, working-age adults; couple pensioners; lone parents with two children; and couples with two children. Both households with children include one child aged 2–4 and one primary school age child, and assume that both require full-time childcare due to parents working full time.

Table 3 sets out the budgets for these four household types, broken down into broad categories. For the first time in several years, MIS budgets have increased substantially for all household types. The reasons for this vary by household type and across the categories specified in the budgets, but underlying much of the increase is the impact of inflation. Having been relatively stable over the past decade, towards the end of 2021 the Consumer Prices Index (CPI) saw a notable rise for the first time in many years, rising from below 1% in March 2021 to 5.4% by December of the same year. By April 2022, CPI inflation had risen to its highest point since the early 1980s, reaching 9% (Office for National Statistics, 2022). We discuss the impact of inflation relative to changes in the MIS basket later in this chapter.

Figures 2 to 5 show the overall composition of the budgets for the four example household types described in Table 3, in 2021 and 2022.

Table 3: Weekly MIS budgets, four household types, April 2022

	Single adult, working age	Couple pensioner	Lone parent with two children aged 2–4 and primary school age	Couple with two children aged 2–4 and primary school age
Food	£65.73	£96.35	£88.98	£122.37
Alcohol	£8.33	£12.07	£5.49	£10.64
Tobacco	£0.00	£0.00	£0.00	£0.00
Clothing	£13.63	£17.36	£37.62	£46.88
Water rates	£7.44	£8.78	£11.57	£11.57
Council Tax	£16.55	£23.05	£19.82	£27.37
Household insurances	£1.48	£1.69	£1.46	£1.64
Fuel	£30.97	£34.18	£45.97	£48.81
Other housing costs	£1.92	£1.92	£2.09	£2.09
Household goods	£14.61	£22.61	£30.57	£31.50
Household services	£8.28	£12.32	£14.11	£11.19
Childcare	£0.00	£0.00	£240.56	£240.56
Personal goods and services	£26.22	£53.60	£37.58	£49.99
Motoring	£0.00	£0.00	£78.76	£79.38
Other travel costs	£33.26	£19.73	£16.15	£43.61
Social and cultural participation	£64.86	£78.24	£99.62	£112.16
Rent	£98.70	£89.03	£96.83	£96.83
Total excluding rent and childcare	£293.28	£381.90	£489.77	£599.20
Change since 2021	26.8%	18.3%	19.2%	17.2%
TOTAL ALL	£391.98	£470.94	£827.16	£936.59
Total excluding childcare	£391.98	£470.94	£586.60	£696.03
Total excluding rent, childcare, Council Tax and water (comparable to After Housing Cost income measure)	£269.29	£350.08	£458.38	£560.25
Total excluding childcare and Council Tax (comparable to Before Housing Cost income measure)	£375.43	£447.89	£566.79	£668.66
Total excluding rent, Council Tax, childcare	£276.73	£358.85	£469.96	£571.82

Figure 2: Composition of MIS budget (excluding rent) in 2021 and 2022: single working-age adults



Figure 3: Composition of MIS budget (excluding rent) in 2021 and 2022: couple pensioners



Figure 4: Composition of MIS budget (excluding rent and childcare) in 2021 and 2022: lone parent with two children aged 2–4 and primary school age



Figure 5: Composition of MIS budget (excluding rent and childcare) in 2021 and 2022: couple with two children aged 2–4 and primary school age



Among working-age adults and households with children, the budget for **social and cultural participation** has increased both in absolute terms and as a percentage of the overall budget. The reasons for this relate primarily to changes in needs identified through the rebase and review process, notably an increase in the budget specified for activities and changes in the holiday specified by working-age adults without children. The amount required for **personal goods and services** has also increased across all household types – in large part due to new needs related to the pandemic, such as face masks and lateral flow tests. Both social and cultural participation, and personal goods and services, are discussed in more detail in Chapter 2.

There has also been a change in **travel costs** for all working-age households, but moving in opposite directions for those with children and those without. For lone parents and couple parents with two children (Figures 4 and 5), the amount required for transport has gone up by around £20 per week. As noted in Chapter 2, this is partly due to parents identifying the need for an increased budget for parking, as charges have risen significantly during and post-pandemic. However, it is also related to the fact that households with children are the only core MIS households for whom a car is included as part of a minimum basket. CPI for motoring costs was higher than overall inflation in April 2022, at 16.5% for fuel and maintenance (mainly driven by an

increase in fuel costs of 31.4%), and 13.5% for the purchase of a car. The combination of changing needs and high inflation has, therefore, resulted in a substantially increased budget for travel for these households.

Conversely, for working-age households without children, there has been a decrease in the budget allocated for travel since 2021. These households do not have a car, so their travel costs are based around using public transport in various forms (bus, rail and taxis). Their overall budget for transport has gone down by around £10 per person, per week. Although this change seems somewhat counterintuitive, it can almost entirely be explained as an artefact of the process by which we uprate the budgets in years where they are not rebased or reviewed. The budgets for working-age adults without children were last rebased in 2018 and at this point, focus group participants agreed that a monthly pass for use on local buses would be one of the main travel options for this type of household, providing a more cost-effective alternative to one-off fares. The price of this bus pass in the MIS basket was uprated by inflation in 2019, 2020 and 2021. However, when the pass was repriced for 2022, it had increased by less than inflation for this category of CPI during the same period, meaning that the costs appeared to have fallen between 2021 and 2022. While one-off bus fares have increased substantially, bus companies have been more likely to freeze the price of season tickets for a set period, or apply smaller increases to this type of ticket. Therefore, those buying season tickets are paying less in inflation-adjusted terms.

Two further categories have seen a notable increase since 2021, for all household types: domestic fuel and food. Changes in the amounts allocated to these budget categories have also been affected by factors related to the MIS methodology, rather than the main MIS rebase and review process.

Unsurprisingly, the budget required for **domestic fuel** has risen greatly since 2021. Given the large and rapid increase in fuel prices since the end of last year, the decision was made to reprice this element of the MIS budget for all household types, including those with children, the latter being reviewed and uprated for most other budget areas.

Based on CPI, fuel costs have increased by 79% since 2018, when domestic fuel was last repriced for households without children as part of the MIS basket. Much of this increase occurred in the most recent period, with an increase of around 70% since September 2021. However, MIS repricing for 2022 suggests a substantially higher increase, with the fuel budget more than doubling for all household types. Figure 6 shows estimated fuel costs in 2018 for a standard level of consumption, using the unit prices and standing charges on which the MIS calculations were based, compared with average UK prices from the Department for Business, Energy and Industrial Strategy (BEIS).

Figure 6: Estimated weekly fuel prices* in 2018 and 2022, based on unit prices and standing charges used within MIS and UK average values**



Notes: *Based on average consumption of 3,600kwh (electricity) and 13,600kwh (gas) per annum.

**For 2022, UK figure is based on the average value of the price cap for regions outside London.

What is immediately apparent is that in 2018, MIS fuel prices were significantly lower than the average for the UK, while by 2022 the values are identical. This reflects the fact that as well as a real rise in fuel prices, there has also been a major change in the way that people are able to manage their fuel bills due to the changing role of price caps. In previous years, the MIS calculation assumed that households could switch providers to access the most cost-effective tariffs for gas and electricity. However, rising energy costs have resulted in a major increase in the caps on energy tariffs in 2022, with the cap rising by an average of 54% in April, and the range of tariffs available from energy suppliers is now severely restricted, with most providing no option to pay less than the current cap. Taking this into account, we have assumed that the minimum amount households would be able to pay this year is the same as the cap. This does not mean that all households will pay the same for their domestic fuel, as the cap is applied to the price per kWh and to the daily standing charge: annual domestic fuel bills will continue to reflect different levels of usage across different households. This means that MIS fuel costs now reflect the UK average, but have been inflated from a much lower baseline. Therefore, in the example above, while the UK average has increased by 85% since 2018 (reflecting CPI for this period), the MIS budget for fuel has increased by 134%. Consequently, domestic fuel now accounts for a higher proportion of the overall MIS budget than in 2021, for all household types. Table 4 shows that for households with children, the proportion of the MIS budget allocated to domestic fuel more than doubled between 2021 and 2022, and almost doubled for households without children. With fuel costs predicted to continue to increase substantially over the coming months, this is likely to become even more pronounced in future MIS budget calculations.

Table 4: Domestic fuel costs per week in MIS budgets for 2021 and 2022

	Single adult, working age	Couple pensioner	Lone parent with two children aged 2– 4 and primary school age	Couple with two children aged 2–4 and primary school age
Weekly domestic fuel costs				
2021	£13.50	£15.07	£18.04	£19.25
2022	£30.97	£34.18	£45.97	£48.81
Domestic fuel as a percentage of MIS budget*				
2021	5.8%	4.7%	4.4%	3.8%
2022	10.5%	8.9%	9.4%	8.1%

Note: *Total MIS budget excluding rent and childcare.

The amount spent on **food** has increased for all four of the household types considered in this chapter. However, the increase is more pronounced for the households without children, for whom the food budget was rebased and repriced in 2022. For single working-age adults, their combined food and drink budget increased by 30% between 2021 and 2022; for couple pensioners, the budget increased by 24%. In comparison, for households with children, the food budget increased by 9% – reflecting overall inflation for the period.

