

Attainability Index

Key Findings Report

October 2026

By **Karl Handscomb**

**Evidence.
Action.
Hope.**

About

New Economics Foundation

NEF aims to create a new economy that works for people and within environmental limits. We are guided by three ambitions:

A Fast and Fair Transition.

Build a fast and fair transition to a green economy through a deep and equitable transformation to address the climate crisis.

Guarantee Economic Security for all.

Guarantee economic security for all by rebuilding effective and sustainable public services to give everyone access to life's essentials.

Shift Power to People and Communities.

Shift power to people and communities through democratic ownership of the economy and devolving political power.

Underpinning all three missions is an acknowledgement that the rules and institutions that shape our economy are not forces of nature beyond our control, but have been designed by people. Over the past 40 years, they have been redesigned in favour of the market rather than people and planet. **In little more than a decade, we must redesign them again.**

Best for Britain

The problems Britain faces are real, the solutions being offered are false. **Our job is to provide the evidence-led answers that fix Britain.**

Economic growth has stalled.

We are working to reintegrate our economy with the EU to get GDP growing again.

Neither business nor government can invest what's needed to fix Britain.

We will advocate for the policies needed to make the most of the economic gains achieved by removing UK-EU trade barriers or rejoining the EU.

Voters, impatient for improvements in quality of life, are turning to extreme politicians.

We uncover the frustrations and emotions driving voters to the far-right, and provide evidence-led answers for progressive parties to keep extremists out of No.10.

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Foreword

Cal Roscow, Executive Director of Campaigns, Best for Britain

The prevailing consensus among the general public is that life has become significantly more expensive over the last twenty years. Since the Covid pandemic, 'cost of living' has regularly topped polls of Brits' national concerns. Even people whose wages have outpaced inflation often don't feel better off. They still don't feel wealthy. But that doesn't tell the full story.

The cost of goods and services has moved up and down in unexpected directions. Not everything is getting more expensive, at the same rate, at the same time. While the price of a supermarket meal deal has risen very slowly, the cost of getting lunch out at a pub or restaurant has risen much faster. Both options achieve the goal of having lunch, but are likely to hold a different social value from each other. A meal deal today is now much more 'attainable' than the pub lunch than it was previously.

Meanwhile, the amount you're paid to do different jobs has varied significantly. Airline pilots, for example, have remained relatively well paid, while accountants have slipped down the league tables. This wage disparity means a high income in one profession 20 years ago won't guarantee you the same quality of life today.

The vastly differing trajectories of prices and wages make it harder to truly understand why certain groups of citizens feel the 'cost of living crisis' to a greater or lesser extent. This brings us to the core problem. Social science lacks the tools to dig out the real story of the past 20-30 years, as it's buried in the shifting sands of economic change.

This research aims to fill the gap by introducing a new tool to researchers' and campaigners' arsenal - the 'Attainability Index'.

Roughly two-thirds of people earn the majority, or all, of their money from wages. So by taking wage data from the past 20 years, together with the varying costs of goods and services, we can determine how many hours a person would have to work to afford them.

The 'Attainability Index' is a real measure of how easy or difficult it is to 'attain' a new car, or a night out, or lunch, for different people earning different amounts of money. It reveals how the cost of living crisis is limiting people's ability to participate fully in society. Our ambition is not for the Index to solve problems, but to allow us to fully comprehend the effects of these changing economics in the pursuit of asking the next questions. Questions that lead

to policy solutions, targeted to the sections of the population that have fared less well over the past two decades. In time, we hope that this research can help us understand the forces that are driving so many to feel that politics is no longer able to deliver for them.

This report marks the beginning of that journey, rather than any end point. We hope the surprising truths that it uncovers are useful to a broad spectrum of social science researchers and civil society organisations.

Executive Summary

Being able to afford the goods and services that let people take part in society – what this report calls ‘attainability’ – is central to feeling like a full participant in it today.

Years of weak wage growth and rising prices have put people’s ability to attain the things that matter under increasing strain. A ‘cost of living crisis’ has settled into an often-unaffordable ‘new normal’. A broader set of goods and services has also become harder to afford, in ways that matter to people’s lives. The ability to pay for a night out, a holiday, a new car, or a new outfit, are all important to taking a full part in society.

Our new Attainability Index offers a new way to look at the ‘time price’ of the things people buy, by asking a simple question: how many hours does someone need to work to afford them, after paying for life’s essentials? It combines two tested approaches: time prices and the residual income approach to living standards. Measuring prices this way gives the cost of living debate a more relatable vocabulary than abstract, economy-wide measures of wage growth and price changes.

Workers in low-paid jobs have little left after essentials. High costs leave them little income to pay for discretionary goods and services, especially those living in areas with higher housing costs. A full-time worker on the minimum-wage living in a one-bedroom home in the South-east of England earned a spending-money wage of just £1.94 per hour in 2025, after paying for essential costs. A chef on a typical gross wage, of £14 per hour in 2025, faced a spending-money wage of just £3.23. Higher-paid workers spend proportionately less on essentials, but still feel the hit. A typical accountant earning £25.84 per hour has a spending-money wage of £11.74, while a typical pilot, earning £67.73 per hour, has a spending-money wage of £33.27.

Small treats therefore feel like big commitments. A typical night out cost around £58 in 2025. A worker on the minimum wage would need to work 30 hours to afford it, compared to 5 hours for an accountant, or 2 hours for a pilot. More expensive activities cost more hours still: a weekend city break (costing £375) would set back an average-earning chef

around 3 weeks of work. In comparison an accountant would need to work for less than one week. Low-waged workers faced with a high hours cost of essentials are effectively frozen out from full participation in many activities, at least before any benefits they receive are taken into account. Hard trade-offs are unavoidable, and a holiday is effectively out of reach.

Housing costs are a major factor in how much people have available to spend. A median-earning accountant renting a one-bedroom home in the South-east has a spending-money wage of £11.74. In comparison, the same median-earning accountant, who bought a flat ten years ago, would have a spending-money wage of £13.50 – almost £2 higher per hour, or an extra £66 per week.

Over the past 20 years, the way attainability has changed depends on people's work, and what they buy. Workers at or near the minimum wage, such as chefs, have strongly benefited from rises in the minimum wage in recent years, so most things have become more attainable for them. In 2006 a chef had very little money left over after essentials, so would have needed to work 40 hours to afford a night out; in 2025 they needed just 18 hours. A festival ticket required more than 150 fewer hours of work in 2025 than in 2006. A two-seater sofa took 9 weeks of work in 2006, falling to a little under 4 weeks in 2025, a reduction of 5 weeks of work.

Prices for different goods and services have moved unevenly. While the cost for a night out has gone up by 8% in real terms from 2006 to 2025, the cost of a family holiday has increased by 12% in real terms. In contrast, a lunchtime meal deal has fallen by 28% in real terms, and the cost of a basic gym membership has fallen by 47% over the same period (due to new budget-friendly gyms).

People in their 30s face particular attainability challenges. Their rate of homeownership has fallen due to rising house prices, a shift towards buying later in life, and rising private rental costs – all of which leave them with far higher housing costs in 2025 than the same age group faced in 2006 (for similar housing). In 2006, adults in their 30s were more likely to be established homeowners who had bought before the house price boom of the late 1990s. In 2025, they are much more likely to still be renting. The housing costs of people in this age group living in a small home in the South-east have increased by 30%, after adjusting for inflation, from £106 per week to £240 per week over the period.

