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24.26 Income/Disposable income per capita

Project Name: CONNECTING Nature (Grant Agreement no. 730222)

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Income / Disposable Income per Capita	New Economic Opportunities and Green Jobs
Description and justification	This indicator provides information about the change in individual's incomes living in proximity to the NBS. Although not a providing a complete picture – this information will provide input into assessments of the extent to which people are being pulled out of poverty and income inequality is being addressed in the vicinity of the NBS.
Definition	'Income' is defined as the total monetary payments received for labour, use of an individual's capital/land and any financial transfers (state or otherwise) over a specified period (usually one year). This measurement may also be called 'Gross Income'. 'Disposable income' is the amount of income remaining minus taxes and social security payments. Note that 'Discretionary Income' is a third measure that is often found in public reports on income levels and this is calculated as Disposable Income minus 'Necessary Expenses'. Necessary expenses may be defined differently in different jurisdictions and so this is not included in the indicator as measurements would not be comparable. Finally, Income/Disposable Income per Capita is the average of total incomes across the relevant population.
Strengths and weaknesses	+ The indicator is widely reported and generally understood

	+ The indicator is a meaningful and comparable at multiple levels of aggregation
	- The causal relationship between the NBS and per capita incomes may be difficult to establish
	- The geographic scale at which the data is available may not be adequate for reporting NBS impact
Measurement procedure and tool	Income/Disposable Income per Capita are regularly calculated and reported by national statistics offices based on income reported to Revenue Offices. The specific components of Income / Disposable Income are
	Income = I_e (Income from Employment) + I_l (Income from Land) + I_c (Income from Capital invested) + Is (Income from state or other transfers).
	Disposable Income = I (Income) − T (taxes, including social security payments)
	Income per Capita is calculated by dividing total income for all persons living in the area by the total number of persons. Note that *Disposable Income per Household* may also be reported, which is total income for all persons divided by total number of households.
	Determining Incomes per Capita for a given area in proximity to an NBS will involve establishing the appropriate 'buffer zone' around the NBS and determining the relevant source for Income & Population data at that scale.
	Understanding and identifying the buffer zone surrounding NBS and determining the relevant geographic area from which to report GDP is a critical component of this indicator. It may be useful to define the area surrounding the NBS similarly as defined in the indicator *Distribution of public green space*, e.g., land or properties with a 5 min walk from NBS (Madureira et al., 2011). Alternatively, proximity of land or property to NBS could be defined similarly to urban green space accessibility as in the indicator *Accessibility of urban green spaces*, i.e., land or businesses within a 300-500 m distance from NBS (Tamosiunas et al., 2014).
	From a data availability standpoint, however, it is likely to be more convenient to define the impact area in relation to existing administrative boundaries for which Income data is already reported. Note that administrative areas are often established

| | based on population numbers (e.g., electoral districts, community healthcare zones, etc.). This means that the economic data is available for pre-defined geographic areas that may – or may not – align with the expected impact 'buffer zone' or be comparable to other impact indicators' geographic span of impact.

Therefore, it may be necessary to assess the proportion of a given administrative area's population / economy that is affected by the NBS in order to use existing data to represent overall impact. In Connecting Nature, we are trialling an approach that will establish thresholds of geographic coverage to determine what proportion of a given administrative area's measurements to include / what weight to assign. Our initial approach will be to set a maximum threshold of geographic coverage above which the entire administrative area's measurements will be included and a minimum threshold below which the area will not be included in the indicator measurement at all. In between these thresholds, it will be up to the relevant measurement body and NBS promoter to assess the relevant proportion of the population in the administrative area to include in the overall measurement.

The type and size of a given NBS, and the different economic and/or recreational opportunities and aesthetic values associated with the NBS, will largely determine the extent (in distance, population size and/or time) and magnitude of its impact on the affected community. |
|---|---|
| **Scale of measurement** | Regional - National |
| **Data source** | |
| **Required data** | Total Income / Disposable Income and Population in a given area |
| **Data input type** | Quantitative |
| **Data collection frequency** | Annually (actual data) and quarterly (estimated) |
| **Level of expertise required** | Moderate |
| **Synergies with other indicators** | Synergies with *GDP, Jobs and Skills & related earnings increase* indicators. |
| **Connection with SDGs** | SDG 1 No Poverty; SDG 8 Decent Work and Economic Growth; SDG 10 Reduced Inequality |
| **Opportunities for** | No opportunities identified |

participatory data collection	
Additional information	
References	Eurostat (2010) European System of National and Regional Accounts (2010), EU – may be accessed at https://ec.europa.eu/eurostat/documents/3859598/5925693/KS-02-13-269-EN.PDF/44cd9d01-bc64-40e5-bd40-d17df0c69334 Klasen, S., 2008. Economic growth and poverty reduction: Measurement issues using income and non-income indicators. World development, 36(3), pp.420-445 Milanovic, B., 2006. Global income inequality: What it is and why it matters. The World Bank.

24.26.1 Monthly disposable income

Project Name: proGIreg (Grant Agreement no. 776528)

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Monthly disposable income	New Economic Opportunities and Green Jobs
Description and justification	We would like to know whether the monthly disposable income of the in the area of intervention where the NBS are being implemented is changing and which manner. Essentially we'd like to know whether people in the neighbourhood are better off financially as the years go by. We will be getting this information from the General Questionnaire where we ask 2 questions that will help to calculate this indicator. Questions 44 asks how many people in the household make an income. Question 45 asks the respondent what is the net income per month of all members of the household together. Net income is explained to the interviewers in the guidelines as their income after labour taxes have been discounted. This amount would general coincide with the paycheck that gets transferred/deposited monthly in the participant's account. If the participant is self-employed, the interviewer is suggested to ask them to calculate their approximate average monthly earnings after taxes. The per capita amount will be obtained by dividing the answer given to answer 45 by the number of members of the household (Q8 of the GQ)
Definition	We will assume the definition offered by Eurostat for monthly disposable income.