In addition to food prepared in the home, the MIS food budget also includes the cost of eating out and takeaways. As described in Chapter 2, focus group participants said that the price of takeaways had risen, and that restrictions during the COVID-19 pandemic had meant that it was now more usual to order food for delivery rather than collection. Being able to eat out was also seen as an important part of social inclusion, and the cost of this had also increased significantly. These elements of the budget were increased both by households without children during the rebase, and by households with children during the review.

Table 5 shows how the budgets for 2021 and 2022 compare when the food category is disaggregated into food and drink prepared/consumed at home, and eating out or takeaways. The figures show that for all household types, the budget increases are more strongly driven by the need to cover the increased costs of social participation (that is, food outside the home) than by the costs of food prepared in the home. When looking at the percentage increase in the budget just for food prepared at home, it is 21% for single working-age adults, 14% for couple pensioners and 7% for households with children. This rate of 7% matches CPI inflation for food in April 2022, which was less than the overall CPI of 9%.

The remainder of the difference between households with and without children reflects a change in how the food budget is constructed as part of the MIS basket. In 2022, we revised the method used to put together the food basket for the rebased groups, to take into account that the UK population as a whole has increased in weight since the first iteration of MIS research published in 2008. In addition, the nutritional analysis software used in the 2022 research is more sophisticated than that available previously. Our analysis compared the average weight and height of both men and women using more up-to-date values, and assumed moderate activity and exercise levels. Based on these updated averages, the calorie intake required for adequate nutrition was higher than in previous MIS calculations, which explains why the food baskets contain more items than in former iterations. This is more reflective of current societal norms and requirements in a budget element that has also been subject to rapid inflation since the food baskets for households without children were last priced in 2018. We expect to see a similar increase in the number of items in the basket for households with children when they are reviewed, although we cannot predict whether food inflation will have continued at a higher rate or returned to pre-pandemic levels.

Table 5: Disaggregated MIS food and drink budgets in 2021 and 2022 for four key household types

	Value 2021	Value 2022	Increase (£)	Increase (%)
Single adult, working age				
Food prepared at home	£49.49	£59.83	£10.34	21%
Eating out/takeaways	£7.60	£14.23	£6.63	87%
Couple pensioner				
Food prepared at home	£78.32	£89.56	£11.24	14%
Eating out/takeaways	£9.30	£18.86	£9.56	103%
Lone parent with two children aged 2–4 and primary school age				
Food prepared at home	£79.16	£84.49	£5.33	7%
Eating out/takeaways	£7.67	£9.98	£2.31	30%
Couple with two children aged 2–4 and primary school age				
Food prepared at home	£113.25	£120.60	£7.35	7%
Eating out/takeaways	£8.10	£12.41	£4.31	53%

Distinguishing the impact of inflation and other influences on MIS budgets

In the rebased budgets for households without children, the impact of increasing prices due to inflation is captured through the repricing process. However, as demonstrated above, changes in the MIS budgets are not only affected by inflation, but also by changes in needs identified by the MIS focus groups. In the rebased budgets, assessing the impact of inflation versus changes in composition of a minimum basket is also complicated by issues such as changes in item availability over time. Conversely, in the review budgets it is relatively straightforward to calculate the impact of changes to the contents of the MIS basket versus inflation, as while the overall budgets are updated by inflation, specific changes to the basket are also explicitly recorded. Figure 7 shows the breakdown for families with two children, disaggregating the contributions of CPI and item changes to the overall budget increases between 2021 and 2022. Table 6 sets out what this means in terms of percentage change in the budgets.

Figure 7: MIS budgets in 2021 and 2022 – breakdown of overall increase due to CPI versus item changes (excluding rent, Council Tax and childcare)

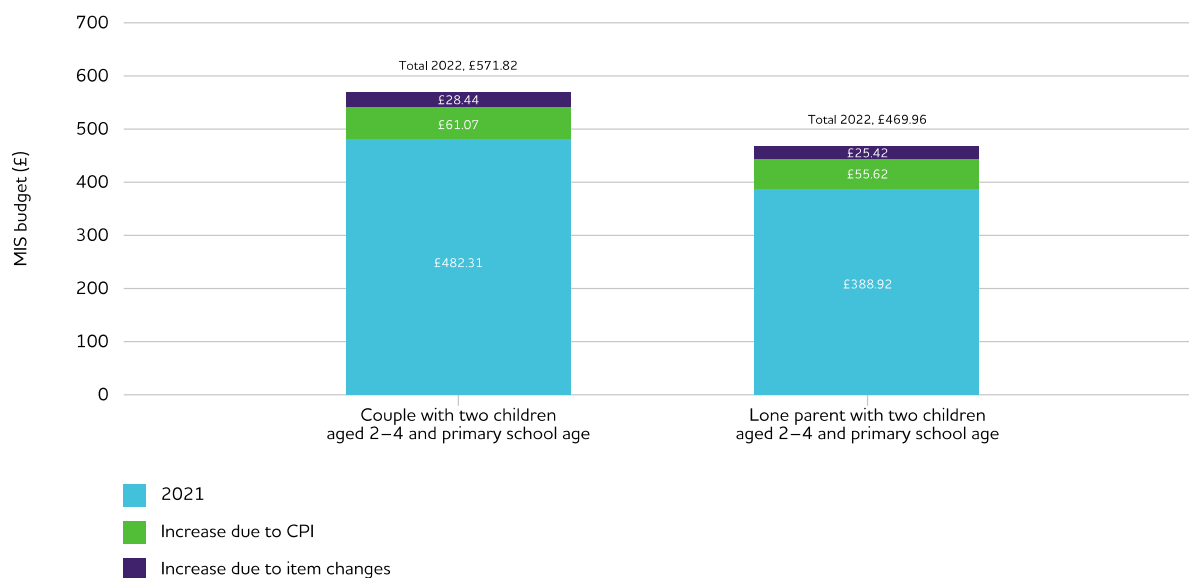


Table 6: Composition of total increase in budgets 2021–2022 and impact of additions on total percentage increase

	Couple with two children aged 2–4 and primary school age	Lone parent with two children aged 2–4 and primary school age
Composition of overall increase		
Percentage change due to CPI	68.2%	68.6%
Percentage change due to additions	31.8%	31.4%
Overall percentage increase 2021–2022		
Total percentage increase	18.6%	20.8%
Percentage increase CPI and repricing only	12.7%	14.3%

Overall, around two thirds of the increase in minimum budgets for these households is due to CPI and to the repricing of clothing and home energy budgets, with the rest due to changes in specified needs and/or items. Table 7 highlights the main elements contributing to the increase in budgets due to changes in the MIS basket. Three elements account for around 85% of the total change attributable to the altered basket: parking charges, activities for children and lateral flow tests/face masks. As described in Chapter 2, these differences reflect changing needs identified by members of the public during the MIS rebase and review process. The review changes mean that the overall budgets have increased by 19% for couples with two children since 2021, compared to 13% if they had been uprated using CPI only, while for lone parents with two children the increase is 21%, compared with a 14% increase based on uprating and repricing.³

The pricing effects shown here are higher than CPI, which was 9% in April 2022. This is almost entirely a result of the changes to domestic fuel pricing described above. If the cost of home energy in MIS had only risen in line with CPI for this category, the budgets net of additions would have risen by 9% for couple parents and 10% for lone parents, close to the overall inflation rate.

Table 7: Main item changes contributing to increase in MIS budgets

	Couple with two children aged 2–4 and primary school age	Lone parent with two children aged 2–4 and primary school age		
	Additional weekly cost (£)	Percentage of total additions	Additional weekly cost (£)	Percentage of total additions
Total additions	£28.44		£25.42	
Parking	£8.83	31.0%	£8.83	34.7%
Activities	£7.26	25.5%	£7.26	28.6%
Lateral flow tests and face masks	£7.89	27.8%	£5.89	23.2%

4 Comparison of MIS with incomes on benefits and the National Living Wage

This chapter examines the relationship between the MIS budgets and the incomes that people can expect to receive from benefits and from earning the National Living Wage (NLW). The comparison is based on disposable income, which we define here as the amount that a household has left to spend after paying taxes (including Council Tax), rent and childcare costs.

In 2022, the relationship between incomes and household costs has been subject to some powerful influences. By April, the month on which these annual comparisons are based, CPI inflation had risen to 9%. The increase in inflation-linked benefits and tax credits that month was only 3.1%, pegged to CPI in September 2021, while the NLW rose by 6.6%. Unsurprisingly, with benefits and the NLW falling relative to inflation, the adequacy of the incomes of those receiving them has declined.

In the face of increasing inflation, in May 2022 the UK Government announced three, one-off measures designed to help households with the increasing cost of living:⁴

1. £400 universal payment – the Energy Bills Support Scheme – to all households to assist with increasing energy costs, to be credited to customer accounts over six months from October 2022.
2. £650 one-off Cost of Living Payment for those on means-tested benefits, including Universal Credit and Pension Credit.
3. £300 to all pensioner households to help cover the rising cost of energy over the winter.

For working-age adults, households with dependent children, and pensioners, we look in turn at how incomes on benefits and/or the NLW compare to MIS, before and after the cost of living support payments.⁵ The MIS budgets here include the £150 Council Tax rebate for all households living in Council Tax bands A–D, which was announced earlier in 2022. This is not included in the package of ‘cost-of-living’ measures looked at here.

