

A UK Living Standards Index (UK-LSI)

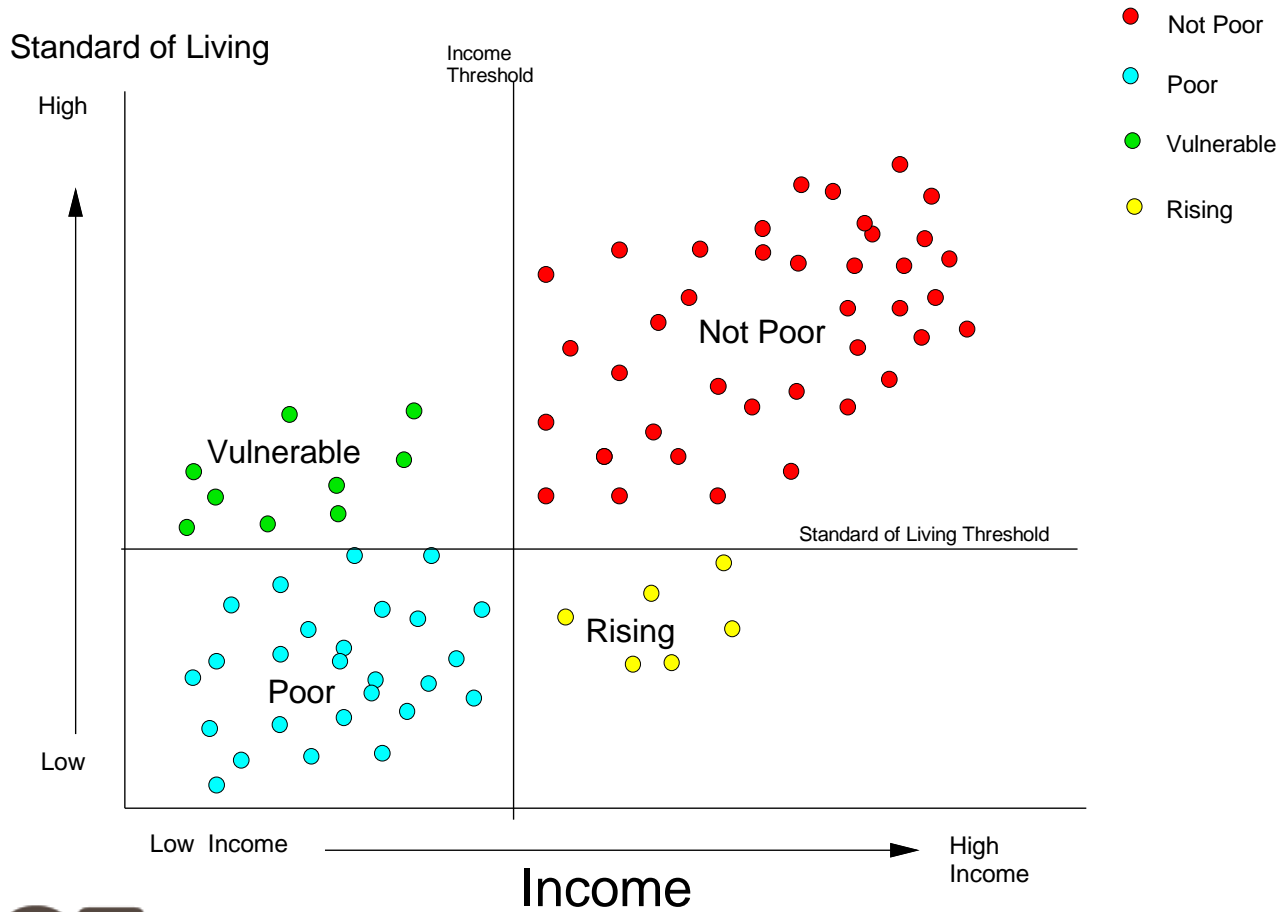
Demi Patsios (Bristol), Paddy Hillyard (Queen's)
and Marco Pomati (Bristol/Cardiff)



Third Peter Townsend Memorial Conference
Poverty and Social Exclusion in the UK



Dynamics of Poverty Model (Gordon 2000)



Definition of living standards

*“Living standards measure **what we have, what we do and where we live**”.*

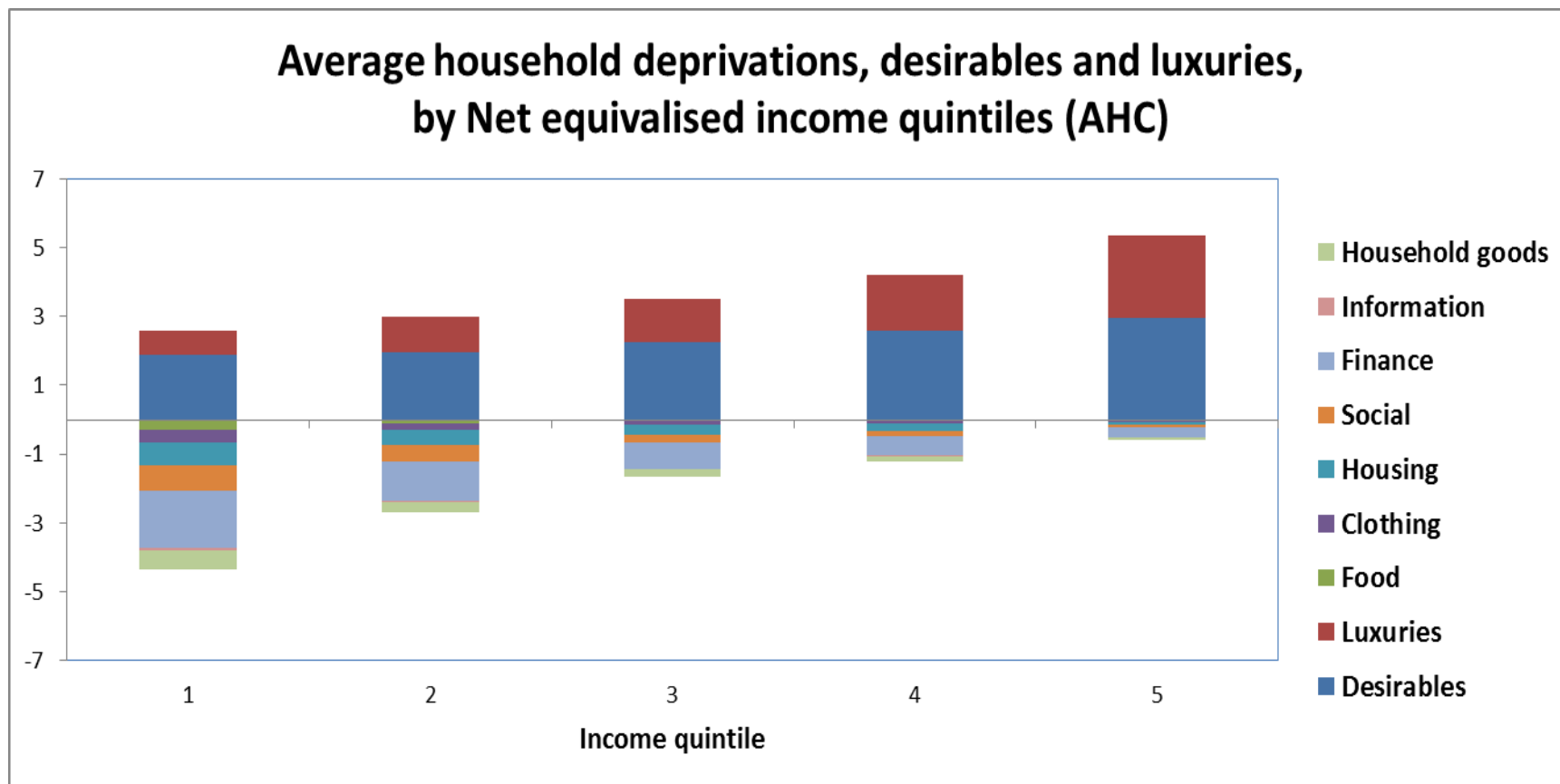
UK LSI conceptual model: dimensions and sub-dimensions found in PSE / FRS Surveys