The government has made tackling the cost-of-living a priority, but it could go further. It should make essentials more affordable and ensure fairer prices for other goods and services that are important for participating in society. Our analysis points to the following policies:

- **Cutting energy and water bills would have the proportionately largest impact on attainability for low-earning workers.** A 30% reduction in typical energy bills would see the hours cost for a new low-cost outfit for a chef fall from 18 hours of work to 16 hours of work. The cost of a new two-seater sofa would fall by 15 hours.
- **More social housing for low-wage workers would have an even greater effect.** A retail worker living in the South-east would need to work 26 hours to afford a night out if they were living in a privately rented one-bedroom apartment. In a one bedroom social-rented home, they would only need to work 10 hours, a reduction of 16 hours to afford a relatively small luxury.
- **A systematic review of pricing practices, given changes in market structures and technology.** In recent years the Competition and Markets Authority and consumer rights groups have called out unfair pricing practices, in areas like funeral costs, leasehold service charges, airport drop-off charges, concert ticket pricing, parking charges, and veterinarian charges. The breadth of these cases is concerning, and needs wider review.

Why Attainability Matters

Since taking office, Andy Burnham has set out a suite of cost-of-living policies. So far, these policies have included a small reduction to energy bills and a cut to business rates for pubs, social clubs, and music venues, with promises for more to come.

Addressing the cost of living has been a key feature of politics since the Covid pandemic, despite the pandemic being declared over years ago. But it is key to understand why, however.

On the surface, real average wages have never been higher. Average weekly earnings now stand at £750 per week – although not much higher than the pre-2008 crisis peak of £725. In real terms earnings have been growing by 1.3% per year over the last two years. After a very concerning spike in 2022 and 2023, inflation has fallen down to 2.8%.¹ There is more uncertainty about the future, but to date the economy has proved relatively resilient. Typical household income growth has also been low, but still growing in recent years. Median household income, after housing costs, has grown by an average of 0.7% per year from 2005-06 to 2024-25 (the most recent data available).²

¹ Source: ONS, Real average weekly earnings, data series ID: A3WX.

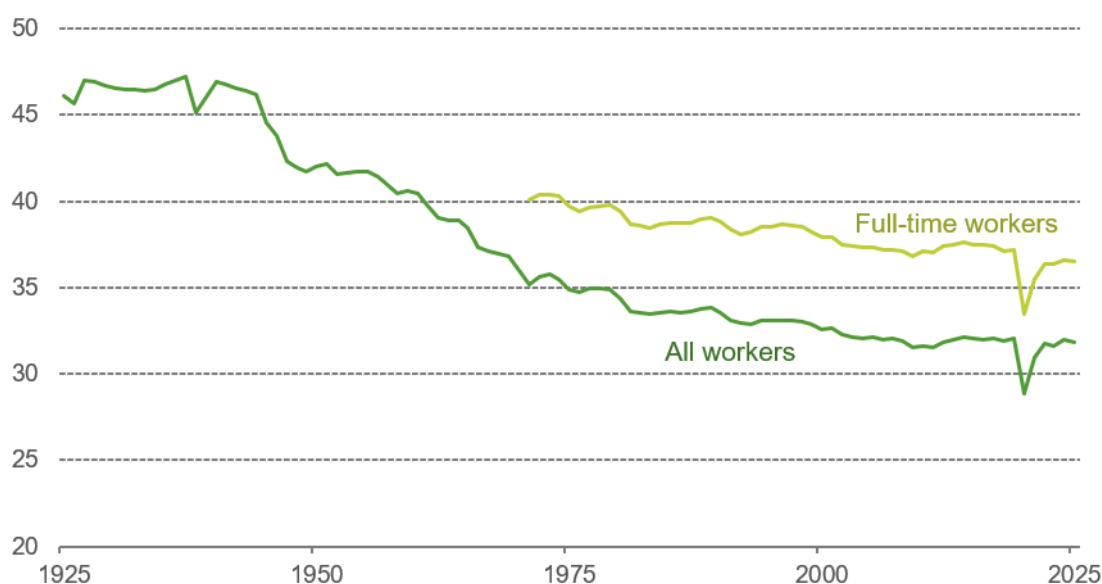
² Source: DWP, Households Below Average Income.

Taking a further step-back, however, reveals a different picture. In the 1960s real earnings grew by 2.9% per year; in the 1970s 3.2%; in the 1980s, 3.4%; before declining slightly to 1.9% in the 1990s, then further declining to 1.5% in the 2000s and 1.3% in the past two years – less than half the earnings growth of the 1960s.³

Similarly, improvements in working hours have all but stalled since the turn of the millennium. As Figure 1 shows, from 1950 to 2000, average hours worked per worker fell from 42 hours per week to 33 hours per week. In the following 25 years to now, that figure has barely changed, now standing at 32 hours per week. Looking at full-time workers, and therefore putting any compositional effects of shifts to part-time working changes aside, the recent change is also the same: average full-time hours worked in 2001 stood at 38 hours per week, and now stands at 37 per week.

Work, work, and always more work?

Figure 1: Average weekly hours worked



Source: Bank of England, A millennium of macroeconomic data for the UK, April 2017, <https://www.bankofengland.co.uk/statistics/research-datasets>; ONS, Hours worked data, data series IDs: YBUS, MGRZ, YBUY.

³ Composite average weekly earnings data deflated by CPI. Source: Bank of England, A millennium of macroeconomic data for the UK, April 2017, <https://www.bankofengland.co.uk/statistics/research-datasets>.

While economic progress has stalled, this has been felt twice over in society. First, improvements, i.e. reductions, in the amount of effort, as measured by working hours, that workers are putting into the economy has not fallen. Seemingly gone is the economic dividend that helps us live more fulfilled lives and work less. Second, despite the continuing hard work that workers are putting in, wage and income growth has stalled, meaning workers are not even receiving much more for the continued work they put in.

The lack of falling hours is not surprising given few actually want to cut back on their working hours. One-in-ten workers (10%) wish to reduce their working hours (although unsurprisingly most wish to keep their current pay). This compares to 9% of workers who wish to work more hours, a figure which has risen by 2 percentage points in the last two years.⁴

The lack of desire to work less is unsurprising given rising cost pressures and a lack of strong earnings growth. The cost of living continues to be the most commonly reported issue facing the UK today.⁵

But what does the cost of living mean for workers? And how does this relate to the hours they work? How does the rising cost of essentials change what people can attain and how they can participate in life? And how are rising prices actually being experienced?

The new Attainability Index looks beyond essential spending to the goods and services that help people participate in and enjoy everyday life – from nights out and holidays to cars, clothes and gym memberships. It measures their cost in hours of work rather than pounds, taking account of taxes and essential living costs.

Measuring Attainability

The Attainability Index (full methodology in the Appendix to this report) captures how attainable participating in life is. To do this it expresses the cost of common consumer items not in terms of price, but in terms of how many hours of work are required to afford this item. This, arguably, better captures how attainable an item or service is. Instead of relying on averages, it very clearly looks at the experience of an individual worker without children. (Box 1 further below considers the case of two non-working individuals: a pensioner and a Universal Credit claimant).

⁴ Source: ONS, EMP16: Underemployment and overemployment, 19 May 2026 release.

⁵ Source: ONS, [Public opinions and social trends, Great Britain: July 2026](#).

To calculate the measure of attainability in hours worked, the Index takes the full-time earnings of a given worker, and works out what the effective hourly pay is after taxes and after life's essentials are paid for. For instance, a full-time minimum wage worker earns £458 per week. After taxes (£61), housing costs (£221 for a one-bedroom flat in the south-east of England), bills (£77), and a basic food shop (£27), that leaves them with £73 per week of spending money for non-essential items to enjoy their life. Per hour worked, that equates to a spending-money wage of £1.94 per hour.⁶ A chef earning slightly above the wage floor had a spending-money wage of £3.23. In contrast, a median-wage accountant has a spending-money wage of £11.74, and a pilot earns £33.27 per hour after taxes and essential costs are accounted for (note all figures are for April 2025). Figure 2 details these values for other example workers.

What are you working for?