Working-age adults without children

Figures 8 and 10 show the disposable income available to single and couple working-age adults without children, based on benefit entitlement and different levels of employment, relative to the MIS requirement for these households. For non-working households, both single and couple households have a disposable income that is only around a quarter of MIS, and is the lowest of all the household types that we consider in this chapter. Gains through paid employment are relatively substantial, and mean that a working-age couple will reach MIS if both are working full time on the NLW. However, single working-age adults still remain far below the MIS threshold, with a disposable income reaching only 70% of MIS even if working full time.

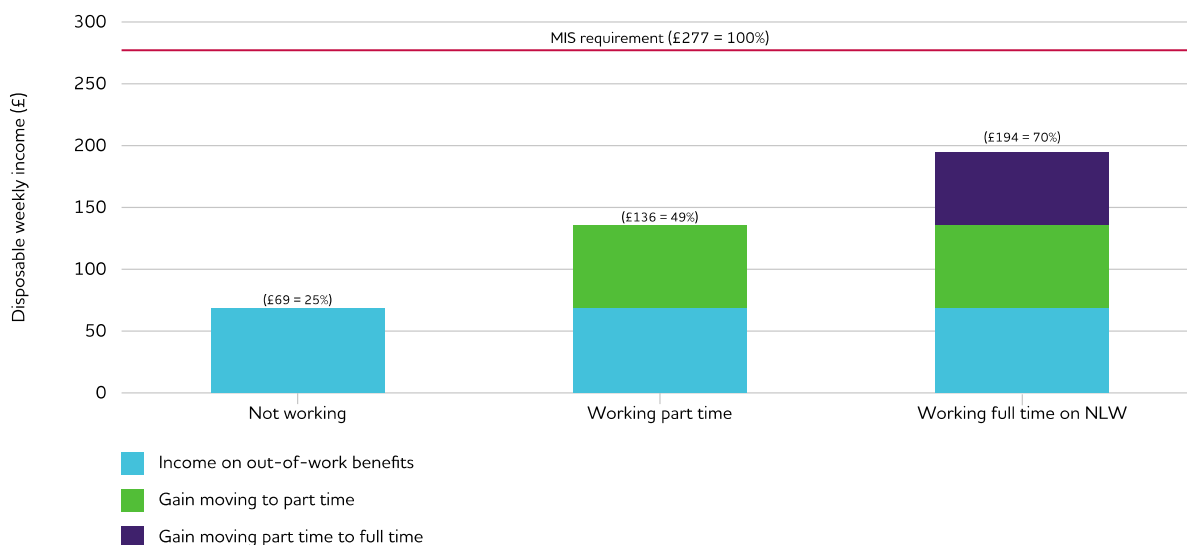
Figures 9 and 11 show how this picture is altered by the cost-of-living support payments announced in May. The gains are modest: when considered as a weekly addition to disposable income for those on Universal Credit (UC), spread across the year, the £650 payment works out at just £12.50 per week – less than the £20 UC uplift that was withdrawn in October 2021. However, the £400 paid to all households to help with home energy costs adds a further £7.67 per week. When these one-off payments are included, households claiming UC are, therefore, receiving around the same amount as during the previous year prior to the removal of the £20 uplift, in addition to the 3.1% uprating of UC. Nevertheless, rapidly rising living costs mean that this additional payment has not prevented people from becoming worse off than they were in late 2021, after the cut in UC. In 2021, a single working-age adult could reach 33% of MIS without the £20 UC uplift, but in 2022 they can only reach 32% of MIS even with the additional cost-of-living payments. Couples only reach 29% of MIS with the additional payment, compared with 31% in 2021 after removal of the UC uplift (see Appendix for further detail of time series).

Increases in the NLW have historically outstripped inflation – between April 2015 and April 2021 the rate rose by 37%, compared to CPI inflation of just 10% during the same period. However, in the recent context of rapidly rising inflation, this is no longer the case. In April 2022, the NLW increased from £8.91 to £9.50 per hour, a rise of 6.6%. At this point, CPI was already at 9% and predicted to continue to increase. This is reflected in Figures 8 and 10, which show that although working-age households without children can increase their income considerably through employment, it is only where two adults are working full time that they are able to reach the income required to achieve a minimum socially acceptable standard of living. In 2021, a single working-age adult was able to reach 83% of MIS by working full time on the NLW, even without the £20 UC uplift; in 2022, this has fallen to 70%. Even including the cost-of-living support payment, this only increases to 78%. A working-age couple working full time could achieve a disposable income comfortably above MIS in 2021, earning 126% of the benchmark budget; in 2022, they are still £25 above MIS (105%) without the cost-of-living payment, and £32 above MIS (107%) including the payment. At this level of income, a couple without children would not have been receiving the UC uplift in 2021, and would only receive the £400 universal cost-of-living payment in 2022.

The inadequacy of the NLW for single working-age adults, in particular, becomes even more apparent if we look at the salary that individuals would need to earn to reach MIS. A single person would need to earn **£25,500**⁶ a year to reach the MIS level, up from £20,500 in 2021. This compares to gross earnings of just **£18,600** working full time (37.5 hours a week) on the NLW. A couple without children, both working, needs to earn **£35,200** a year between them (an average of **£17,600** each) to reach MIS. If they both work full time on the NLW, they will earn **£37,200** between them.

The situation for those claiming benefits is even more stark. Despite the end to the benefit freeze in 2020, the uprating of benefits has not kept pace with CPI. In April 2022, benefits were uprated based on the CPI rate in September 2021 (3.1%), far below the contemporary inflation rate of 9%. Non-working households have only a quarter of the income required for an adequate standard of living, and single adults working part time, as well as couples with only one person working, receive around half of what they need. Figures 9 and 11 show that proportionally, single working-age adults gain more from the cost-of-living payments than couples. This is simply because, as with the £20 UC uplift, the payments are applied at a household level rather than to individuals, so while a single person will receive £1,050, a co-resident couple must share this amount between them.

Figure 8: Single adult, disposable weekly income relative to MIS requirement, on out-of-work benefits or NLW



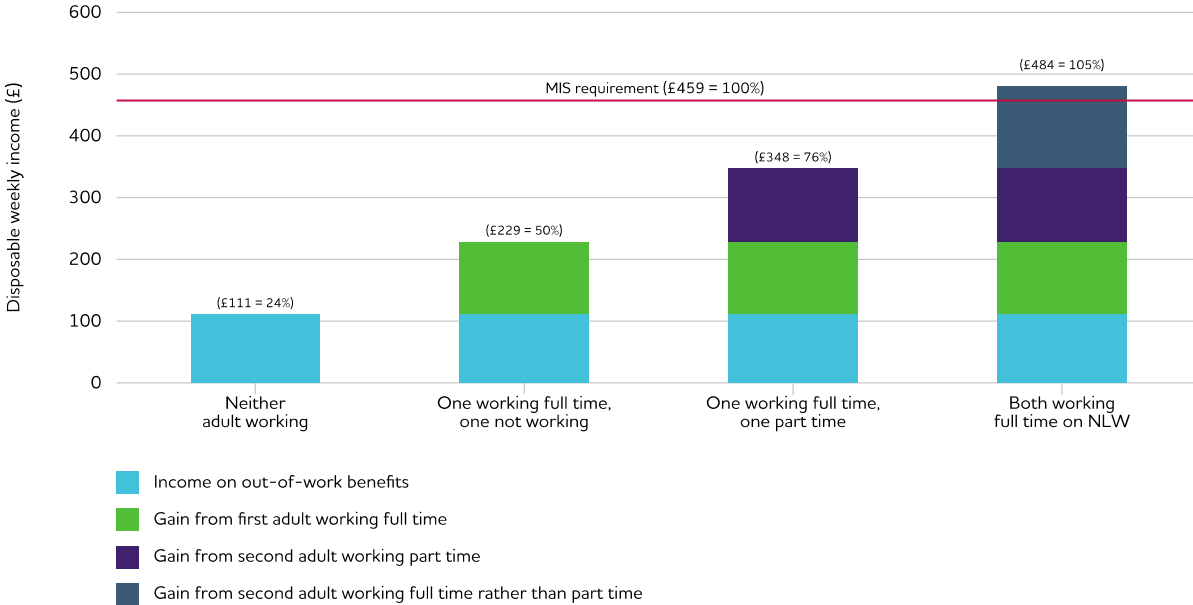
Note: Percentages show proportion of MIS budget covered, net of rent, childcare and Council Tax.