What we have?	What we do?	Where we live?
Objective living conditions		
<ul style="list-style-type: none"> • Consumer durables • Consumption items • Wealth (value of home, assets) • Financial & other types of assistance from friends and family • Finances (and debts) • Economising behaviours • Health (LSIs, Type of illness) • Social networks • Critical/stressful life events (e.g. moved, lost job etc.) 	<ul style="list-style-type: none"> • Paid work • Unpaid work • Participation in common social activities • Social and political engagement participation 	<ul style="list-style-type: none"> • Housing tenure • Type of accommodation • Number of bedrooms • Bedroom standard • Council tax band • Years lived in area • Physical barriers to entry • Problems with accommodation • Fuel poverty • Local Services (available/suitable) • Problems in areas
Subjective assessment of objective living conditions – domain specific		
<ul style="list-style-type: none"> • Quality of Goods • Spot purchases • Impact on standard of living of receiving/giving financial & other types of assistance • Financial difficulties (keeping up with bills, unexpected expenses) • Self-rated health • Time crunch (scarcity) • Perceived social support • Anything happened which improved/reduced standard of living 	<ul style="list-style-type: none"> • Satisfaction with day-to-day activities • Quality of work (number of positive aspects) • Satisfaction with feeling part of a community 	<ul style="list-style-type: none"> • Satisfaction with housing • State of repair of home • Level of warmth in accommodation • Satisfaction with local area



What we have?

Objective living conditions

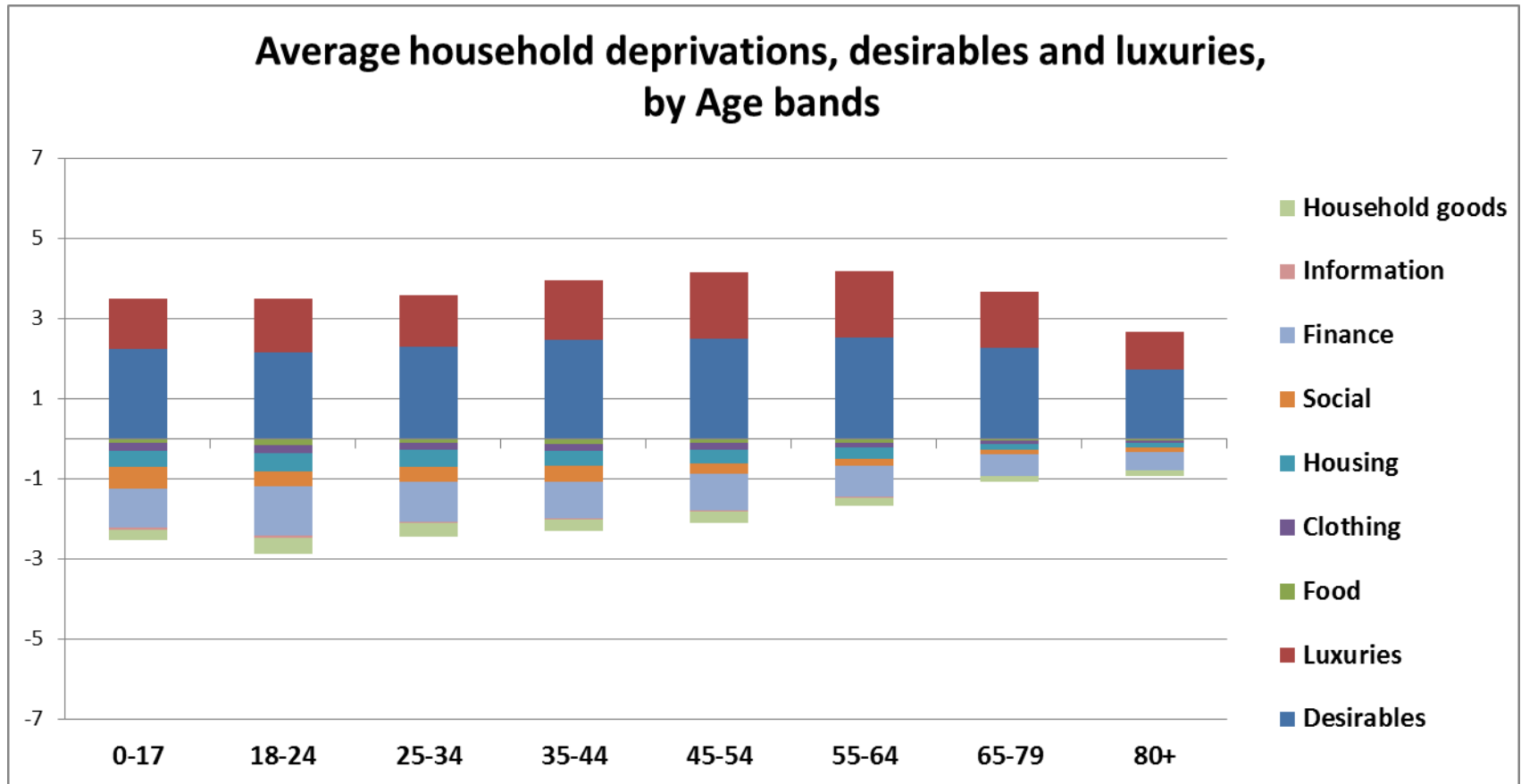


Luxuries = Second car (HV33% CA21%), second bath (HV30% CA26%), home alarm (HV28% CA25%), second home (HV7% CA42%), private health insurance (HV17% CA35%), holiday abroad (**OMN** 18%, HV41% CA32%)

Desirables= HDTV (HV75%), Pay TV (HV58%), Spare bedroom (HV55%), Dishwasher (HV47%)