Figure 2: Attainability Index: Measures of income before and after taxes and essential spending, April 2025

Income component	Minimum wage worker	Chef	Accountant	Teacher	Pilot
Hourly wage	£12.21	£14.00	£25.84	£29.01	£67.73
Full-time weekly pay	£458	£525	£969	£1,088	£2,540
Taxes	£61	£79	£205	£255	£968
Basic housing costs	£221	£221	£221	£221	£221
Bills	£77	£77	£77	£77	£77
Basic food shop	£27	£27	£27	£27	£27
Remaining weekly spending money	£73	£121	£440	£509	£1,248
Spending-money hourly wage	£1.94	£3.23	£11.74	£13.57	£33.27

Source: Author's calculations. See Appendix for details.

The calculations for the spending-money wage are deliberately simple to ensure comparability. In practice a minimum wage worker is more likely to be living in shared accommodation rather than spend such a large portion of their income on housing. Likewise, a pilot is likely to live in a larger home.

⁶ The Attainability Index focuses on the case of an individual adult worker without dependents. That means no sharing of costs, and no benefit income unless otherwise stated, although these issues are discussed further below. Student loans, pension contributions and other financial obligations are also not accounted for.

The Attainability Index then takes the spending-money wage and compares it to a series of typical consumer items that adults would want to buy to participate in society. It calculates how many hours (or weeks) each worker would need to work to be able to afford each item. Figure 3 shows the results.

At what cost?

Figure 3: Attainability Index: Hours of work to attain selected consumer items, April 2025

Attainability item	Item cost	Min. wage worker	Chef	Accountant	Teacher	Pilot
Night out	£58	30 hrs	18 hrs	5 hrs	4 hrs	2 hrs
Evening out for parents	£75	39 hrs	23 hrs	6 hrs	6 hrs	2 hrs
Games console	£460	6 wks	4 wks	39 hrs	34 hrs	14 hrs
Festival ticket	£315	4 wks	98 hrs	27 hrs	23 hrs	9 hrs
Theme park family ticket	£110	57 hrs	34 hrs	9 hrs	8 hrs	3 hrs
New low-cost outfit	£58	30 hrs	18 hrs	5 hrs	4 hrs	2 hrs
New premium outfit	£526	7 wks	4 wks	45 hrs	39 hrs	16 hrs
Affordable car	£20,975	288 wks	173 wks	48 wks	41 wks	17 wks
Mid-range car	£29,890	410 wks	246 wks	68 wks	59 wks	24 wks
Mid-range smartphone	£599	8 wks	5 wks	51 hrs	44 hrs	18 hrs
Basic two-seater sofa	£449	6 wks	4 wks	38 hrs	33 hrs	13 hrs
High-end three-seater sofa	£1,500	21 wks	12 wks	3 wks	3 wks	45 hrs
Lunch meal deal	£4	2 hrs	1 hr	< 1 hour	< 1 hour	< 1 hour
Restaurant lunch	£11	6 hrs	3 hrs	< 1 hour	< 1 hour	< 1 hour
Basic gym membership	£35	18 hrs	11 hrs	3 hrs	3 hrs	1 hr
Premium gym membership	£110	57 hrs	34 hrs	9 hrs	8 hrs	3 hrs
Budget family holiday	£1,750	24 wks	14 wks	4 wks	3 wks	53 hrs
Premium family holiday	£6,200	85 wks	51 wks	14 wks	12 wks	5 wks
Budget city break	£375	5 wks	3 wks	32 hrs	28 hrs	11 hrs
Premium city break	£1,600	22 wks	13 wks	4 wks	3 wks	48 hrs

Source: Author's calculations. See Appendix for details.

To attain a lunch meal deal, a minimum wage worker will need to work two hours to build up enough spending money. To afford a night out: 30 hours. A new phone: 8 weeks. An affordable car: 288 weeks or five-and-a-half years. A worker on a higher wage clearly needs to work less. A secondary school teacher can attain a night out after working 4 hours, a new phone after 44 hours, and an affordable car after 41 weeks. A higher wage worker even less.

Of course, these figures assume that a worker spends all of their spending-money wage on just one item at a time. In practice it is very unlikely that anyone will save up for a new sofa – or anything else – at the expense of all other spending in their life.

Attainability for benefit recipients

The Attainability Index focuses on the experience of full-time workers, however not all individuals in society are working. Their experience differs from workers in that they don't have a set number of hours that they have worked against which to compare their spending money. However, it is possible to illustratively compare the weekly income of benefit recipients with the weekly spending money of workers.

A pensioner receiving the full new State Pension of £230.25 per week (in April 2025), assuming they own their house outright, will have spending money of £127 per week on the same basis as Figure 2 above. That is £54 per week more – or 73% more – than a minimum-wage worker with housing costs.

A workless person living on the standard allowance of Universal Credit (£92.09 per week in April 2025), would have had spending money of just £15 per week left after paying for essentials (assuming housing costs are paid by the housing element of Universal Credit, and no Council Tax is due). That is £58 a week less than a minimum-wage worker – barely enough money to afford some new clothes every four weeks.

Housing Costs and Attainability

The Attainability Index results so far use a common set of essential-cost assumptions. In reality, these costs vary substantially between people. Housing creates the largest variation because costs depend on where someone lives, the size of their home and whether they rent or own.

Looking at just one occupation, accountants, we can compare the impact of living in different parts of the country, living in different sizes of housing, and renting compared to home-ownership (with a mortgage).

South-east England is much more expensive than the North-west for housing, and assuming a constant wage, this is again reflected in different spending-money wages. After essential costs are paid, a median earning accountant renting a one-bedroom flat in the North-west has a spending-money wage of £13.56 per hour (or £509 per week), 16% higher than if they lived in the South-east (£11.74 per hour or £440 per week). This reflects the higher housing costs: £221 per week for renting a one-bedroom home in the South-east compared to £152 in the North-west.⁷

Homeowners benefit from lower ongoing housing costs, especially those who bought several years ago. Even when including interest costs, new owners of an average flat are likely to pay less in housing costs than a renter – even though the average flat will have more than one bedroom. In the South-east a new flat owning accountant will be paying £15 less per week (£206) than a renter of a one-bedroom property (£221)⁸. An existing owner, who bought the property ten years ago, will pay £66 less each week (£154) than a renter as a result of buying when property prices were lower, and having access to lower mortgage interest rates. The effect is a spending-money wage for an existing owner (£13.50 per hour or £506 per week) that is 15% higher than for a renter (£11.74 per hour or £440 per week), and 11% higher than a new homeowner (£12.13 per hour or £455 per week).

This timing of house purchase effect is especially of note given that young adults are, on average, delaying the purchase of their first home later in life compared to previous generations. As the section below on changing housing costs over time will show, this has had a compounding effect on housing costs – and attainability – as house prices have risen.

⁷ Of course, higher housing costs may in some cases be driving higher pay.

⁸ There is, unfortunately, no consistent data on property prices by number of bedrooms, nor rent data on type of property, so direct comparison between housing costs is not straightforward.

Figure 4 looks at the effect of housing costs on the spending-money wages across different housing situations in more detail.

Room to move?

Figure 4: Attainability Index: spending-money wages for a median earning accountant by selected housing situations, April 2025

	South-east England		North-west England	
Housing situation	Weekly housing cost	Spending money hourly wage	Weekly housing cost	Spending money hourly wage
Private renting one-bedroom	£221	£11.74	£152	£13.56
Social renting one-bedroom	£103	£14.88	£83	£15.40
New owner flat	£206	£12.13	£110	£14.69
Existing owner flat	£154	£13.50	£106	£14.79
Private renting three-bedroom	£345	£8.43	£228	£11.54
Social renting three-bedroom	£132	£14.09	£101	£14.93
New owner semi-detached	£349	£8.30	£168	£13.15
Existing owner semi-detached	£234	£11.37	£146	£13.72

Notes: Assumes owners buy their property with a 10% deposit, and 30-year mortgage. Existing owners defined as having bought their property 10 years ago, now with 25% equity value. Source: Author's calculations. See Appendix for details.