Figure 9: Single adult, disposable weekly income relative to MIS requirement, on out-of-work benefits or NLW, inclusive of cost-of-living support payments



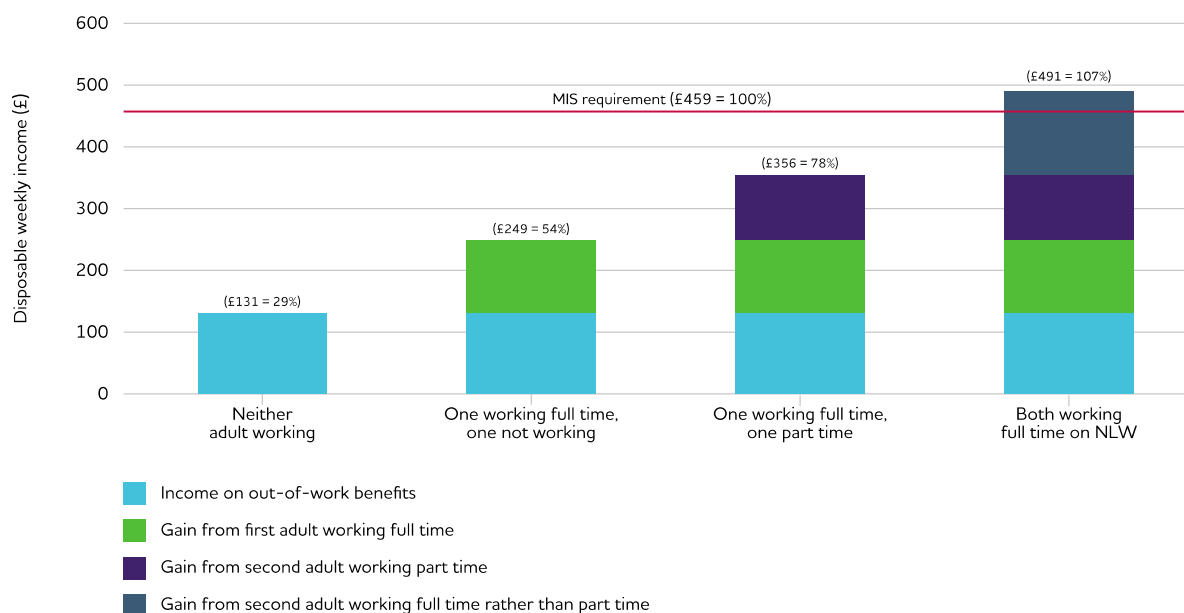
Note: Percentages show proportion of MIS budget covered, net of rent, childcare and Council Tax.

Figure 10: Couple, no children, disposable weekly income relative to MIS requirement, on out-of-work benefits or NLW



Note: Percentages show proportion of MIS budget covered, net of rent, childcare and Council Tax.

Figure 11: Couple, no children, disposable weekly income relative to MIS requirement, on out-of-work benefits or NLW, inclusive of cost-of-living support payments



Note: Percentages show proportion of MIS budget covered, net of rent, childcare and Council Tax.

Families with children

For families with dependent children, their expected income from out-of-work benefits falls far below MIS, both for lone parents and couple parents. Despite faring better than working-age adults without children if they are out of work, out-of-work families with two children still only receive around half of the disposable income required for a socially acceptable standard of living. Figures 12 and 14 compare the amount lone and couple parent families with two children aged 2–4 and primary school age would gain through different combinations of work on the NLW.

Figure 12 shows that a lone parent with two children falls over £200 short of MIS each week if they are out of work. This gap narrows if they are working part time (half-time hours) on the NLW, but their income is still only 70% of MIS, rising to 77% if they are working full time. Gains from moving from part-time to full-time work are much less substantial than for working-age adults without children, partly due to the reduction in UC as earnings rise, but also due to the increased childcare costs associated with full-time work. The childcare element of UC only pays up to 85% of childcare costs, meaning that the example lone parent household here would need to contribute around £35 per week to meet these costs if they are working full time on the NLW. Without these costs, they would reach 85% of MIS, but to afford a socially acceptable living standard including the contribution to childcare, they would need gross earnings of **£38,400** per year.

For couple parents, disposable income when both are out of work is nearly £300 short of MIS – as with lone parents receiving out-of-work benefits, their income is only half of what they need for a socially acceptable standard of living. Where one parent works full time, they see similar gains to a lone parent working part time, with their income now reaching 76% of MIS. However, it is only when both parents work full time that they are able to achieve an income that approaches the MIS level. To fully achieve the income required for MIS, they would need to earn **£43,400** between them (around £21,700 each) per year.

Overall, the gap between incomes for those on out-of-work benefits and for those who are working has widened over the past year. In 2021, a lone parent could increase their disposable income by 40% by moving from out-of-work benefits to working full time on the NLW – in 2022, their income would increase by 56%. Similarly, in 2021 couple parents were able to increase their income by 70% by both moving into full-time work, but this has now risen to 96%. This change is due to changes both in wages and in the benefits system. As noted in the previous section, the latest increase in the NLW represented a rise of 6.6%, while benefits have only been uprated by 3.1%, meaning that earnings have continued to rise faster than benefits. In addition, changes to UC for those in work, introduced in November 2021, have meant that working people are able to

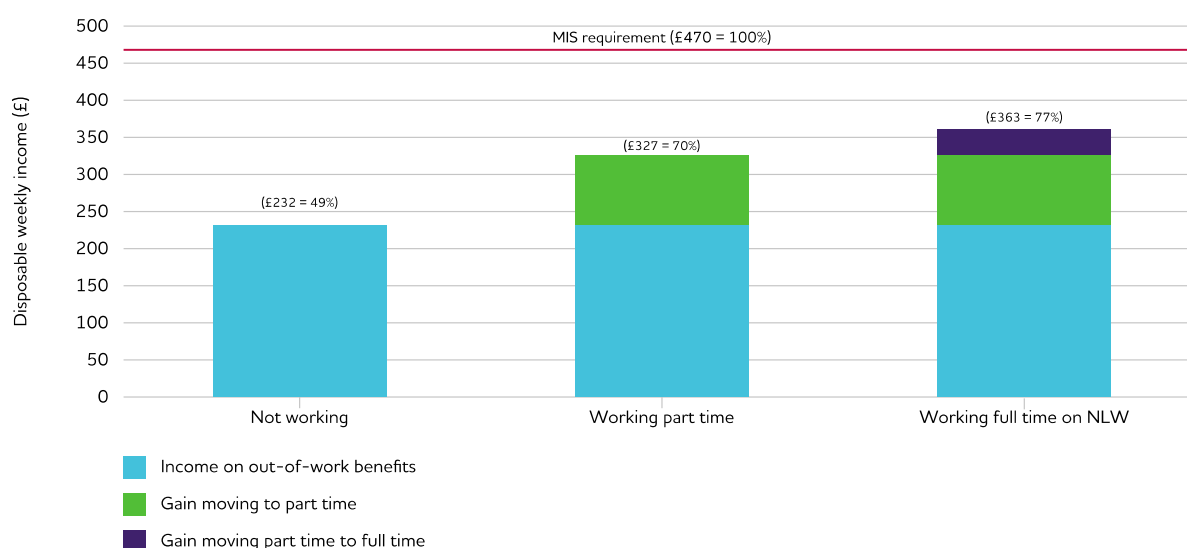
retain more of their earnings. First, work allowances, which set the amount a claimant can earn before their UC is reduced, were increased by £500 per year. Second, the taper rate (the amount that a person’s UC is reduced when their earnings are more than their work allowance) was reduced from 63% to 55%.

However, while these changes have improved the situation for working households relative to those on out-of-work benefits, this has not been enough to offset the rapidly rising living costs seen in recent months, which are reflected in this year’s MIS budgets. In 2021, lone parents were able to reach 88% of MIS if working full time on the NLW, but despite the changes described above, this has now fallen to 77%. Couple parents, who were just able to reach the MIS threshold if both were working full time in 2021, are now only able to reach 94% of MIS.

Figures 13 and 15 show how the cost-of-living support payments announced in May 2022 would change the incomes of lone parent and couple parent families with two children, relative to MIS. As is the case for working-age adults without children, the payments have a small impact on overall incomes when averaged over the course of a year – for example, the payments move a lone parent with two children, in full-time work at the NLW, from 77% to 81% of MIS. Even with these additional payments, couple parents, both working full time, are still the only family type to come close to reaching the MIS benchmark income level.

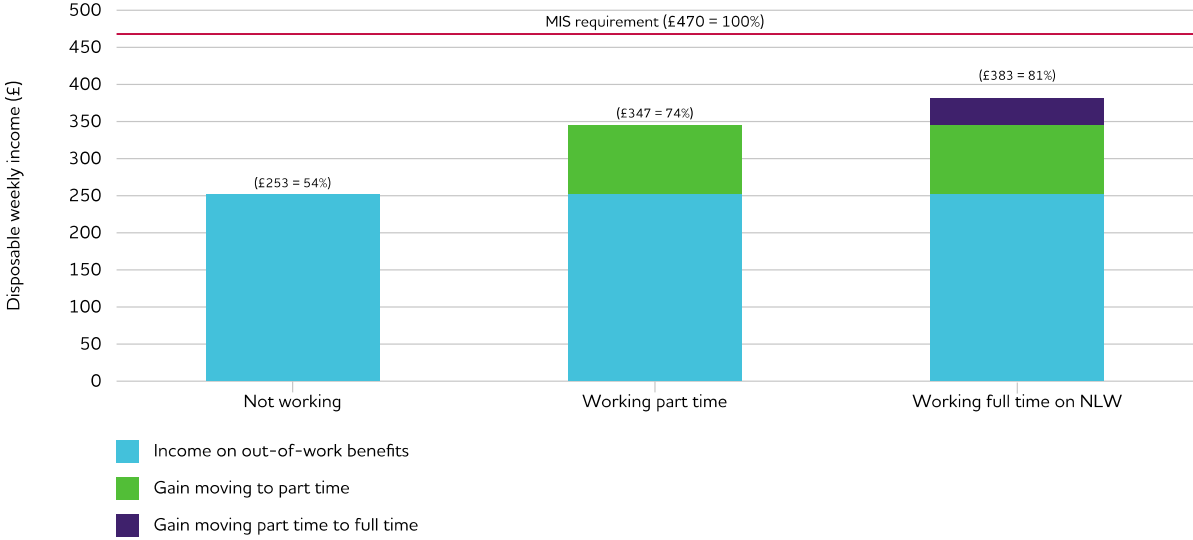
The case studies described in the figures below incorporate a set of standard assumptions about housing, including that families with children will be able to access social housing. However, in reality, many families will be reliant upon private rented housing – for example, in England in 2019/20, families with dependent children were estimated to represent 35% of households in the private rented sector (Ministry of Housing, Communities & Local Government, 2020). The implications for the disposable incomes of these households are significant, in particular due to the impact of the benefit cap. Using the example of a couple with two children aged 2–4 and primary school age described in Figures 14 and 15, if they are out of work and living in the social rented sector, we assume their rent will be paid in full by the housing element of UC. This leaves them with a disposable income of £275 per week. Figure 16 shows how their income might look if their housing costs are based instead on modest, lower quartile private rent. In this case, only a proportion of their rent will be covered by UC before they reach the benefit cap of £385 per week. Their disposable income is then calculated net of their total rent, and a contribution to their Council Tax (Council Tax Support typically requires households to pay 20% of their annual bill). After taking the shortfall in rent into account, they are left with significantly lower disposable income than those in social rented housing, at just £238 per week (42% of MIS, rather than 48%).

