

Measuring national well-being

Measuring what matters

National Statistician's Reflections on the National Debate on Measuring National Well-being

Official Statistics

ONS official statistics are produced to the high professional standards set out in the Code of Practice for Official Statistics.

About us

The Office for National Statistics

The Office for National Statistics (ONS) is the executive office of the UK Statistics Authority, a non-ministerial department which reports directly to Parliament. ONS is the UK government's single largest statistical producer. It compiles information about the UK's society and economy, and provides the evidence-base for policy and decision-making, the allocation of resources, and public accountability. The Director-General of ONS reports directly to the National Statistician who is the Authority's Chief Executive and the Head of the Government Statistical Service.

The Government Statistical Service

The Government Statistical Service (GSS) is a network of professional statisticians and their staff operating both within the Office for National Statistics and across more than 30 other government departments and agencies.

Contacts

This publication

For information about the content of this publication, contact the National Well-being team Tel: 01633 455010 Email: nationalwell-being@ons.gsi.gov.uk

Other customer enquiries

ONS Customer Contact Centre Tel: 0845 601 3034 International: +44 (0)845 601 3034 Minicom: 01633 815044 Email: info@statistics.gsi.gov.uk Fax: 01633 652747 Post: Room 1.101, Government Buildings, Cardiff Road, Newport, South Wales NP10 8XG www.ons.gov.uk

Media enquiries

Tel: 0845 604 1858 Email: press.office@ons.gsi.gov.uk

Copyright and reproduction

© Crown copyright 2011

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence.

To view this licence, go to: www.nationalarchives.gov.uk/doc/open-governmentlicence/

or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU

email: psi@nationalarchives.gsi.gov.uk

Any enquiries regarding this publication should be sent to: info@statistics.gsi.gov.uk

This publication is available for download at: www.ons.gov.uk

Contents

Foreword	2
Introduction	3
Chapter 1: What is national well-being?	4
Chapter 2: Why measure national well-being and who will use the measures?	9
Chapter 3: Measuring national well-being	15
Chapter 4: Partnerships and next steps	20
References	
Notes	25

List of Figures

Figure 1	Commonly used words in the national well-being debate	7
Figure 2	International timeline	10
Figure 3	Developing a set of measures of national well-being	15

'I think well being is related to having a fairer distribution of wealth, greater social mobility and being able to slow the pace of life'

Foreword

On 25 November 2010, I accepted an invitation from the Prime Minister, David Cameron, to develop measures of national well-being and progress. I am convinced that this is something that can only be done with an understanding of what matters most to people in this country.

In response to this invitation, the Office for National Statistics (ONS) undertook a national debate on 'what matters to you?' between 26 November 2010 and 15 April 2011. I was impressed by the number of people who were willing to take part in discussions and also by the depth of responses. In total, ONS held 175 events, involving around 7,250 people. In total the debate generated 34,000 responses, some of which were from organisations and groups representing thousands more. The quotes on each page of this report were taken from online contributions, where permission was given to reproduce the participant's words anonymously. I am grateful to everyone who took the time to take part in the debate, and to those who organised and hosted events.

The debate has helped us identify the key areas that matter most and will help to ensure that the measures we use will be relevant not only to government but also to the wider public. This is crucial to allow for effective development and appraisal of policy for individuals to use information to identify ways of improving well-being, and to allow for assessment of how society is doing overall.

The term 'well-being' is often taken to mean 'happiness'. Happiness is one aspect of the well-being of individuals and can be measured by asking them about their feelings – subjective well-being. As we define it, well-being includes both subjective and objective measures. It includes feelings of happiness and other aspects of subjective well-being, such as feeling that one's activities are worthwhile, or being satisfied with family relationships. It also includes aspects of well-being which can be measured by more objective approaches, such as life expectancy and educational achievements. These issues can also be looked at for population groups – within a local area, or region, or the UK as a whole.

Developing better measures of well-being and progress is a common international goal and the UK is working with international partners to develop measures that will paint a fuller picture of our societies. This is a long-term programme and I am committed to sharing our ideas and proposals widely. This will help to ensure that UK well-being measures are relevant and founded on what matters to people, both as individuals and for the UK as a whole as well as being reliable and impartial and serving to improve our understanding of UK society.

This report summarises the contributions made to the debate and explains how ONS is using the findings to develop measures of national well-being. I look forward to your further comments and advice in response to this report. These should be sent to nationalwell-being@ons.gov.uk.

Jil Matheson

National Statistician

'You are measuring national well being in the UK which is made up of 60m individuals, so the focus needs to be on how well they are growing and changing, in the right direction'

Introduction

In 2010 ONS launched a programme of work on measuring national well-being. The aim of the programme is to develop and publish an accepted and trusted set of National Statistics which help people to understand and monitor national well-being. It will put together traditional economic measures such as Gross Domestic Product (GDP), with those which reflect the social and environmental aspects of society, including subjective well-being.

The first phase of the programme was the national debate which ended on 15 April 2011. The purpose of this document is to summarise the key findings from the debate and outline the next steps in the measurement of national well-being. The report will be of interest to policy makers, academics, experts and members of the public with an interest in the subject of well-being. More detailed findings are available in a series of supplementary papers.