The effect of housing costs on the attainability of any single item is typically small (for instance working an extra hour to buy a clothes outfit), but the cumulative effect adds up. Remembering that on average workers work 37.5 hours per week, having a more expensive housing situation can be the difference between affording a holiday or not over the course of a year. Figure 5 shows the full Attainability Index for each item by housing situation for a typical-earning accountant renting a one-bedroom property or owning a flat.

Early mover advantage

Figure 5: Attainability Index: Hours of work to attain selected consumer items for a median earning accountant by selected housing situations, April 2025

Attainability item	Cost	Private renting one-bedroom	Social renting one-bedroom	New flat owner	10-year flat owner
Night out	£58	5 hrs	4 hrs	5 hrs	4 hrs
Evening out	£75	6 hrs	5 hrs	6 hrs	6 hrs
Games console	£460	39 hrs	31 hrs	38 hrs	34 hrs
Festival ticket	£315	27 hrs	21 hrs	26 hrs	23 hrs
Theme park	£110	9 hrs	7 hrs	9 hrs	8 hrs
Low-cost outfit	£58	5 hrs	4 hrs	5 hrs	4 hrs
Premium outfit	£526	45 hrs	35 hrs	43 hrs	39 hrs
Affordable car	£20,975	48 wks	38 wks	46 wks	41 wks
Mid-range car	£29,890	68 wks	54 wks	66 wks	59 wks
Smartphone	£599	51 hrs	40 hrs	49 hrs	44 hrs
Basic sofa	£449	38 hrs	30 hrs	37 hrs	33 hrs
High-end sofa	£1,500	3 wks	3 wks	3 wks	3 wks
Meal deal	£4	< 1 hour	< 1 hour	< 1 hour	< 1 hour
Restaurant lunch	£11	< 1 hour	< 1 hour	< 1 hour	< 1 hour
Basic gym	£35	3 hrs	2 hrs	3 hrs	3 hrs
Premium gym	£110	9 hrs	7 hrs	9 hrs	8 hrs
Budget holiday	£1,750	4 wks	3 wks	4 wks	3 wks
Premium holiday	£6,200	14 wks	11 wks	14 wks	12 wks
Budget city break	£375	32 hrs	25 hrs	31 hrs	28 hrs
Premium city break	£1,600	4 wks	3 wks	4 wks	3 wks

Notes: Assumes owners buy their property with a 10% deposit, and 30-year mortgage. Existing owners are defined as having bought their property 10 years ago. Source: Author's calculations. See Appendix for details.

Lower-paid workers experience a greater effect of housing costs on attainability. A chef (median gross wage of £14 per hour), who has owned their flat for ten years has a spending-money wage of £5.00 per hour compared to £3.23 if they were renting a one-bedroom home privately. That means they have to work 12 hours to attain a night out as a homeowner compared to 18 hours when renting privately, almost an extra day of work.

Attainability Over Time

Comparing back almost two decades to 2006 – before Covid and before the financial crisis – the Attainability Index looks at the same measure of hours worked needed to purchase given items, but this time with 2006 wages, 2006 prices, and 2006 housing costs.

Looking at the same three occupations from earlier: a chef, an accountant, and a pilot, the Index shows how the attainability of different items has changed over time. The median wage of each occupation has changed by varying degrees over the past two decades: chefs are now paid 115% more (24% more in real-terms), accountants are paid just 42% more (19% less in real-terms), and pilots are paid 134% more (35% more in real-terms).

In comparison to wages, the prices of our consumer goods have also changed by varying degrees. Some item prices have fallen in relative terms: a basic gym membership has fallen in price by 8% (a fall of 47% in real-terms, reflecting the rise of no-frills gyms), the cost of a budget clothes outfit has fallen by 36% (a fall of 63% in real-terms), and a meal deal has increased by 25% (falling by 28% in real-terms). Other items have become more expensive: a night out is 88% more expensive (8% more in real-terms), a budget family holiday has increased in price by 94% (12% in real-terms), while an affordable new car is now 180% more expensive (61% more in real-terms). Box 2 explains how the Attainability Index compares prices over time in more detail.

The Attainability Index puts these wage and price changes together into a single measure of how many hours each worker needs to work to buy each item in 2025 compared to 2006 – shown in Figure 6 below. A chef has to work considerably fewer hours for all the attainability items: in 2006 they would have needed to work 40 hours for a night out compared to 18 hours in 2025, a two-seater sofa took 9 weeks and now takes 4 weeks to earn, and a festival ticket required 158 fewer hours of work in 2025 than in 2006 (from 7 weeks of work to 3 weeks).

This improvement is typical among low-paid workers who have strongly benefited from the rising minimum wage between 2006 and 2025. Over this period the minimum wage increased from £5.05 per hour to £12.21, an increase of 39% after adjusting for inflation.

Among other workers, wage changes are mixed. An accountant has to work more hours for most items as a result of their slower wage growth over the period. In 2006 they needed to work 23 weeks to attain an affordable car compared to 48 weeks in 2025 – an additional 25 weeks. They would also have to work an extra four hours to afford a festival ticket, and an extra week to afford a family holiday. Exceptions are clothing, basic gym membership, and meal deals, where price rises have been relatively low, and are more affordable for an accountant in terms of how many hours they need to work to buy each item. Figure 6 contains further detail.

Stuck in the middle

Figure 6: Attainability Index: Hours of work to attain selected consumer items, April 2006 and April 2025

Attainability item	Item cost			Chef		
	2006	2025	change	2006	2025	change
Night out	£31	£58	+88%	40 hrs	18 hrs	-22 hrs
Evening out	£38	£75	+101%	48 hrs	23 hrs	-25 hrs
Games console	£340	£460	+35%	12 wks	4 wks	-8 wks
Festival ticket	£199	£315	+59%	7 wks	98 hrs	-158 hrs
Theme park	£72	£110	+53%	93 hrs	34 hrs	-59 hrs
Low-cost outfit	£91	£58	-36%	3 wks	18 hrs	-99 hrs
Premium outfit	£524	£526	+0%	18 wks	4 wks	-14 wks
Affordable car	£7,490	£20,975	+180%	257 wks	173 wks	-84 wks
Mid-range car	£15,020	£29,890	+99%	516 wks	246 wks	-269 wks
Smartphone	£330	£599	+81%	11 wks	5 wks	-6 wks
Basic sofa	£250	£449	+80%	9 wks	4 wks	-5 wks
High-end sofa	£1,000	£1,500	+50%	34 wks	12 wks	-22 wks
Meal deal	£3	£4	+25%	4 hrs	1 hr	-3 hrs
Restaurant lunch	£6	£11	+87%	7 hrs	3 hrs	-4 hrs
Basic gym	£38	£35	-8%	49 hrs	11 hrs	-38 hrs
Premium gym	£60	£110	+83%	77 hrs	34 hrs	-43 hrs
Budget holiday	£900	£1,750	+94%	31 wks	14 wks	-16 wks
Premium holiday	£3,000	£6,200	+107%	103 wks	51 wks	-52 wks
Budget city break	£220	£375	+70%	8 wks	3 wks	-4 wks
Premium city break	£1,000	£1,600	+60%	34 wks	13 wks	-21 wks