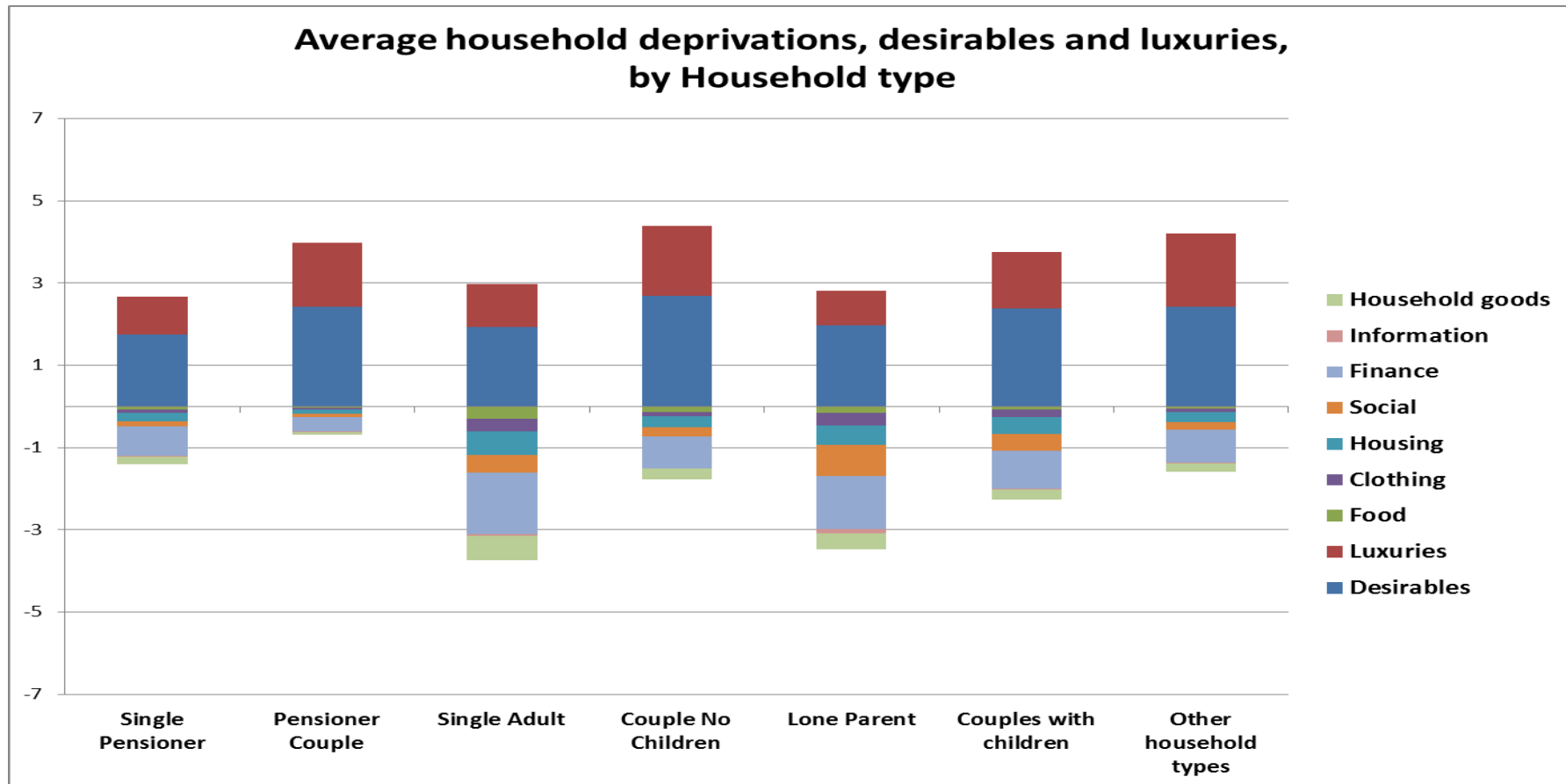
What we have?

Objective living conditions



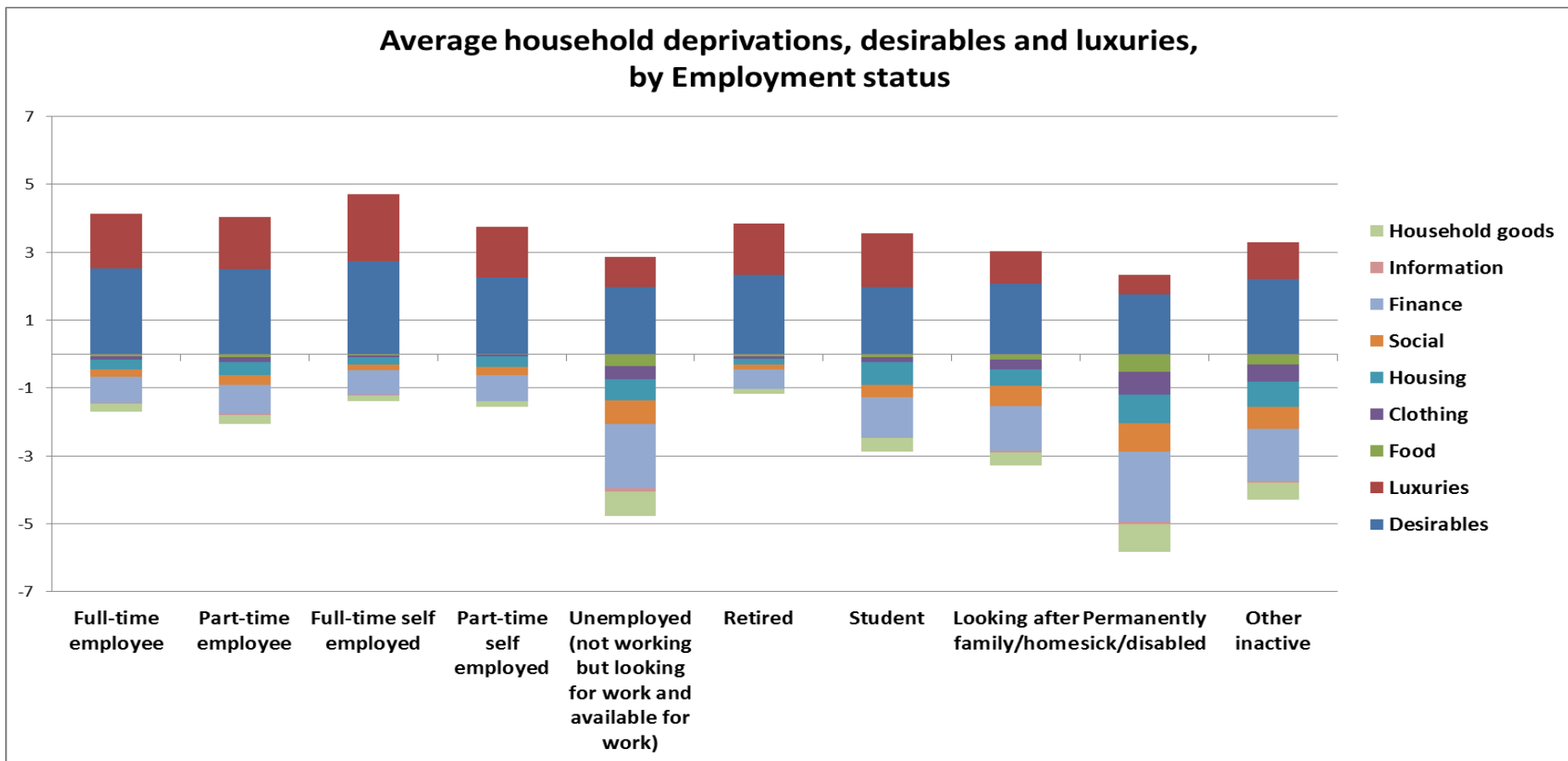
What we have?