Figure 12: Lone parent with two children aged 2–4 and primary school age, disposable weekly income relative to MIS requirement, on out-of-work benefits or NLW



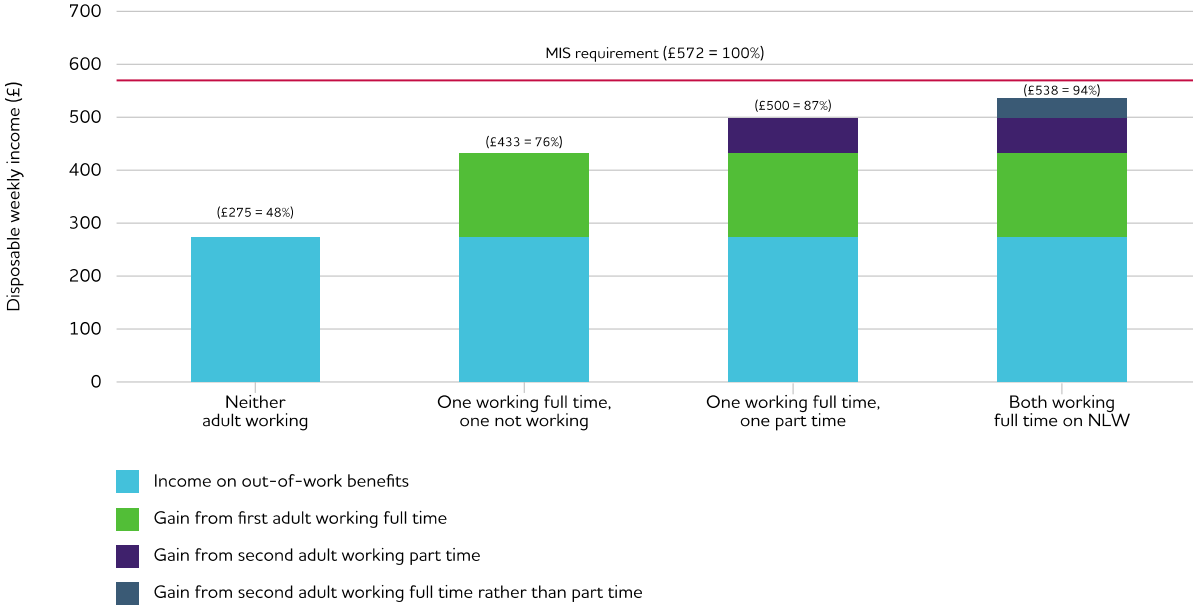
Note: Percentages show proportion of MIS budget covered, net of rent, childcare and Council Tax.

Figure 13: Lone parent with two children aged 2–4 and primary school age, disposable weekly income relative to MIS requirement, on out-of-work benefits or NLW, inclusive of cost-of-living support payments



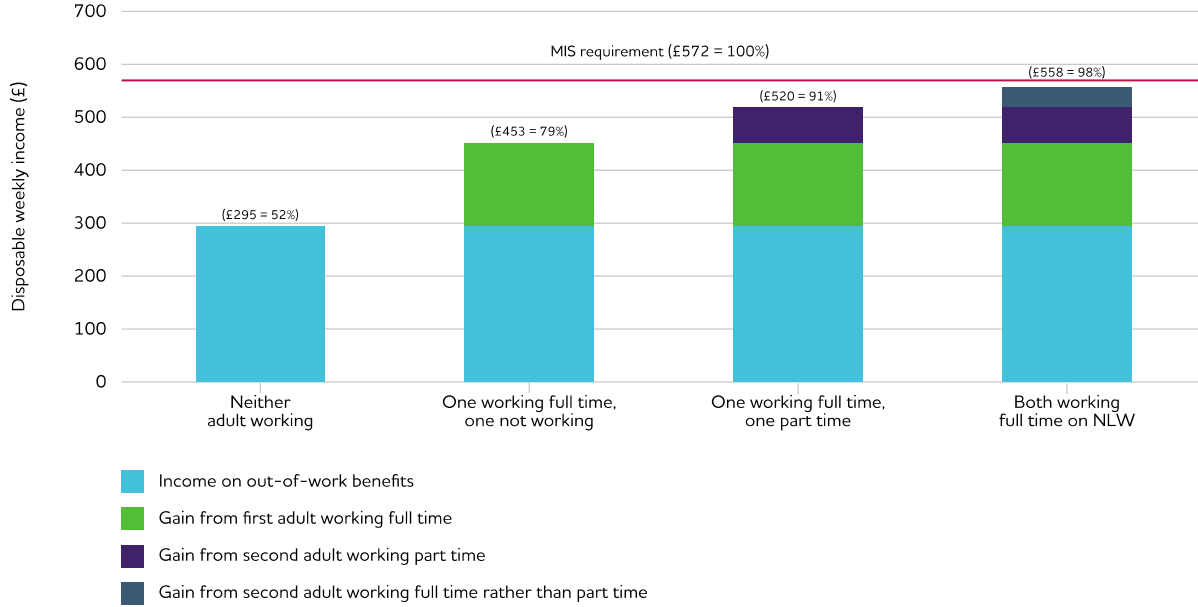
Note: Percentages show proportion of MIS budget covered, net of rent, childcare and Council Tax.

Figure 14: Couple with two children aged 2–4 and primary school age, disposable weekly income relative to MIS requirement, on out-of-work benefits or NLW



Note: Percentages show proportion of MIS budget covered, net of rent, childcare and Council Tax.

Figure 15: Couple with two children aged 2–4 and primary school age, disposable weekly income relative to MIS requirement, on out-of-work benefits or NLW, inclusive of cost-of-living support payments



Note: Percentages show proportion of MIS budget covered, net of rent, childcare and Council Tax.

Figure 16: Out-of-work couple with two children aged 2–4 and primary school age, paying modest private rent of £141 p/w*; disposable income relative to Benefit Cap



Notes: *Private rent based on lower-quartile rent for a three-bedroom property in the East Midlands.

Pensioners

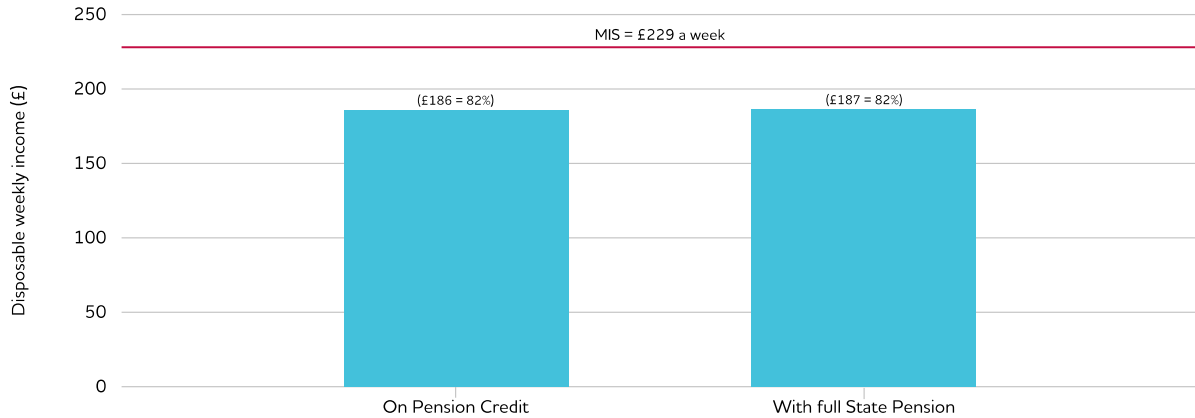
In recent years, the State Pension has provided a much more favourable income than out-of-work benefits, and has brought pensioners’ incomes much closer to the MIS benchmark. However, along with other benefits, the State Pension has only been uprated by 3.1% (Department for Work and Pensions, 2021) and not by the 9% CPI that was reported in April 2022. Having been in a relatively advantageous position in recent years, pensioners are now falling further away from an adequate income.

In 2021, a single pensioner could reach 95% of MIS either with the full State Pension, or with a Pension Credit top-up. In 2022, this has fallen to 82% (see Figure 17). Figure 19 shows pension income relative to MIS for couples in 2022. Among couple pensioners, those eligible for Pension Credit could reach 92% of MIS in 2021, falling to 79% in 2022; for those receiving the full State Pension, their income as a percentage of MIS fell from 96% in 2021 to 83% in 2022.