	Accountant			Pilot		
Attainability item	2006	2025	change	2006	2025	change
Night out	4 hrs	5 hrs	+1 hr	2 hrs	2 hrs	-17 mins
Evening out	4 hrs	6 hrs	+2 hrs	2 hrs	2 hrs	-12 mins
Games console	39 hrs	39 hrs	+23 mins	22 hrs	14 hrs	-8 hrs
Festival ticket	23 hrs	27 hrs	+4 hrs	13 hrs	9 hrs	-4 hrs
Theme park	8 hrs	9 hrs	+1 hr	5 hrs	3 hrs	-1 hr
Low-cost outfit	10 hrs	5 hrs	-5 hrs	6 hrs	2 hrs	-4 hrs
Premium outfit	60 hrs	45 hrs	-15 hrs	34 hrs	16 hrs	-19 hrs
Affordable car	23 wks	48 wks	+25 wks	13 wks	17 wks	+4 wks
Mid-range car	46 wks	68 wks	+22 wks	26 wks	24 wks	-2 wks
Smartphone	38 hrs	51 hrs	+13 hrs	22 hrs	18 hrs	-4 hrs
Basic sofa	29 hrs	38 hrs	+10 hrs	16 hrs	13 hrs	-3 hrs
High-end sofa	3 wks	3 wks	+14 hrs	65 hrs	45 hrs	-20 hrs
Meal deal	20 mins	19 mins	-1 min	12 mins	7 mins	-5 mins
Restaurant lunch	39 mins	55 mins	+16 mins	23 mins	19 mins	-4 mins
Basic gym	4 hrs	3 hrs	-1 hr	2 hrs	1 hr	-1 hr
Premium gym	7 hrs	9 hrs	+3 hrs	4 hrs	3 hrs	-1 hr
Budget holiday	3 wks	4 wks	+1 wks	59 hrs	53 hrs	-6 hrs
Premium holiday	9 wks	14 wks	+5 wks	5 wks	5 wks	-10 hrs
Budget city break	25 hrs	32 hrs	+7 hrs	14 hrs	11 hrs	-3 hrs
Premium city break	3 wks	4 wks	+1 wk	65 hrs	47 hrs	-18 hrs

Source: Author's calculations. See Appendix for details.

Fairly comparing prices over time

Official inflation measures try to compare like with like. If a new car costs more partly because it has better technology, the ONS adjusts for that improvement when measuring inflation. The Attainability Index asks a different question: what does someone actually have to pay to buy a car today? If the cheaper, lower-specification

version is no longer available, its disappearance still makes buying a car less attainable, even if some of the higher price reflects better quality.

The ONS calculation of official inflation statistics attempts to adjust for quality differences to capture the underlying price change. This is not always straightforward, however.⁹ In recent years there have been numerous examples of additional fees and extras being added onto base prices, often when these add-ons were previously available for free.¹⁰ Given this plethora of pricing changes, it is possible that official inflation measures do not always capture the full extent of price changes as experienced by consumers.

The Attainability Index avoids this complexity of measuring quality as it directly compares prices. While this less precisely measures inflation, it does more closely capture the changes in typical price as experienced by consumers. To return to the car example – yes technology improvements mean statistical inflation is lower when comparing like-for-like – but if the previous lower-quality version is no longer available then arguably those quality changes do not matter when considering how attainable the underlying item is.

Instead of making adjustments for quality, the Attainability Index simply looks at the typical price on the basis that this is the cost for participating in this aspect of society. It does not matter if cars have better technology from the perspective of someone who wants a car to reach that milestone in their life. This is not to say that improvements in technology are not important – few people want to ride around in a horse and cart anymore – but in terms of participating in society, quality improvements matter less as everyone benefits from them.

There is a broader question of what would be the cost of a basket of goods and services that would mean an individual can fully participate in society. The closest existing work looking at this is the Minimum Income Standard which looks at the cost of a minimum set of goods and services to live in society.¹¹ It would be interesting to consider what goods and services a typical household needs to fully participate in society.

⁹ See: ONS, [Keeping it consistent – how we quality adjust CPI](#), July 2023; and, ONS, [Consumer Price Inflation \(includes all 3 indices – CPIH, CPI and RPI\) QMI](#), March 2026.

¹⁰ For instance, see: Department for Business and Trade, [Estimating the prevalence and impact of drip pricing](#), September 2023.

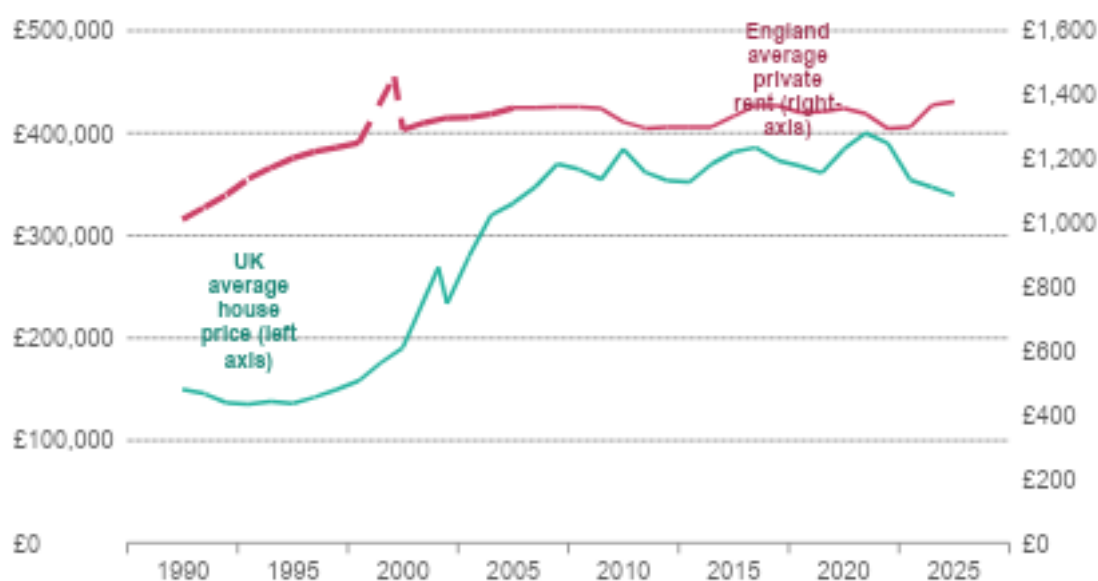
¹¹ Researched by [Loughborough University's Centre for Research in Social Policy](#) and funded by the [Joseph Rowntree Foundation](#).

Changing Housing Costs and Attainability

As a key factor determining attainability of different goods and services, the change in housing costs over time have also had a material impact on attainability over time. Rental costs and mortgage costs have grown over time relative to prices in the UK, with especially high prices now in the South-east and London. Figure 7 shows that average rents have grown by 36% after adjusting for inflation, while house prices have risen by 127%. House prices don't fully reflect the cost of owning a house as interest rates also have a bearing on mortgage costs, but interest rates today are similar to rates in the late-90s and 2000s.

Housed-out?

Figure 7: Inflation adjusted average house prices for the UK and average private rental costs for England, 1990 to 2025



Notes: 2025 prices, adjusted in line with CPIH. Source: ONS, House price simple averages; ONS, CPIH Historical estimates; ONS, Price Index of Private Rents.

When considering the impact of housing costs on attainability of goods and services in a given year, the historical house prices at the point of purchase are more relevant than the house prices at that point in time. For instance, a new owner in 2006 will be paying a mortgage based on the house prices in 2006. In contrast an existing owner in 2006 who bought their property ten years earlier in 1996 will be paying a mortgage based on 1996 house prices – around half the value in real terms.

The relative gain in attainability from home buyers in the 1990s feeding through into relative attainability gains in the mid-2000s was a one-time effect. Home buyers in 2015 did not see the same effect over the first ten years of owning their property: in real-terms house prices have actually fallen from 2015 to 2025.

As well as changing costs of renting and buying, the changing rates of home ownership among adults means the average housing costs will also vary over time as the composition changes over time. This is because renting is typically more expensive than homeownership in terms of monthly housing costs (of course buying a house requires saving up a deposit).