Objective living conditions



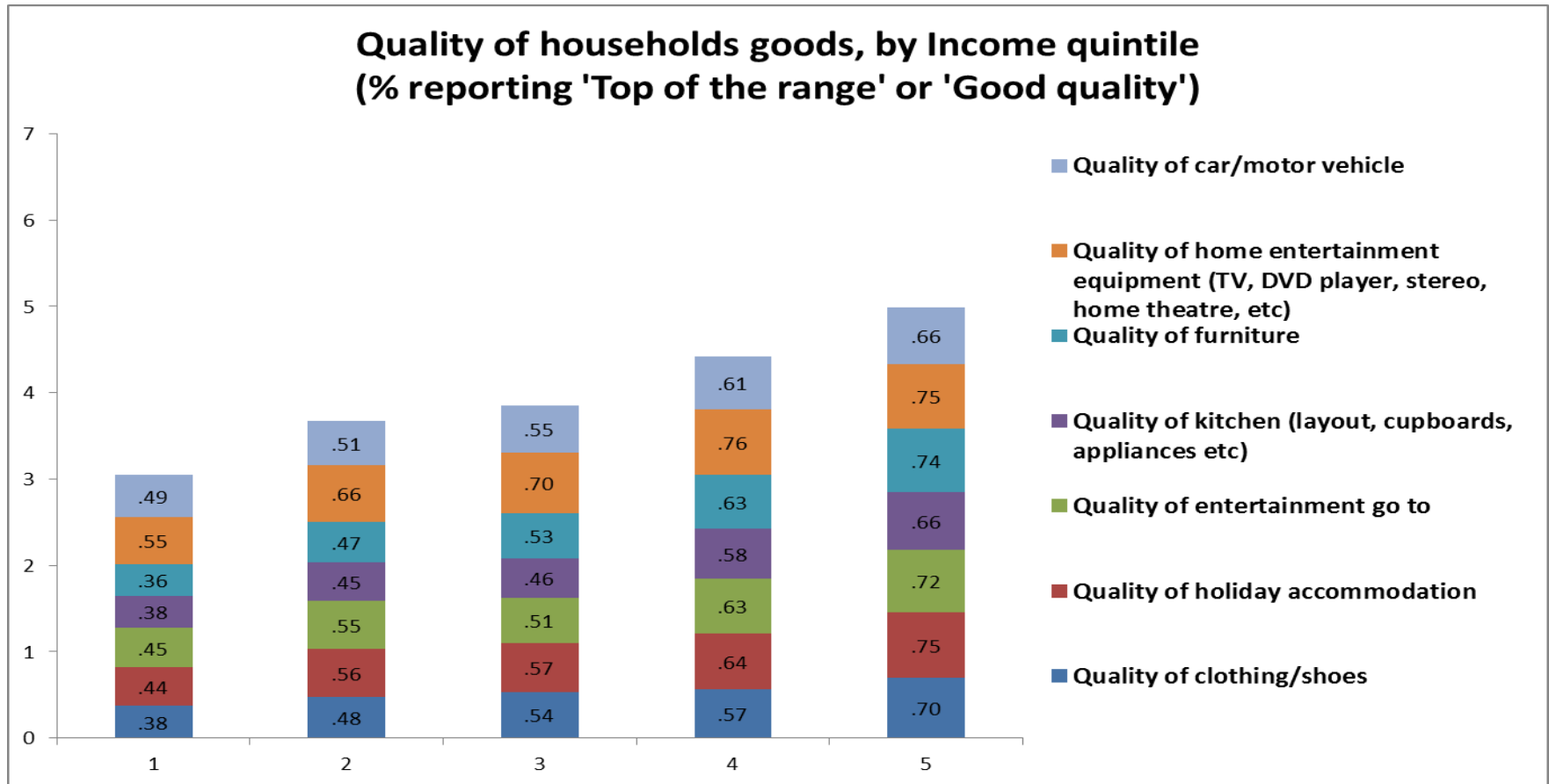
What we have?

Objective living conditions



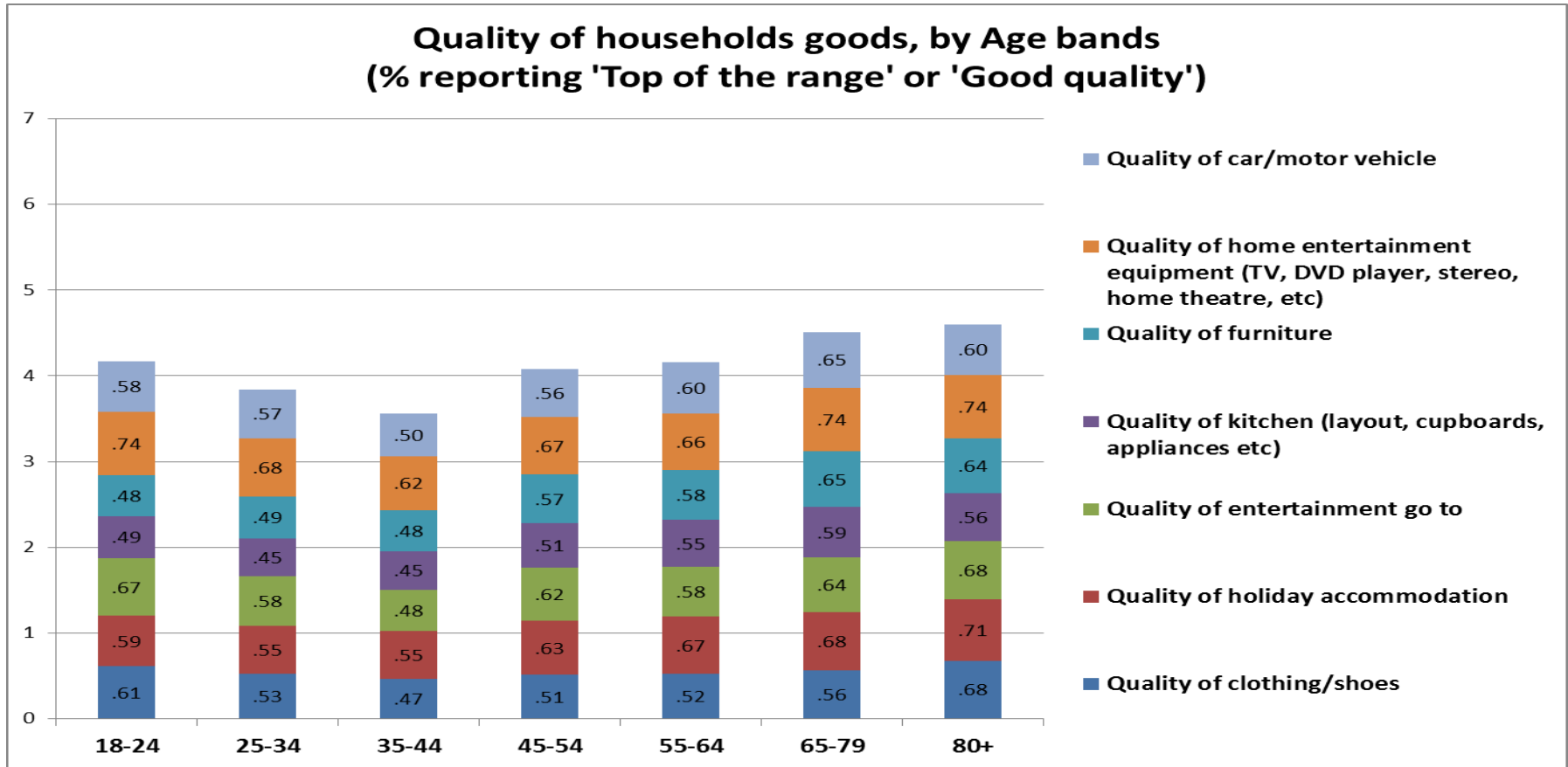
What we have?