To reach MIS in 2022, a single pensioner would need to have an income of £17,900 per year; the full State Pension provides £9,627 per year, leaving a shortfall of £8,273 in the private or occupational pension required. Couple pensioners would each need a pension income of £12,200 per year to reach MIS, leaving a shortfall of around £2,500 each. Although single pensioners can reach 82% and couples 83% of MIS if they are receiving the full State Pension only, this is helped by their eligibility for other means-tested benefits – primarily Housing Benefit. As income increases, Housing Benefit and Council Tax Support are sharply tapered, and would not be received by those with an income high enough to reach the MIS benchmark. Therefore, to reach 100% of MIS requires additional pension income (or earnings) to cover not just the 17–18% shortfall in people’s disposable income, but also to replace the loss of means-tested support.

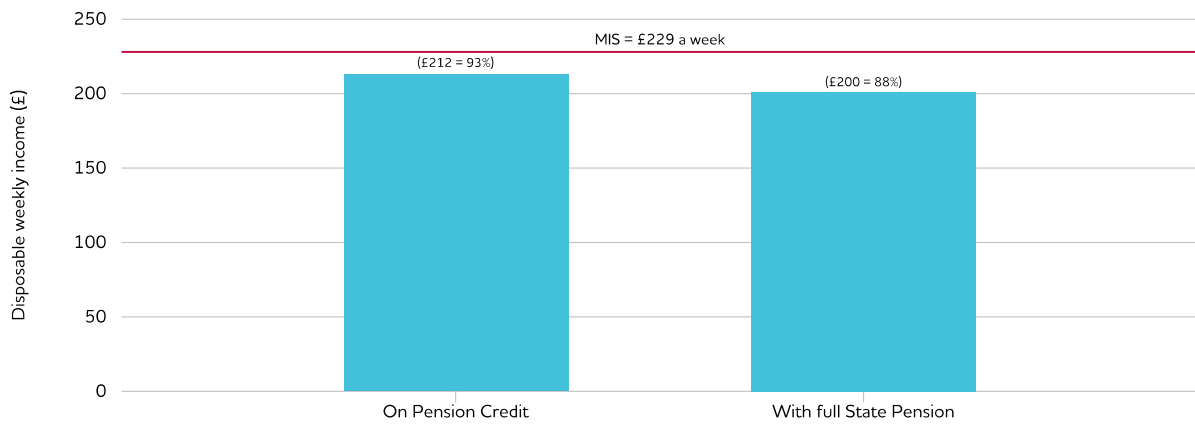
Figures 18 and 20 show that low-income pensioners see particularly significant gains from the May 2022 cost-of-living support package. In addition to the £400 given to every household, all pension-age households are eligible to receive £300 as a supplement to the £200 winter fuel allowance, with no means-testing applied for this payment. Those on lower incomes who are claiming Pension Credit are also eligible for the £650 payment to which working-age households are likewise entitled on a means-tested basis. As pensioners who are receiving the full State Pension receive only the first two of these payments, their gains are less substantial – for singles, their income increases from 82% to 88% of MIS, while for couples the increase is from 83% to 86% after taking the cost-of-living payment into account. For single pensioners who are claiming Pension Credit, the addition of the £650 payment means that their income rises from 82% to 93% of MIS – substantially higher than for single pensioners with a full State Pension (88%). This points to a difficulty with directing lump-sum payments to people qualifying for a means-tested benefit: if your income is just too high to qualify for the support payment, you can end up worse off than someone with an income just below the threshold for receiving support. For couples claiming Pension Credit, their income now matches that of couples with a full State Pension who are receiving the universal £400 payment and the additional winter fuel payment only, at 86% of MIS.

Figure 17: Weekly disposable income on Pension Credit and full State Pension, compared to MIS – single pensioner



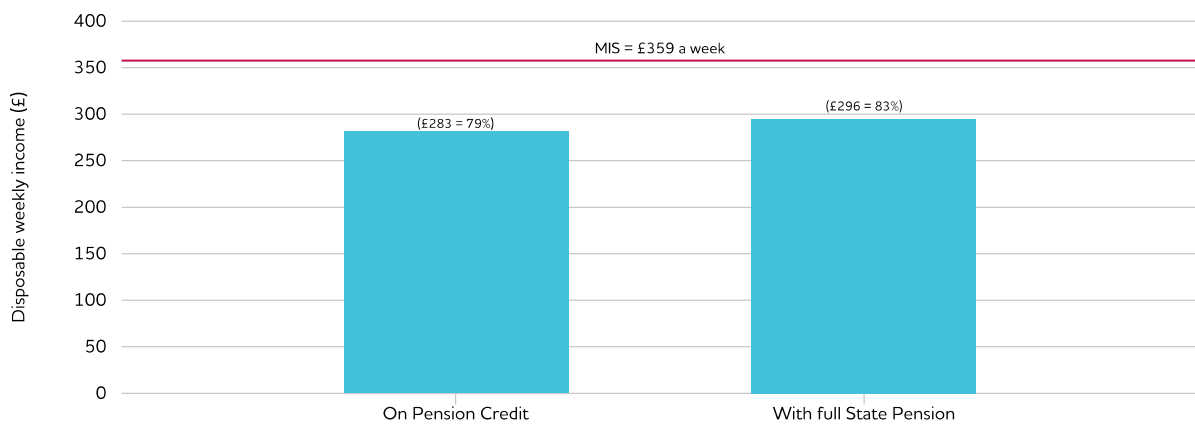
Note: Percentages show proportion of MIS budget covered, net of rent, childcare and Council Tax.

Figure 18: Weekly disposable income on Pension Credit and full State Pension, compared to MIS – single pensioner, inclusive of cost-of-living support payments



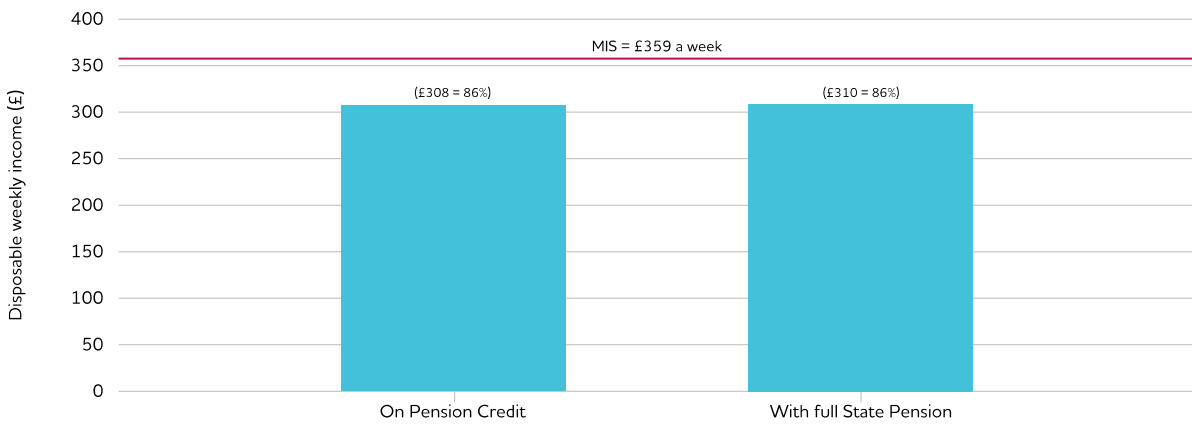
Note: Percentages show proportion of MIS budget covered, net of rent, childcare and Council Tax.

Figure 19: Weekly disposable income on Pension Credit and full State Pension, compared to MIS – couple pensioners



Note: Percentages show proportion of MIS budget covered, net of rent, childcare and Council Tax.

Figure 20: Weekly disposable income on Pension Credit and full State Pension, compared to MIS – couple pensioners, inclusive of cost-of-living support payments



Note: Percentages show proportion of MIS budget covered, net of rent, childcare and Council Tax.

5 Conclusion

Since 2008, MIS has provided a coherent and clearly-articulated vision of what the public, **collectively**, believes represents a minimum standard of living in the UK today. Through an iterative process of consensus building, groups of members of the public work together to reach agreement about what different households need in order to live with dignity. In the main, MIS research is about identifying a detailed list of the goods and services that provide and enable this minimum living standard for working-age adults with and without children, and for those who are retired. This detail is critical in being able to set out the weekly cost of a minimum budget and the income households need in order to be able to afford this.

Over time, different factors have an impact on how much households need to reach MIS. Most starkly this year, rapidly rising prices across different components of MIS have played a significant role in increasing both the weekly cost of a minimum budget and the income needed to provide this: in 2022, MIS has seen the largest year-on-year increase across all households since 2008. With inflation likely to remain high in the short term, and the price cap on domestic fuel set to rise in October 2022, these upward pressures will continue to influence the cost of a minimum for some time to come.

In addition to inflation, changes in the description of a minimum budget also have an effect. Our research this year reveals some changes that reflect developments in technology. The introduction of a smart speaker for all households in 2022, for instance, points to a change in the technology through which people access the radio and listen to music, but the speaker also fulfils a range of other functions beyond this (as set out in Chapter 2) that relate more to participation. Changes such as this have an impact on the weekly cost of a minimum budget, but also signal a shift in the ways in which we interact with the world around us and with others.