Among adults in their 30s, home ownership has fallen significantly – leading to higher average housing costs. In 2006, 70% of all adults lived in owner-occupied housing – this fell to 65% by 2021. Among younger working-age adults, the change is starker: two-thirds (67%) of adults aged 30 to 39 lived in owner-occupied housing in 2006 compared to just over half in 2021 (52%). Younger adults are now more likely to be renting than in 2006, and when they do become homeowners, it is likely to be later in life.

The combination of higher housing costs and more renters mean that adults in their 30s living in the South-east of England in a two-bedroom or terraced home have seen their housing costs more than double from 2006 to 2025, rising from £106 to £240 per week, an increase of 30% after adjusting for inflation (see Figure 8). This housing effect has made items less attainable.

A median-earning software worker aged 30-39 looking to buy a family holiday with average housing costs in the South-east will find it much less attainable than the previous generation did in 2006 despite wage levels rising broadly in line with inflation over the period.¹² The rise in private rent costs means working 12 more hours (145 compared to 133) to afford a holiday for a two-bedroom renter, and 21 more hours (115 compared to 94) for a 10-year terraced house owner. On average across tenures – adjusting for the ownership composition change - the software worker has to work 20 more hours (131 compared to 111).

¹² Before taxes, median pay for a software developer fell by 1% in real-terms between 2006 and 2025.

No more early birds?

Figure 8: Attainability Index: Hours of work for a median-earnings software developer aged 30 to 39 living in the South-east to attain a family holiday, April 2006 and April 2025

	Year	Private rent 2-bed	New owner terrace house	10-year owner terrace house	Weighted average
Housing costs per week	2006	£165	£208	£61	£106
	2025	£283	£274	£186	£240
	change	+£118	+£66	+£125	+£134
Hours worked to attain a family holiday	2006	133 hrs	160 hrs	94 hrs	111 hrs
	2025	145 hrs	136 hrs	115 hrs	131 hrs
	change	+12 hrs	-23 hrs	+21 hrs	+20 hrs
Tenure weights (for weighted average)	2006	33%	7%	60%	100%
	2025	48%	8%	44%	100%
	change	+15% pts	+1% pts	-16% pts	0% pts

Notes: Housing tenure weights calculated from HBAI data, share of new owners calculated as the change in the share of the population cohort who are owner-occupiers from five years previously. Source: Author's calculations. See Appendix for details.

Other Attainability factors

Housing and other essential costs are not the only other factors that affect attainability of goods and services. The examples above focus on working-age adults without children, and not in receipt of benefits. In practice, low-earning adults with children are likely to receive additional support through Universal Credit, while also having additional outgoings as well. Moreover, low-earning adults without children living in high-housing cost areas – such as London and other cities – are also likely to qualify for housing support as well.

Existing research already shows the impact of policy changes – or lack of changes – to the benefit system on household incomes and there will be a similar effect on attainability for low-earning households too. Uprating of benefits in line with inflation means that – on average – the attainability of goods and services remains the same. However, policies such as the freezing of Local Housing Allowances leads to a rising share of housing costs being funded by individuals on benefits – making life less attainable over time.

Improving Attainability

The government has set out a clear agenda for improving the cost of living. All things being equal this should improve the attainability of goods and services – but by how much? And what else could the government do?

Cutting the cost of essentials

Reducing the cost of essentials, such as reducing energy or water bills, has a direct impact on attainability – especially for low-earning workers.

Reducing energy and water bills by 30% – in effect returning costs back to 2019 levels, means other goods and services become more attainable. For our example single person, the reduction equates to weekly bills of £62 compared to £77 (Council Tax remains unchanged). A minimum wage worker (renting a one-bedroom home in the South-east) would have to work 5 fewer hours to afford a night out, one week less to afford a festival ticket, and 4 weeks less to afford a budget family holiday. A chef earning a typical wage would also find goods and services more attainable: a new low-cost outfit would require 2 fewer hours of work, and a new basic two-seater sofa would cost 15 hours less. Higher paid jobs would also see things become easier to afford, although the relative effect on attainability is smaller.

Figure 9: Attainability Index: Hours of work for selected occupations to afford a range of goods and services with existing energy bills and a 30% reduction in energy bills, April 2006 and April 2025

Attainability item	2025 hours requirement			Change with 30% lower bills		
	Minimum wage worker	Chef	Accountant	Minimum wage worker	Chef	Accountant
Night out	30 hrs	18 hrs	5 hrs	-5 hrs	-2 hrs	-15 mins
Evening out	39 hrs	23 hrs	6 hrs	-7 hrs	-3 hrs	-19 mins
Games console	6 wks	4 wks	39 hrs	-1 wk	-16 hrs	-2 hrs
Festival ticket	4 wks	98 hrs	27 hrs	-1 wk	-11 hrs	-1 hr
Theme park	57 hrs	34 hrs	9 hrs	-10 hrs	-4 hrs	-28 mins
Low-cost outfit	30 hrs	18 hrs	5 hrs	-5 hrs	-2 hrs	-15 mins
Premium outfit	7 wks	4 wks	45 hrs	-1 wk	-18 hrs	-2 hrs
Affordable car	288 wks	173 wks	48 wks	-49 wks	-19 wks	-2 wks

Mid-range car	410 wks	246 wks	68 wks	-70 wks	-27 wks	-3 wks
Smartphone	8 wks	5 wks	51 hrs	-1 wk	-1 wk	-3 hrs
Basic sofa	6 wks	4 wks	38 hrs	-1 wk	-15 hrs	-2 hrs
High-end sofa	21 wks	12 wks	3 wks	-4 wks	-1 wk	-6 hrs
Meal deal	2 hrs	1 hr	19 mins	-20 mins	-8 mins	-1 min
Restaurant lunch	6 hrs	3 hrs	55 mins	-57 mins	-22 mins	-3 mins
Basic gym	18 hrs	11 hrs	3 hrs	-3 hrs	-1 hr	-9 mins
Premium gym	57 hrs	34 hrs	9 hrs	-10 hrs	-4 hrs	-28 mins
Budget holiday	24 wks	14 wks	4 wks	-4 wks	-2 wks	-7 hrs
Premium holiday	85 wks	51 wks	14 wks	-15 wks	-6 wks	-1 wk
Budget city break	5 wks	3 wks	32 hrs	-1 wk	-13 hrs	-2 hrs
Premium city break	22 wks	13 wks	4 wks	-4 wks	-1 wk	-7 hrs

Source: Author's calculations. See Appendix for details.

Social housing

The impact of lower household bills on attainability is dwarfed by the effect of living in social housing. In the South-east, a one-bedroom social housing home costs £103 per week, less than half the equivalent private rented sector cost (£221). The impact on attainability is stark: for a retail worker (median gross wage £12.61), living in social housing means working for 10 hours to afford a night out compared to working for 26 hours if living in private rented accommodation. A chef would have to work for 5 hours instead of 9 to afford a basic monthly gym membership. A car also becomes attainable: costing a total of 80 weeks of work instead of 145 weeks. Figure 10 contains more details for different goods and services.