Subjective assessment of Objective living conditions



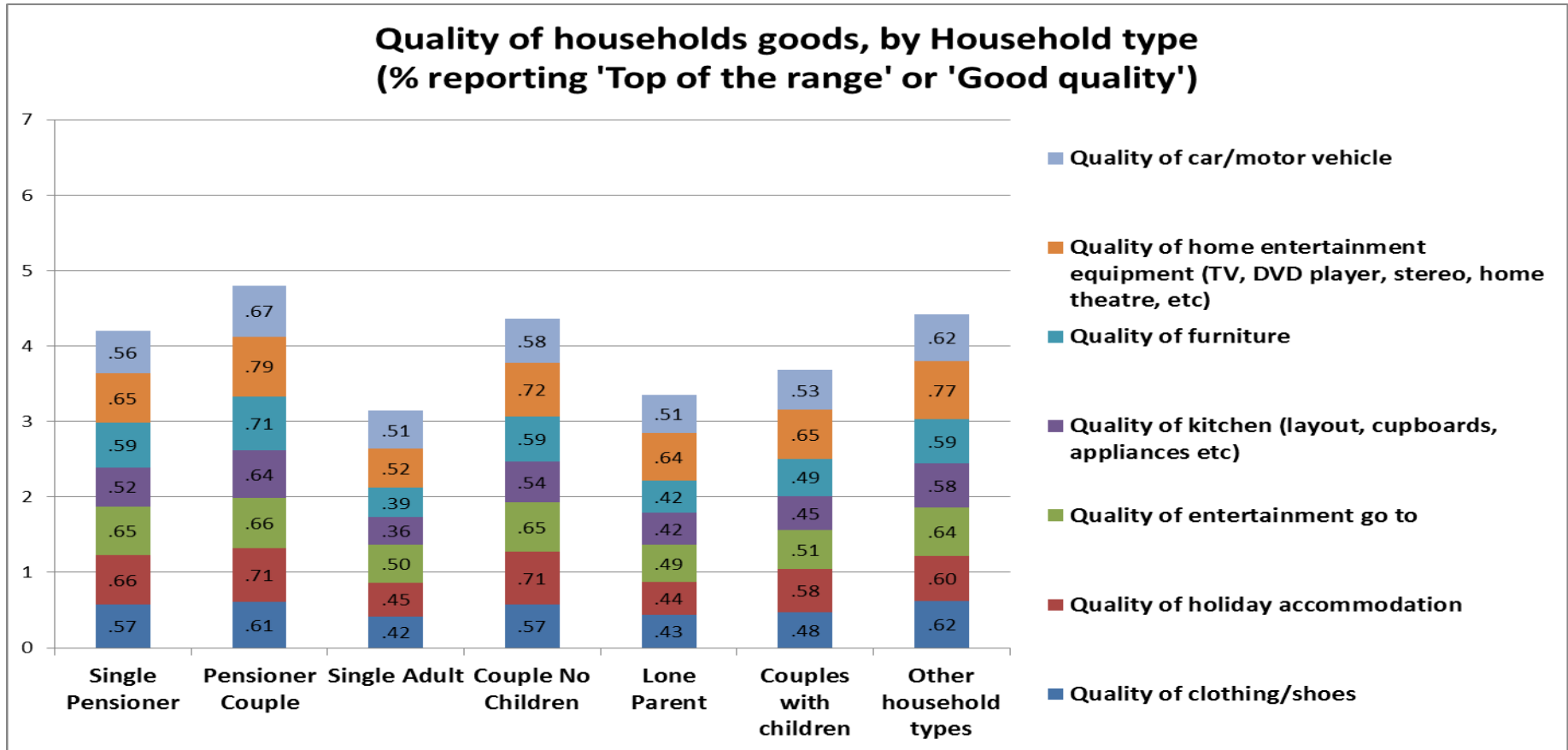
What we have?

Subjective assessment of Objective living conditions



What we have?

Subjective assessment of Objective living conditions



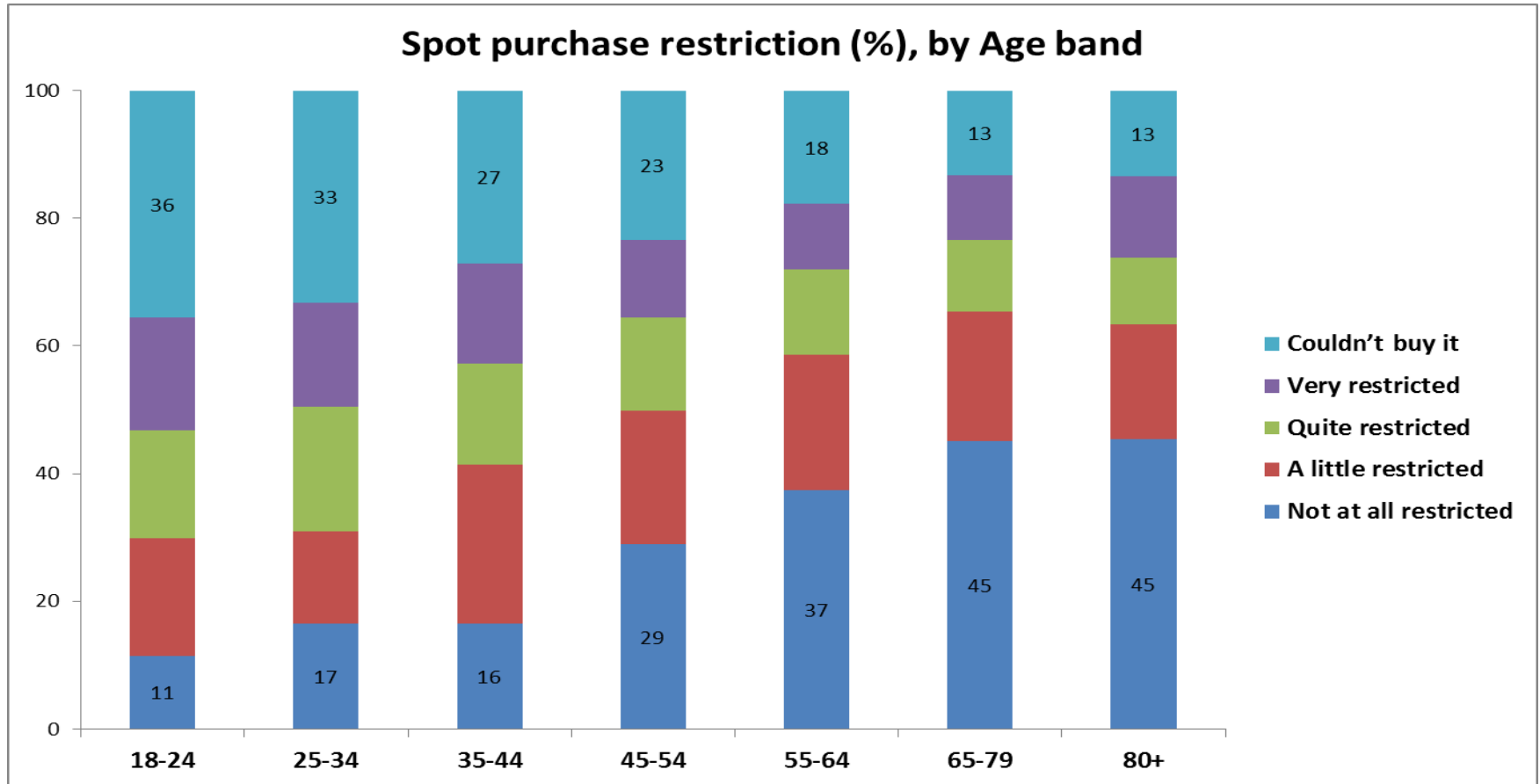
What we have?