Other changes in the minimum basket point to the impact of the pandemic on shared expectations and norms. It was clear from our research last year (Davis et al, 2021), that even though COVID-19 brought restrictions on what households were able to do outside of the home, these activities remained central and fundamental to a minimum standard of living. What has emerged from the research in 2022 reinforces this finding, and the critical importance of being able to participate in the world around you in a variety of different ways. But it also points to a subtle change in social norms and expectations, with more of an emphasis placed on activities that enrich and enhance people's day-to-day, lived experience of the world. For example, changes in the specification of holidays for working-age singles and couples, away from low-cost self-catering towards a model built around staying in a B&B, with an amount included in order to make the most of one's annual holiday, align with the shift in emphasis; an increase in the amounts included for children to participate in activities outside the home – because they haven't been able to do this for two years – is also evidence of this shift. Future MIS research will tell us whether this emphasis is here to stay, or if this is a relatively short-lived response. Indeed, the strength of our research is its ability to track collective understandings of, and agreement about, minimum living standards over time, picking up on the ways in which global 'shocks' shape national conversations about what everyone should be able to have as a minimum.

While what is needed for a minimum has increased for all households in 2022, incomes have not improved at anywhere near the same rate. The recent announcements of support with the cost-of-living crisis for low-income households are to be welcomed, but as we have shown here, even with this additional support, many households are well below what they need to reach MIS. The NLW increased by 6.6% in April 2022, but at this point CPI was already at 9%, limiting the potential positive impact of this increase. For non-working households, the gap between benefit uprating and inflation brings additional pressures, and combine to mean that a single working-age adult on out-of-work benefits in 2022 only has a quarter of what they need to reach MIS – with the additional package of support, they still only have just under a third (32%) of what they need.

The coming year will see significant challenges for many households, and there are critical questions that need to be addressed by government, centred around how to support those households most vulnerable to rapidly increasing costs. But there are also essential longer-term questions about how we can develop a system of support – a social security system – that builds on a collective vision of what UK society could look like: a society in which people don't have to worry about where their next meal is coming from, or the roof over their heads; a society in which people feel secure, are able to make choices and take opportunities, and feel connected to those around them; a society, put simply, that supports all people to live with dignity.

Notes

1. <https://www.lboro.ac.uk/research/crsp/minimum-income-standard/>
2. <https://www.minimumincome.org.uk>
3. A small number of budget elements, including clothing and domestic fuel, are also repriced outside the review process, which accounts for the increase being higher than inflation overall.
4. A £150 payment for those receiving disability benefits was also included in the package of support; however, it is beyond the scope of the UK MIS study design to calculate the additional costs associated with disability, and the research uses the assumption that household members are all in relatively good health. We do not, therefore, include this payment in our discussion of the 2022 costs of living support payments.
5. As MIS budgets are based on April 2022 prices, and the payments will help cover increased fuel bills from October 2022 onwards, these calculations are likely to understate the amount by which households fall short of MIS in winter 2022/23.
6. The annual earnings requirements set out here do not include the cost-of-living support payments. In the online calculator, the default calculation includes those payments, with the option to adjust the results to exclude them.
7. The 2021 figures are different to those published last year, due to an error in the Council Tax figures in the previous report.

References

- Aban Tamayo, J, Becerra Perez, M, Delajara, M and Leon Robles, L (2020) El Estándar de Ingreso Mínimo dn Cuatro Grandes Ciudades de México. Mexico City: Centro de Estudios Espinosa Yglesias (CEEY)
- Byaruhanga, C, Davis, A, Mpike, M, Ntshongwana, P, Padley, M, Wright, G and Zembe-Mkabile, W (2017) A Decent Living level: a pilot of the Minimum Income Standard Approach in South Africa. Cape Town: SASPRI
- Collins, M, MacMahon, B, Weld, G and Thornton, R (2012) A Minimum Income Standard for Ireland: a consensual budget standards study examining household types across the lifecycle. Dublin: The Policy Institute
- Davis, A, Hirsch, D, Iwanaga, R, Iwata, M, Shigekawa, J, Uzuki, Y and Yamada, A (2013) 'Comparing the Minimum Income Standard in the UK and Japan: methodology and outcome', *Social Policy and Society*, 13(1), pp. 89–101
- Davis, A, Hirsch, D, Padley, M and Marshall, L (2015) How much is enough? Reaching social consensus on minimum household needs. Available at: <https://www.lboro.ac.uk/media/www/lboroacuk/content/crsp/downloads/reports/How%20much%20is%20enough.pdf> [Accessed 8 August 2022]
- Davis, A, Hirsch, D, Padley, M, and Shepherd, C (2018) A Minimum Income Standard for the UK, 2008–2018: continuity and change. York: JRF
- Davis, A, Hirsch, D, Padley, M and Shepherd, C (2021) A Minimum Income Standard in the UK for 2021. York: JRF
- Department for Work and Pensions (2021) 'State Pension and benefit rates for 2022 to 2023 confirmed'. Available at: <https://www.gov.uk/government/news/state-pension-and-benefit-rates-for-2022-to-2023-confirmed> [Accessed 8 August 2022]
- Gilles, L, Covolao, C, Concialdi, P and Math, A (2014) Study conducted at the request of the French National Observatory on Poverty and Social Exclusion (ONPES) – final report. Paris: CREDOC
- Hill, K and Hirsch, D (2019) Family Sharing – a minimum income standard for people in their 20s living with parents. Loughborough: CRSP
- Hill, K and Webber, R (2021) Staying afloat in a crisis: families on low incomes in the pandemic. York: JRF
- Hill, K and Webber, R (2022) From pandemic to cost of living crisis: low-income families in challenging times. York: JRF
- Hill, K, Hirsch, D and Padley, M (2015) Minimum budgets for single people sharing accommodation. CRSP Working Paper 642. Loughborough: CRSP
- Hirsch, D, Bryan, A, Davis, A, Smith, N, Ellen, J and Padley, M (2013) A minimum income standard for remote rural Scotland. Inverness: Highlands and Islands Enterprise
- Ministry of Housing, Communities & Local Government (2020) English Housing Survey 2019 to 2020: headline report. Available at: <https://www.gov.uk/government/statistics/english-housing-survey-2019-to-2020-headline-report> [Accessed 8 August 2022]
- Ofcom (2019) Media nations: UK 2019. Available at: https://www.ofcom.org.uk/_data/assets/pdf_file/0019/160714/media-nations-2019-uk-report.pdf [Accessed 8 August 2022]
- Ofcom (2021) Media nations: UK 2021. Available at: https://www.ofcom.org.uk/_data/assets/pdf_file/0023/222890/media-nations-report-2021.pdf [Accessed 8 August 2022]
- Office for National Statistics (2022) Consumer price inflation tables. Available at: <https://www.ons.gov.uk/file?uri=/economy/inflationandpriceindices/datasets/consumerpriceinflation/current/previous/v88/consumerpriceinflationdetailedreferencetables.xls> [Accessed 8 August 2022]
- Padley, M, Davis, A, Shepherd, C and Stone, J (2021) A Minimum Income Standard for London 2020. London: Trust for London
- raP (nd) Comunicações. Available at: <http://www.rendimentoadequado.org.pt/resultados-comunicacoes/index.html> [Accessed 8 August 2022]
- Smith, N, Davis, A and Hirsch, D (2010) A Minimum Income Standard for Rural Households. York: JRF and Commission for Rural Communities
- Smith, N, Davis, A and Hirsch, D (2011) A Minimum Income Standard for Guernsey. Loughborough: CRSP

Teo, YY and Ng, KH (2019) S\$1,379 a month needed for basic needs? This is how Singapore's seniors agree on this baseline. Available at: <https://lkyspp.nus.edu.sg/research/publications/details/1-379-a-month-needed-for-basic-needs-this-is-how-singapore's-seniors-agree-on-this-baseline> [Accessed 8 August 2022]

Appendix

Table 8: Budget totals excluding rent and childcare, 2008–2022

	Single, working age ⁷		Couple, working age	
	In current year prices	CPI-adjusted to 2022 prices	In current year prices	CPI-adjusted to 2022 prices
2008	£158	£226	£245	£350
2009	£166	£232	£256	£358
2010	£175	£236	£273	£367
2011	£185	£238	£287	£370
2012	£193	£241	£302	£377
2013	£201	£245	£315	£384
2014	£195	£234	£320	£384
2015	£196	£236	£322	£387
2016	£199	£238	£330	£395
2017	£207	£242	£345	£402
2018	£214	£243	£351	£400
2019	£221	£247	£365	£407
2020	£227	£251	£373	£413
2021	£231	£252	£381	£415
2022	£293	£293	£482	£482

	Single pensioner		Couple pensioner	
	In current year prices	CPI-adjusted to 2022 prices	In current year prices	CPI-adjusted to 2022 prices
2008	£132	£189	£201	£288
2009	£139	£193	£211	£294
2010	£147	£198	£222	£299
2011	£155	£199	£233	£300
2012	£159	£198	£231	£289
2013	£165	£202	£241	£295
2014	£182	£219	£263	£315
2015	£183	£220	£264	£317
2016	£187	£224	£267	£320
2017	£192	£224	£275	£321
2018	£196	£223	£302	£344
2019	£201	£225	£310	£346
2020	£206	£228	£318	£352
2021	£210	£229	£323	£352
2022	£245	£245	£382	£382