Figure 10: Attainability Index: Hours of work for selected occupations living in a one-bedroom flat privately rented and socially rented in the South-east to afford a range of goods and services, April 2025

Attainability item	Retail worker			Chef		
	Renting privately hours required	Social renting hours required	Change	Renting privately hours required	Social renting hours required	Change
Night out	26 hrs	10 hrs	-16 hrs	15 hrs	8 hrs	-7 hrs
Evening out	34 hrs	13 hrs	-21 hrs	20 hrs	11 hrs	-9 hrs
Games console	5 wks	77 hrs	-129 hrs	3 wks	66 hrs	-54 hrs
Festival ticket	4 wks	53 hrs	-89 hrs	82 hrs	45 hrs	-37 hrs
Theme park	49 hrs	18 hrs	-31 hrs	29 hrs	16 hrs	-13 hrs
Low-cost outfit	26 hrs	10 hrs	-16 hrs	15 hrs	8 hrs	-7 hrs
Premium outfit	6 wks	88 hrs	-148 hrs	4 wks	75 hrs	-61 hrs
Affordable car	250 wks	93 wks	-157 wks	145 wks	80 wks	-65 wks
Mid-range car	357 wks	133 wks	-224 wks	207 wks	114 wks	-93 wks
Smartphone	7 wks	3 wks	-4 wks	4 wks	86 hrs	-70 hrs
Basic sofa	5 wks	75 hrs	-126 hrs	3 wks	64 hrs	-52 hrs
High-end sofa	18 wks	7 wks	-11 wks	10 wks	6 wks	-5 wks
Meal deal	101 mins	38 mins	-63 mins	58 mins	32 mins	-26 mins
Restaurant lunch	5 hrs	2 hrs	-3 hrs	3 hrs	2 hrs	-1 hr
Basic gym	16 hrs	6 hrs	-10 hrs	9 hrs	5 hrs	-4 hrs
Premium gym	49 hrs	18 hrs	-31 hrs	29 hrs	16 hrs	-13 hrs
Budget holiday	21 wks	8 wks	-13 wks	12 wks	7 wks	-5 wks
Premium holiday	74 wks	28 wks	-46 wks	43 wks	24 wks	-19 wks
Budget city break	4 wks	63 hrs	-105 hrs	97 hrs	54 hrs	-44 hrs
Premium city break	19 wks	7 wks	-12 wks	11 wks	6 wks	-5 wks

Source: Author's calculations. See Appendix for details.

Unfair price rises

The cost of household bills, while difficult for household finances, is at least explainable. There have in recent years been a wide range of other price rises which have been significantly above inflation with little real explanation. Funeral costs, leasehold service charges, airport drop-off charges (which previously didn't exist at all), higher prices for monthly contracts compared to annual contracts, surge-pricing for concert tickets, parking charges (and fines), and veterinarian charges, are all examples cited by government and the Competition and Markets Authority (CMA) in recent years as prices have increased faster than inflation.¹³

They point to many individuals who are often paying much more for services than previously. With recent findings by the CMA of unfair pricing practices, there is at least a sense of widespread unfair pricing practices – even if these are limited to select parts of the economy.

The government might consider a broader review in pricing of consumer goods throughout the economy, and question whether a presumption of price competition is correct given changes in market structure and technology. For instance, there is increasing evidence that online shopping platform concentration is reducing competition and increasing prices for consumers.¹⁴

A future where people can choose to work less

This report has focussed on attaining goods and services that enable individuals to more fully participate in life and society – be that going on a night out, buying a car, or going on holiday. This focus on goods and services, however, the things we buy, has excluded one of the most important things we consume: leisure time.

Economic progress should give people more than higher consumption: it should also give them greater control over their time. A higher standard of living means being able to afford

¹³ See, for example: <https://www.gov.uk/government/news/cma-launches-funerals-market-investigation>
<https://www.london.gov.uk/who-we-are/what-london-assembly-does/london-assembly-work/london-assembly-current-investigations/leasehold-charges>
<https://www.fca.org.uk/publications/corporate-documents/roadmap-retail-insurance>
<https://www.gov.uk/government/news/fairer-parking-drive-as-governments-crackdown-on-unjust-charges>
<https://www.gov.uk/government/publications/veterinary-services-for-household-pets-final-decision-report>

¹⁴ Source: <https://www.gov.uk/government/publications/online-choice-architecture-how-digital-design-can-harm-competition-and-consumers/evidence-review-of-online-choice-architecture-and-consumer-and-competition-harm>.

the things that make life enjoyable, while also having the option to work less and spend more time with family, friends and at leisure.

The improvements of the past have stalled in recent years. Figure 1 above shows that working hours have not fallen in the past quarter of a century. Added to this, evidence shows that working-age adults are spending less time at leisure in recent years than around 50 years ago. In the 1970s, men and women both enjoyed an average of 6 hours of leisure time per day, a figure that fell to 5 and a half hours for men and under 5 hours for women by 2014-15.¹⁵

Improving individual lives should be about improving participation across different aspects of life, be that being able to afford the things that make people feel like they are participating more in society or being able to spend more time relaxing with family and friends.

¹⁵ Source: <https://www.resolutionfoundation.org/publications/the-time-of-your-life/>

Appendix: Methodology and Data

Summary of methodology

The Attainability Index is calculated by looking at the number of hours an individual has to work to purchase items. Instead of looking at gross wages – or indeed net wages after taxes – the index looks at a spending-money (or after-essentials) wage. This means an effective wage is calculated for the individual after personal taxes, housing costs, household bills, and a basic food shop are deducted. The index recognises that these costs are not fixed, and so allows for varying costs. As these additional costs occur weekly, monthly, or annually, they are shared out across the hours worked by the individual, which are assumed to be 37.5 hours per week.

A simple example follows (additional details are provided further below).

An individual earning a wage of £25.84 per hour (the median accountant wage in 2025), working 37.5 hours per week, earns £969 per week, or £50,526 per year (with 365 days per year).

Income tax in the 2025-26 tax year (which we use for the 2025 calculation) amounts to £7,643. Employee National Insurance amounts to £3,026. Annual net pay is therefore £39,857, or £764 per week.

Housing costs are deducted, for a privately-rented one-bedroom home in the South-east of England at a cost of £221.

Household bills are also deducted: £38 per week for energy, £12 for water, and £27 for Council Tax. A basic food shop cost is deducted too at a cost of £27 per week.

After these essential costs are paid, the individual is left with a weekly income of £440. Dividing this by the number of hours worked equates to a £11.74 per hour spending-money wage.

This spending-money wage is then compared to the cost of a given non-essential item to work out how many hours that individual needs to work to attain it. For instance, a festival ticket cost of £315 in 2025 would require working for 27 hours – three-quarters of a working week.

Another way of thinking about the calculation is how long would it take to save up to purchase the item, after all essential living costs had been paid for.

Wages data

Wages data is taken from the ONS' Annual Survey of Hours and Earnings (ASHE), which surveys employers on approximately 1% of the employee workforce, around 300,000 employees, across the UK, drawn from HMRC records. Employers are asked to report the job of the individual which is classified by the ONS' standard occupational classification (SOC). From this data, the median gross hourly wage, including overtime, is taken – which relates to April for each year.

Data for 2025 is taken as is, while data from 2006 is adjusted to account for changes in the occupational classification between 2006 and 2025. This adjustment is completed by using the occupational comparison table for when the occupational classification changed (once in 2010, and once in 2020). These occupational changes are to reflect changes in the economy and ensure the ASHE data remains relevant for new occupations that emerge over time. Occupational comparison tables show how the different definitions relate: for instance, 85% of the marketing, sales and advertising directors in the SOC 2020 grouping were classified under the marketing and sales directors SOC 2010 grouping, while the remaining 15% were classified as advertising and public relations directors. To create a comparable wage from earlier years data, a weighted average of the SOC 2010 wages is therefore taken to directly compare to the new SOC 2020 wage data.

For most occupations the mapping between different SOC groupings is relatively straightforward, and therefore the comparison between different years is likely to be relatively accurate. However, those occupations that have significantly changed in meaning, or simply didn't exist in 2006, may not have a clear comparison. Some other occupations which have diminished in population over time have also been amalgamated in the SOC data, also making classifications more difficult. Where these quality concerns are an issue then we do not use the wage data for that occupation in the Attainability Index.

Taxes and National Insurance rates are applied as reported by HMRC for the respective years – using the rates for the tax year that applies in the April of each year, i.e. the rates for the 2006-07 tax year are used to calculate the taxes for the 2006 wages.