Subjective assessment of Objective living conditions



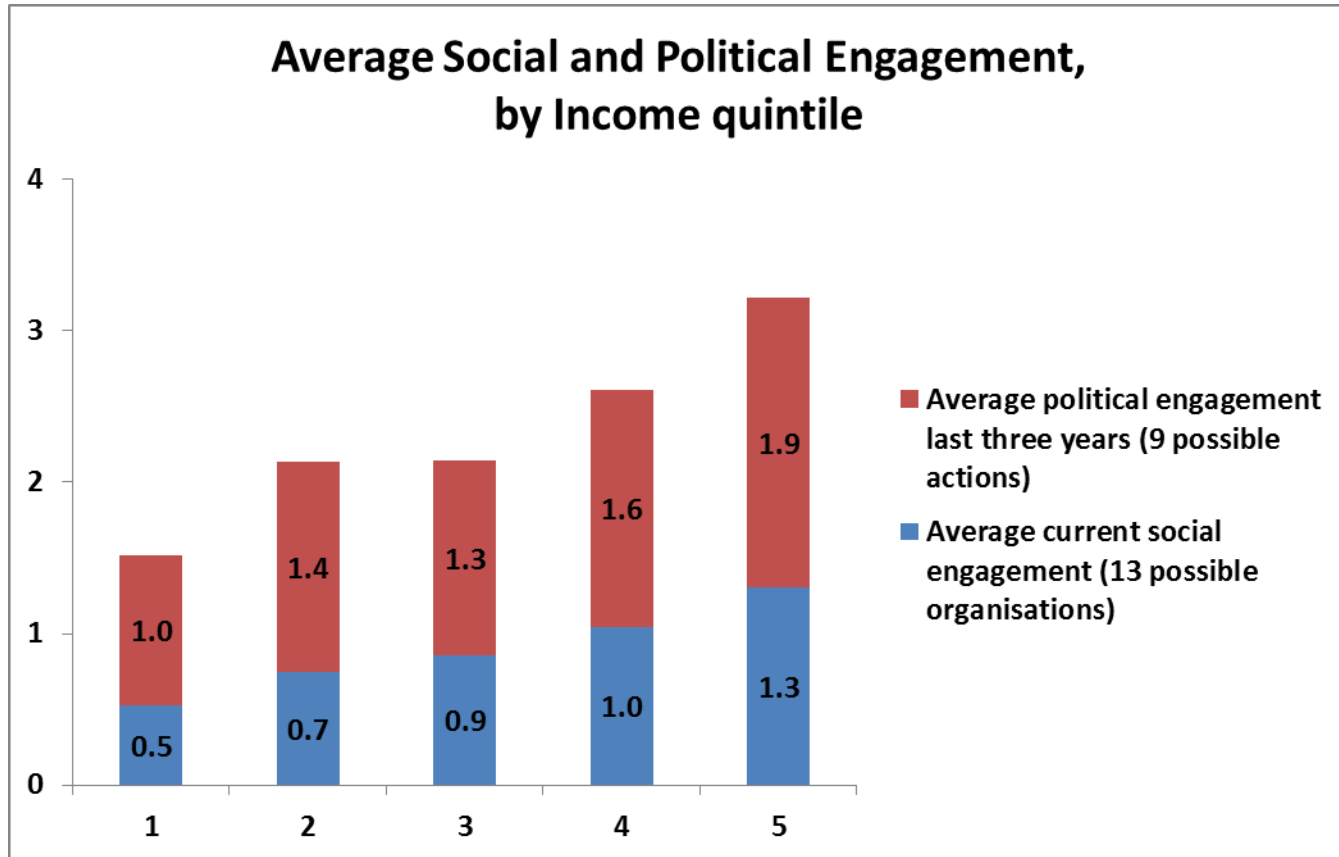
What we have?