	Lone parent with two children aged 2–4 and primary school age		Couple with two children aged 2–4 and primary school age	
	In current year prices	CPI-adjusted to 2022 prices	In current year prices	CPI-adjusted to 2022 prices
2008	£283	£404	£370	£529
2009	£295	£413	£387	£540
2010	£309	£416	£403	£542
2011	£326	£420	£425	£547
2012	£362	£453	£455	£568
2013	£375	£458	£471	£575
2014	£383	£460	£482	£579
2015	£384	£461	£484	£582
2016	£372	£446	£456	£546
2017	£381	£444	£468	£545
2018	£390	£444	£480	£546
2019	£398	£444	£491	£547
2020	£401	£444	£500	£553
2021	£411	£448	£511	£557
2022	£490	£490	£599	£599

Table 9: Percentage of MIS covered by safety-net income, 2008–2022

	2008	2012	2016	2020	2021 without £20 uplift	2021 with £20 uplift	2022 without cost-of- living payment	2022 with cost-of- living payment
Single, working age	42%	40%	38%	34%	32%	42%	25%	32%
Couple, working age	42%	39%	35%	32%	31%	37%	24%	29%
Single pensioner	108%	101%	93%	94%	95%	95%	82%	93%
Couple pensioner	105%	104%	98%	92%	92%	92%	79%	86%
Lone parent with two children aged 2–4 and primary school age	68%	63%	63%	59%	58%	63%	49%	54%
Couple with two children aged 2–4 and primary school age	62%	60%	61%	56%	55%	59%	48%	52%

Table 10: Disposable income as a percentage of MIS, working on National Minimum Wage/National Living Wage (excluding cost-of-living support payments)

	Single person working full time	Couple with two children, both working full time	Couple with two children, one working full time, one part time	Lone parent with two children, working full time	Lone parent with two children, working part time
2016	77%	93%	90%	82%	78%
2017	78%	95%	91%	78%	76%
2018	80%	96%	90%	81%	75%
2019	82%	98%	93%	84%	77%
2020	88%	104%	98%	91%	84%
2021	85%	101%	95%	88%	82%
2022	70%	94%	87%	77%	70%

Table 11: Annual earnings required to reach MIS, working full time and paying for childcare (excluding cost-of-living support payments)

	Single person	Couple with two children aged 2–4 and primary school age, total	Couple with two children aged 2–4 and primary school age, each parent	Lone parent with two children aged 2–4 and primary school age
2016	£17,300	£34,800	£17,400	£25,700
2017	£17,900	£33,800	£16,900	£25,900
2018	£18,400	£34,600	£17,300	£29,600
2019	£18,800	£34,000	£17,000	£28,700
2020	£19,100	£30,600	£15,300	£24,400
2021	£20,500	£34,200	£17,100	£27,500
2022	£25,500	£43,400	£21,700	£38,400

Figure 21: MIS compared to the poverty line: single working-age adult, no children

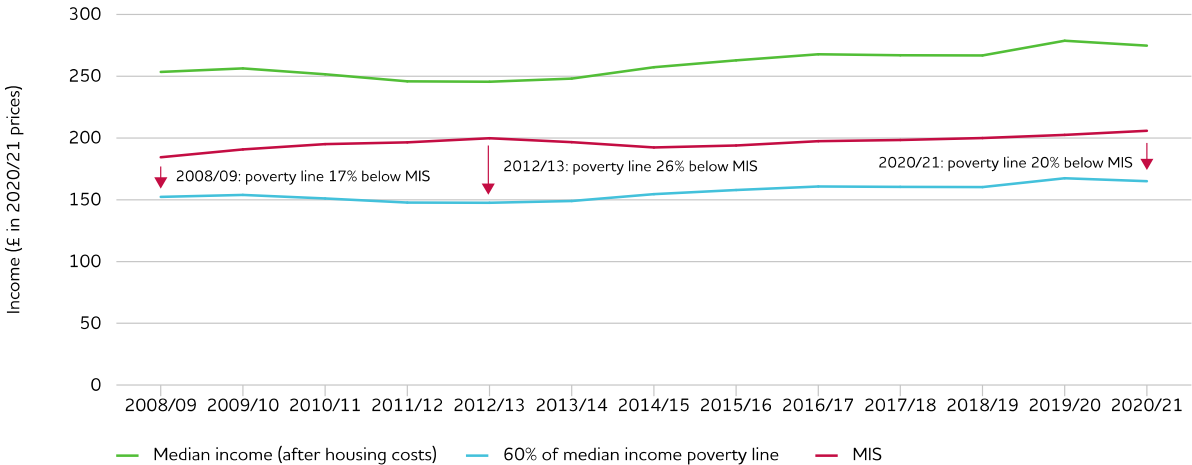


Table 12: MIS relative to median income and the poverty line after housing costs, 2008/09–2020/21 (latest year data available)

	Single, working age, no children		Couple, working age, no children	
	MIS as a percentage of median	Poverty line relative to MIS	MIS as a percentage of median	Poverty line relative to MIS
2008/09	73%	-17%	67%	-10%
2012/13	81%	-26%	75%	-20%
2016/17	74%	-19%	73%	-18%
2020/21	75%	-20%	73%	-18%

	Single pensioner		Couple pensioner	
	MIS as a percentage of median	Poverty line relative to MIS	MIS as a percentage of median	Poverty line relative to MIS
2008/09	59%	1%	54%	12%
2012/13	65%	-8%	56%	7%
2016/17	68%	-12%	57%	5%
2020/21	67%	-11%	61%	-2%

	Lone parent with two children		Couple with two children	
	MIS as a percentage of median	Poverty line relative to MIS	MIS as a percentage of median	Poverty line relative to MIS
2008/09	80%	-25%	74%	-19%
2012/13	93%	-36%	82%	-27%
2016/17	84%	-29%	72%	-17%
2020/21	80%	-25%	70%	-15%

Acknowledgements

We wish to express our gratitude to the participants of the MIS groups for their engagement, thoughtful discussions and decision-making; and our colleagues at CRSP for their support, in particular Nicola Lomax and Lisa Jones, who provided invaluable administrative expertise throughout.

We would also like to thank our wider MIS team: Kevin Jobson of the Energy Audit Company, Kathy Lewis of Lynk Management Consultants Ltd and Judith Paterson from Child Poverty Action Group in Scotland for their diligence and responsiveness. Finally, we would like to express our appreciation for the continuing support from the Joseph Rowntree Foundation, especially Adél Schofield and Peter Matejic for their constructive and collaborative feedback.

About the authors

Abigail Davis is a Senior Research Fellow and Co-Director of the Centre for Research in Social Policy (CRSP), specialising in the application and development of the Minimum Income Standard (MIS) methodology. She has overall responsibility for the Centre's qualitative research, leads the MIS UK primary research, and the design and delivery of training for research teams in other countries using the MIS approach..

Dr Juliet Stone is a Senior Research Associate at CRSP, where she leads and supports a range of quantitative research related to poverty, living standards and social policy. She is responsible for the majority of quantitative analyses relating to MIS UK. Alongside MIS, Juliet's recent work includes research on child poverty at a local level, estimates of the prevalence and patterns of poverty at the end of life, and analysis of the consequences of high living costs in Scotland's island communities.

Dr Chloe Blackwell is a research associate at CRSP. First joining the team as part of her PhD study, her thesis adopted the MIS methodology to explore the needs of families raising children on the autism spectrum. She now works with the team to carry out core MIS research and related projects, including digital living standards.

Matt Padley is a Senior Research Fellow and Co-Director of the Centre for Research in Social Policy (CRSP), where he has pioneered work on retirement living standards in the UK, as well as leading research on living standards in London since 2014. He has responsibility for the Centre's quantitative research, leading on data analysis and the application and development of MIS in the UK and globally. He leads the MIS Global Network, which brings together individuals and organisations working on MIS research in other countries.

Claire Shepherd is a Research Associate at CRSP and plays a central role in the core MIS research programme helping to implement deliberative focus groups, compile and price budgets, and analyse data. She is also a co-investigator of research establishing Retirement Living Standards in the UK that have been adopted across the pensions industry to support savers make informed retirement-planning decisions.

Donald Hirsch is Professor of Social Policy at Loughborough University, where he was Director of CRSP from 2012 to 2022. A former journalist, and writing and research consultant, he has been involved in MIS since its inception, and has carried out a range of analysis of MIS data, and its application in policy and practice. From 1998 to 2008 he was Poverty Adviser to JRF, where he wrote a number of major reports on child poverty, welfare reform, long-term care and the situation of older workers.

To speak to us about this research, contact our subject experts.

See <https://www.jrf.org.uk/about-us/our-experts>

The Joseph Rowntree Foundation has supported this project as part of its programme of research and innovative development projects, which it hopes will be of value to policy-makers, practitioners and service users. The facts presented and views expressed in this report are, however, those of the authors and not necessarily those of JRF.

A pdf version of this publication is available from the JRF website (www.jrf.org.uk). Further copies of this report, or any other JRF publication, can be obtained from the JRF website (www.jrf.org.uk/publications).

A CIP catalogue record for this report is available from the British Library.

All rights reserved. Reproduction of this report by photocopying or electronic means for non-commercial purposes is permitted. Otherwise, no part of this report may be reproduced, adapted, stored in a retrieval system or transmitted by any means, electronic, mechanical, photocopying, or otherwise without the prior written permission of the Joseph Rowntree Foundation.

© Centre for Research in Social Policy, University of Loughborough 2022

First published September 2022 by the Joseph Rowntree Foundation

PDF ISBN 978 1 915305 04 6

Cover image: SolStock / iStock

Joseph Rowntree Foundation

The Homestead

40 Water End

York YO30 6WP

www.jrf.org.uk

Ref 3360