For simplicity the calculation assumes the worker has no other income and it does not account for pension contributions or student loan deductions which would otherwise lower the post-tax income received. While pension contributions are the norm in 2025, the situation is more complicated in 2006. For this reason, we also use the full National

Insurance rates in 2006 (i.e. not the contracted-out rates). In practice many public sector workers in 2006 are very likely to have been paying into a pension and paying a reduced rate of National Insurance, although this is much less clear for other workers.

Housing costs data

Housing cost data is sourced from ONS data on private rents and house prices, the Regulator of Social Housing's Local Authority Data Return for social rents, and Bank of England data on mortgage rates.

Private sector rents

The ONS Price Index of Private Rents data is used for private rent data, detailing one-, two-, and three-bedroom homes in the South-east and North-west of England. For 2025, the data is taken directly. For 2006, the data does not detail rents by number of bedrooms, so the ratio of rents in 2015 (the first year such data is available), is multiplied by the average rent for each region in 2006. These ratios are very consistent within each region over time (varying by only 2 percentage points from 2015 to 2025), so this estimate is likely to be fairly accurate.

Social sector rents

The Local Authority data collated by the Regulator of Social Housing compiles information on average rents by number of bedrooms with and without supported housing (which is typically at much higher cost than other social housing). The non-supported-social housing costs are averaged (without weighting) across local authorities in the South-east and North-west to provide regional rents by number of bedrooms.

The latest social rent data from local authorities is for 2024, so this data is uprated by the government's maximum permitted social rent increase in April 2025, to calculate 2025 rents.

The social rent data is not available for 2006 (at least not in a readily available format). Therefore, data on average social rents is taken from DWP's Households Below Average Incomes data for 2006 and 2025 by region to calculate the change in social rents over the period and estimate social rent costs by number of bedrooms in 2006. The HBAI data on changes in social rents closely match the social rent increase set by central government each year, suggesting this is relatively accurate. However, changes in the stock of social housing over this time (for instance fewer three-bedroom social rents) may have an effect on the data. Given this the social rents calculated for 2006 were cross-referenced against

web-scraped information on social rents for the two regions which suggested the estimates were within 10%.

Mortgage costs for homeowners

Mortgage costs for homeowners are calculated using ONS house price data, and average mortgage costs from Bank of England data. Mortgage costs are calculated for 2006 and 2025 for a new home-owner and an existing home-owner who purchased their home ten years previously (i.e. in 1996 and 2015).

House price data is not readily available by number of bedrooms and by regions, so instead house price data by type of dwelling is used (e.g. flat, terraced house, semi-detached, and detached). The lack of direct comparison with rent data is unfortunate. Even if possible, however, there would still likely be other compositional effects such as rented accommodation being more prevalent in towns and cities.

Mortgage costs are calculated using the relevant house price at point of purchase, multiplied by a loan-to-value ratio at point of purchase of 95%, and taking a monthly mortgage payment assuming two-year fixed mortgage rate for a total mortgage length of thirty years. The existing home-owner is assumed to have a loan-to-value ratio of 75% after ten years, and therefore has a lower mortgage rate. Note that the whole mortgage payment is taken as the housing cost – as that is how individuals experience their housing costs.

In practice, many home-owners may have a larger deposit and they may move to a larger or smaller home later in life with a higher or lower mortgage cost.

Other essential costs data

Other essential costs include: energy bills, water bills, Council Tax, and an amount for an essential weekly food shop. Household bills are shared by the household, which may be one or more adults. The Attainability Index looks at a single-person household – in practice an adult sharing a household will have lower bills.

Energy and water bills data for 2025 are taken from ONS Family Expenditure data, looking at average spending on these items per household (item 4.4 for energy and item 4.3.1 for water). These costs are then deflated correspondingly by the relevant ONS inflation index (which uses the exact same expenditure categories). This approach captures changes in the price of energy and water, and not any changes in consumption trends. No adjustment is made for household size which is likely to slightly over-estimate the cost of bills for a

single-person household (breakdowns on spending by household composition are not readily available).

Food spending is also taken from the ONS Family Expenditure data (item 1). In contrast to bills, the amount spent on food per household is divided by the average household size to reflect that food costs are likely to scale proportionally by the number of adults.

Council Tax costs are taken directly from published government tables on average Council Tax rates across England. A Band B Council Tax bill is used, with a 25% single-person occupancy discount applied.

No other essential costs are included, although arguably a mobile phone contract and/or internet cost could also be included – although the cost is relatively low compared to other expenditures.

Price data

Where possible, price data is taken directly from the ONS price quotes data which compiles the majority of the price data collected for the Consumer Prices Index statistics. Where this is not taken, additional price data is collected through web-scraping with the assistance of large language models. The exact source of the additional data is stated below, and in all cases the change over time is benchmarked to the relevant ONS price index.

ONS price quotes data

The median price from each item listed in the price quotes is taken from the list of prices collected in the second quarter of 2025 (April, May and June prices). The earliest publication of price quote data is 2010, so this data is deflated by the relevant COICOP inflation index to attain a list of 2006 prices.

This approach of using actual price data as close to 2006 as possible ensures the index captures the total change in prices, capturing quality changes as well as underlying price changes. As explained in the main policy report this is a fairer reflection of how the attainability of an item has changed over time: it is the actual price of something that matters, the change in quality of the item is a separate issue.

Additional price data

ONS price quote data is not available for a number of items consistently, for instance car prices, holidays, gym membership. The data for these prices are web-scraped using large language models using the following sources for each item:

- Theme park family ticket – taken from archived webpages from a major theme park.
- Car prices – taken from an automotive car valuation website (taxpot.co.uk).
- Sofa prices – taken from archived webpages of a large UK furniture retailer, using the same make and model in both 2006 and 2025.
- Lunch meal deal – reported cost of a meal deal from a large UK retailer from various news articles.
- Gym membership – sourced from several online discussion forums discussing gym membership prices across the UK.
- Holiday prices – sourced from a combination of discussion forums, newspapers and archived travel agent web pages. The price of a family holiday explicitly considers the typical cost for a family of four looking for a budget-friendly holiday and willing to book flights and accommodation themselves, during the summer school holidays. The cost does not include spending money.

Composite items

Other items' prices are taken as the sum of several different items to produce a combined item. These composite items are a reflection of the broader set of goods and services that comprise a single item, not an exact list. For instance, the night out and the new outfit contain a selection of items that represent costs for both men and women. The inclusion of hair gel in a night out is not to say that a new hair gel is bought every night out, but that it represents having to buy a new personal care item every now and then, be that aftershave, make-up, or hair gel.

- A night out comprises: a pint of beer, a glass of wine, a vodka shot and a mixer, a kebab, a two-mile minicab fare, a haircut, a manicure, a lipgloss, and some hair gel.
- An evening out for parents: car parking for three hours, babysitter for three hours, two restaurant meals including dessert, and two glasses of wine.
- A festival: the main festival ticket, a tent, a sleeping bag, 12 cans of lager, and some sunscreen.
- A new outfit: a handbag, a shirt, a pair of boots, a dress.

Premium and basic prices

For some of the ONS price data, prices are detailed for a basic version and a premium version of the product. For ONS price quote data, the price of a basic version of the product is taken as the price at the 25th percentile of the prices in the price quote data, while the premium price is taken at the 90th percentile of prices.

About this work:

NEF is a charitable think tank. We are wholly independent of political parties and committed to being transparent about how we are funded.

This work was funded by Best for Britain. The author is especially grateful for conversations with Cal Roscow (Best for Britain) and George Bangham (New Economics Foundation) in preparing this report, as well as others involved in the project. All errors remain the author's own.

Registered charity number 1055254
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Published by:

Best for Britain Limited, October 2026
36-38 Cornhill, London, EC3V 3NG
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ISBN 978-1-0654205-2-1

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Published and promoted by Cary Mitchell on behalf of Best for Britain Limited at International House, 36-38 Cornhill, London EC3V 3NG

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