Subjective assessment of Objective living conditions



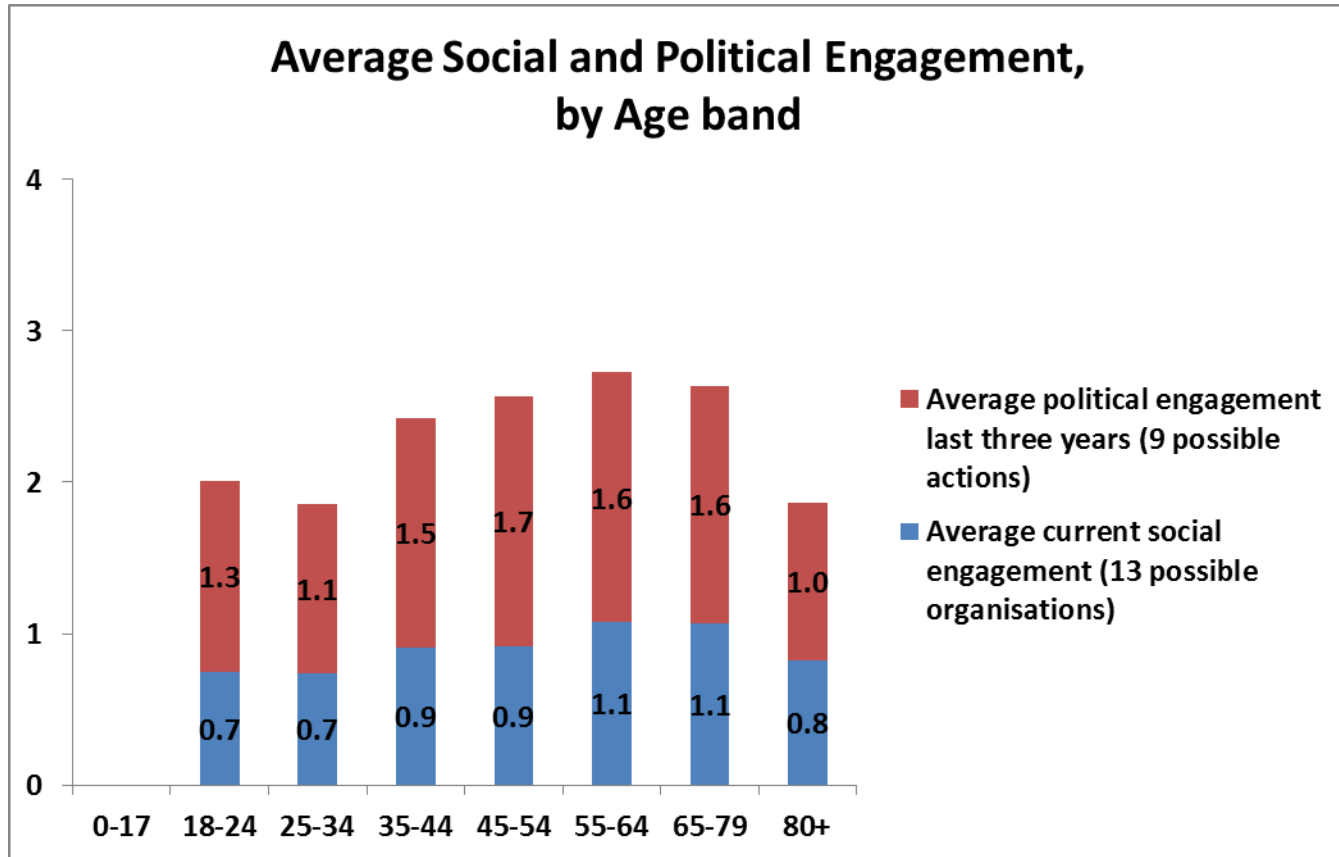
What we do?

Objective living conditions



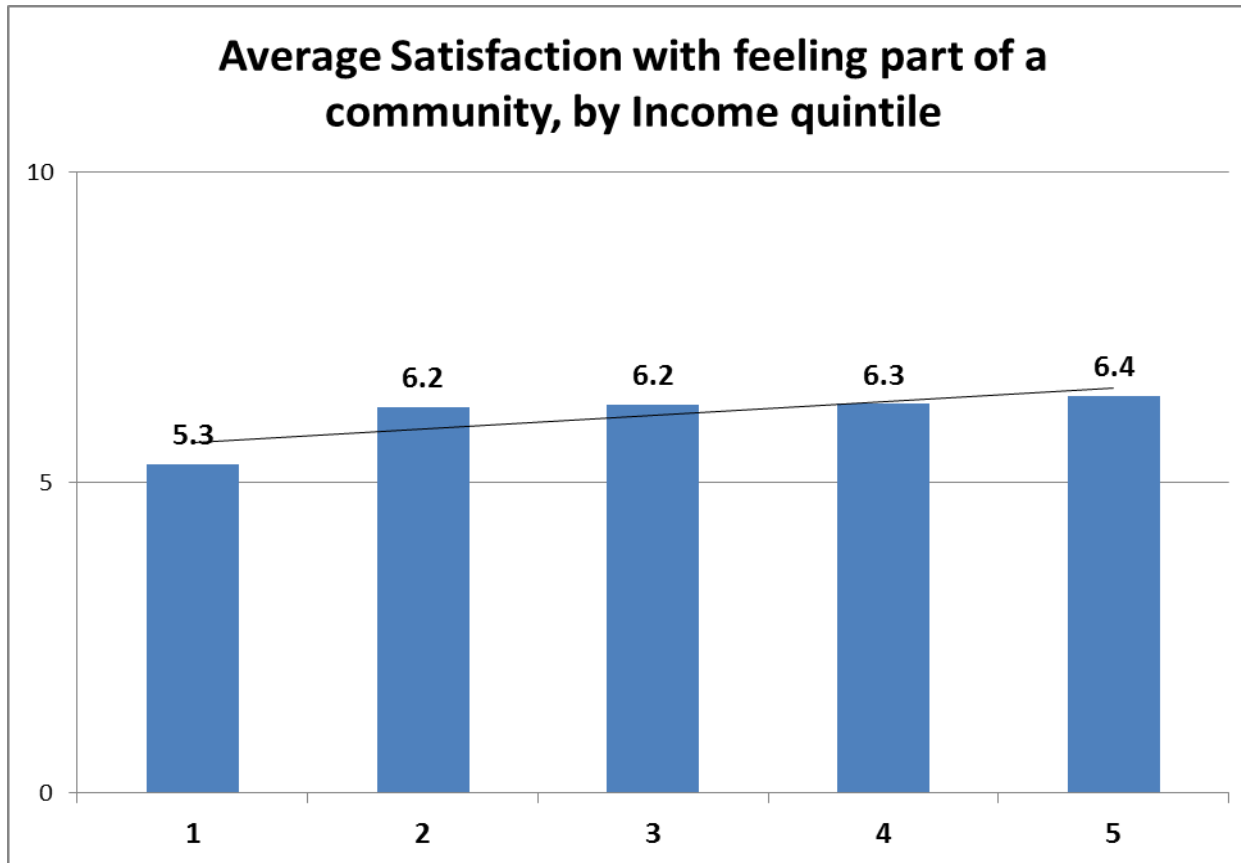
What we do?

Objective living conditions



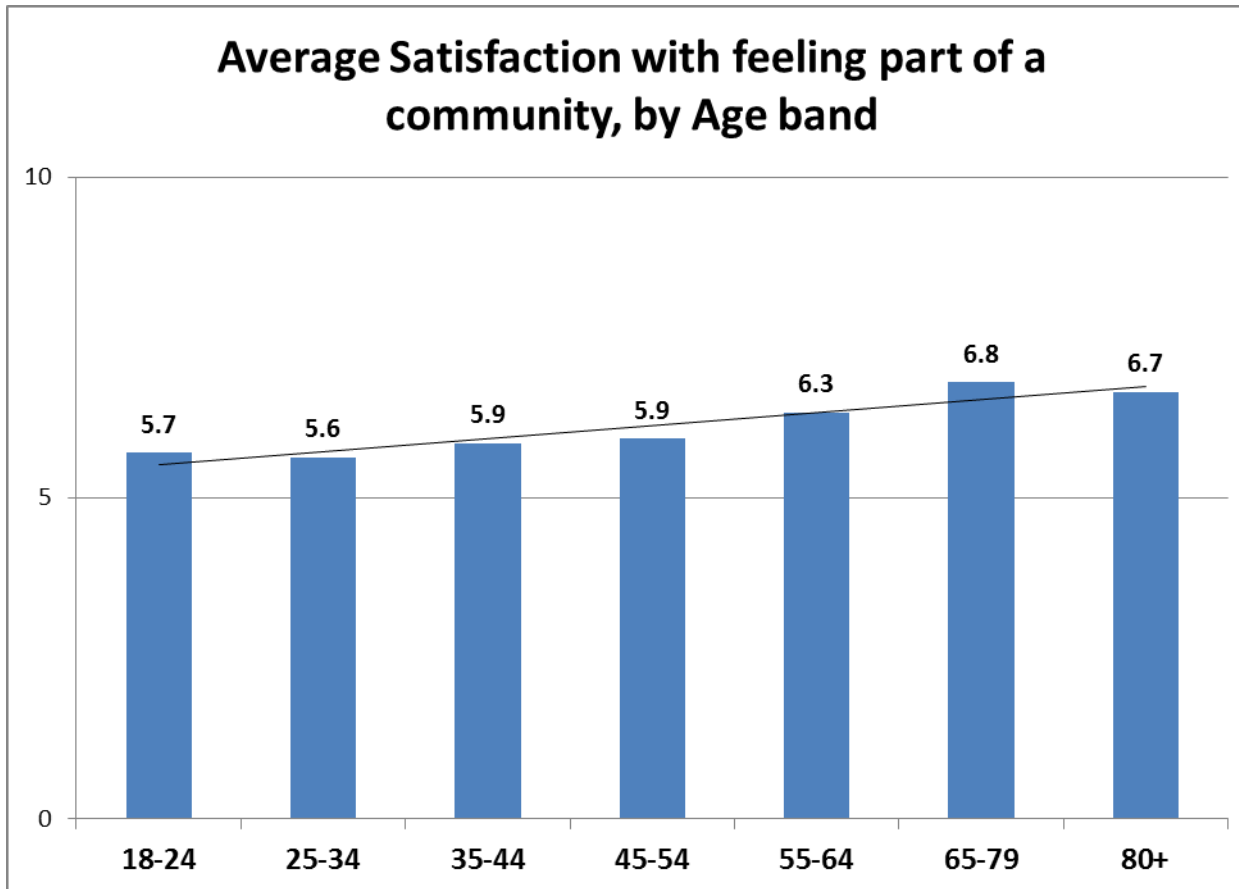
What we do?

Subjective assessment of *Objective living conditions*



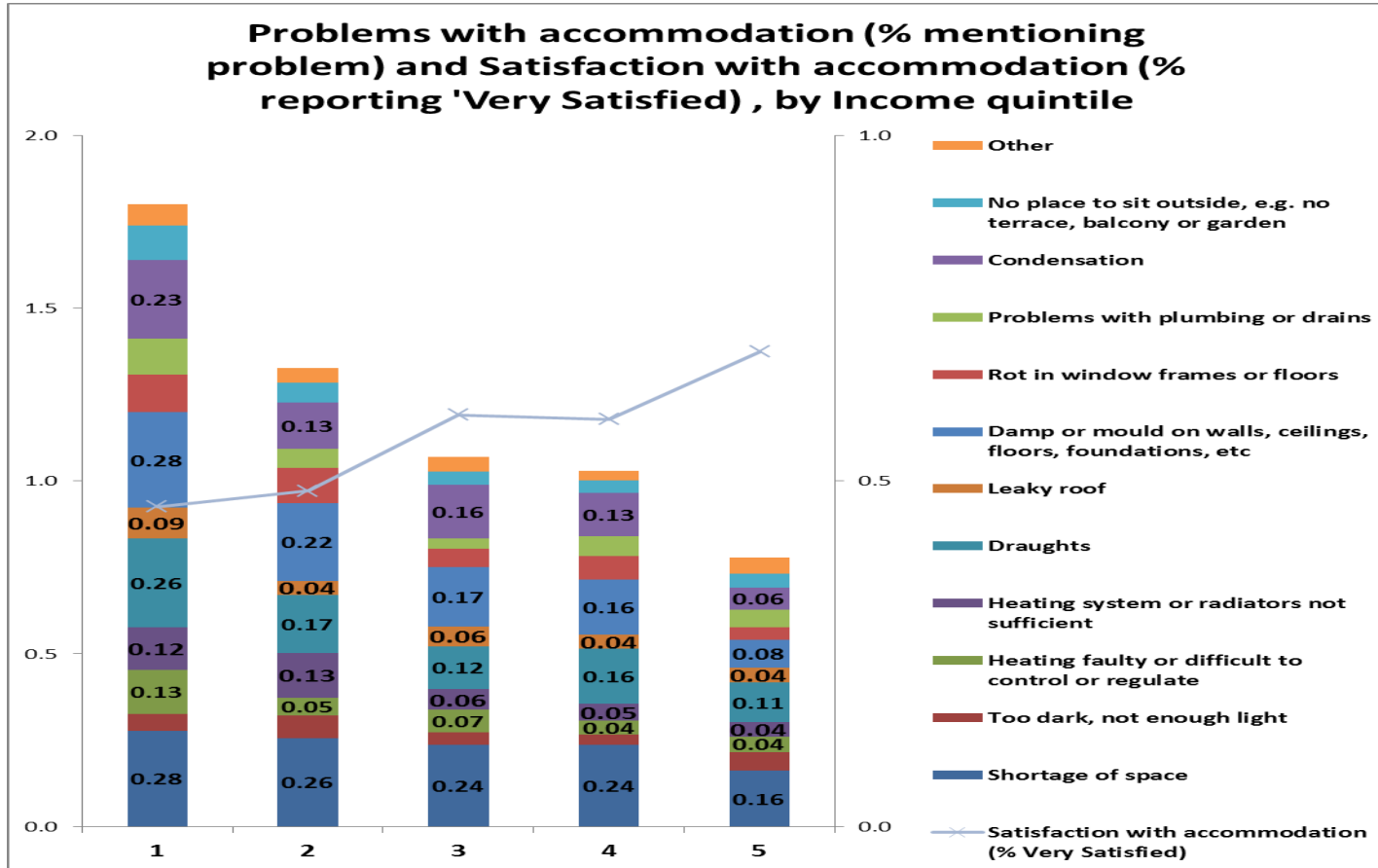
What we do?

Subjective assessment of *Objective living conditions*



Where we live?

Objective living conditions and Subjective assessment of objective living condition (combined)



Next steps

- Item/domain/sub-domain scoring protocols
- Measure validity and reliability
- Confirmatory Factor Analysis (CFA), Classical Test Theory (CTT), and two-parameter Item Response Theory (IRT) models will be tested.
- Comparison of these various methodological and statistical approaches (and outcomes) will add greater insight into living standards research.

Implications for poverty research and public policy

- Alternative/new approach to measuring poverty, deprivation, living standards, quality of life- do we need another?
- Extent to which this alternative method fits/overlaps with government indicators/policy – ONS well-being/happiness?
- Findings from the Living Standards research has the potential make a significant contribution to that knowledge base, to assist with the development of sound policy by measuring what matters most to people (**what we have, what we do and where we live**), not necessarily policy makers.
- Living Standards research complements/supplements the monitoring work based on household incomes (HBAI) and FRS material deprivation, Child Poverty Act, and PSE Surveys.