The debate was set up to gather views on what matters to people and what influences their wellbeing. The findings are presented across four chapters. Chapter 1 summarises what we learned about what matters and how national well-being will be defined. Chapter 2 sets out the policy and international need for measures of national well-being, and highlights how measures may be used. Chapter 3 summarises how measures of national well-being will be developed and agreed. Chapter 4 outlines how work on measuring national well-being will be taken forward. Some work has already started, including:

- research into measuring national well-being and the development of an outline framework using research and responses to the national debate (see Chapter 1)
- working in collaboration with international organisations and other countries (see Chapter 2)
- inclusion of questions on subjective well-being in the ONS Integrated Household Survey (IHS) (see Chapter 3)
- proposals on the way we will select and evaluate measures of national well-being, to be published on the ONS website (see Chapter 3)
- working with others including policy makers and academics (see Chapter 4)

The following supplementary papers can be found online at <u>www.ons.gov.uk/well-being/wellbeing/understanding-wellbeing/index.html</u>:

- findings from the national well-being debate
- developing a framework for understanding and measuring national well-being
- · measuring children's and young people's well-being
- measuring subjective well-being
- measuring economic well-being

'National well-being is not just a case of economic or health success, or even the environment. Well-being is a measure of every sphere of life'

Chapter 1: What is national well-being?

The well-being of the nation, 'national well-being', is influenced by a broad range of factors including economic performance, the state of the environment, sustainability, equality, quality of life, as well as individual well-being. Information is already available to help assess the state of the economy, the environment and other social and economic factors but little is known about what really matters to individuals, when assessing first their own lives, and the country as a whole.

ONS set up the national debate asking 'What matters to you?' This question was designed to get a wide range of views on what is important to individual and national well-being so that new ONS measures could reflect these aspects. The debate included discussions with academic and other experts who have already worked on aspects of measuring well-being. The range of responses shows strong interest in this area and support for being able to measure it.

The national debate

The debate ran between 25 November 2010 and 15 April 2011 and was conducted both online and at events around the UK. The debate was structured around a consultation paper, which asked five main questions:

- what things in life matter to you?
- of the things that matter to you, which should be reflected in measures of national well-being?
- which of the following sets of information do you think help measure national well-being and how life in the UK is changing over time?
- which of the following ways would be best to give a picture of national well-being?
- how would you use measures of national well-being?

ONS received over 7,900 responses to the consultation paper in the form of completed questionnaires, including more than 50 responses from organisations. As part of the debate, ONS also established a <u>national well-being website</u>ⁱ. This allowed people to write their views about measuring national well-being or comment on other people's views. These included regular ONS and guest blogs and comments from contributors on topical issues that matter to people's well-being. During the debate this site generated almost 17,700 visits and comments from 1,200 people. We also worked with existing online communities to continue the discussion, including holding a two-week discussion in the <u>Netmums' Coffee House forum</u>ⁱⁱ. We also reviewed contributions in wider social media and discussion forums.

In addition to online participation we set up and promoted a dedicated phone line that people could ring for further information about the debate. Contributions could also be made via dedicated postal and email addresses. For people who did not have enough time to complete a full questionnaire,

'If you are serious about measuring well-being, the measures and indicators need to be meaningful and make sense to ordinary people and they need to lead to action/change. No point in having a measure for its own sake'

4

we provided pre-paid postcards that could be completed quickly. We also met with various experts and established a <u>National Statistician's Advisory Forum</u>ⁱⁱⁱ and a <u>Technical Advisory Group</u>^{iv}. In total we received around 34,000 contributions to the debate from the various sources mentioned here.

We also held 175 events across the country involving a range of groups involving 7,250 people. These groups included:

- academics and university students
- charities
- disability groups
- employers
- ethnic minorities
- hospital patients and carers

people with health issues

people living in sheltered accommodation

- religious groups
- retired people
- school children

young adults

- well-being experts
- other government departments

• parents, including vulnerable mothers

• youth affected by mental health issues

Key findings

ONS has analysed the responses to the debate and the detailed findings can be found in the supplementary paper about the debate's findings. The results reflect the views of those who participated in the debate. It was not a statistical exercise and so the findings are not necessarily representative of the UK population as a whole: nevertheless the debate did generate a wide range of views from different parts of the country, and different groups in the population.

The main questions from the consultation questionnaire are listed below with the most common answers from a predefined list.

What things in life matter to you? What is well-being?

- health
- good connections with friends and family
- good connections with a spouse or partner
- job satisfaction and economic security
- present and future conditions of the environment

'It's long overdue that we start to understand quality of life that may not, for some people, be based on material wealth or possessions'

Which of the things that matter should be reflected in measures of national well-being?

- health
- good connections with friends and family
- job satisfaction and economic security
- present and future conditions of the environment
- education and training

The debate has highlighted that the things that matter the most are our health, relationships, work and the environment. These are also themes that the majority of respondents agree should be reflected in a measure of national well-being, with the addition of education and training.

ONS has also analysed free-text responses, including responses to postcards simply asking 'What matters most to you?' as well as feedback from the events. The results show that while different things matter to different people, and vary at different stages of life, there are some common themes. These include:

- the importance of our health to our well-being
- the importance of having adequate income or wealth to cover basic needs
- the environment around us, and the need to connect with other people whether partners, children, wider family, the community (local, national, faith and online), or work colleagues

People also told us that what is important is how we spend our time, including the balance we achieve between our work and home lives, the time we spend outdoors (and the availability of green spaces for us to use) and the extent to which we participate in cultural or creative activities. The quality and availability of government-provided services such as healthcare, education, and the transport network are also considered important. Running through all these factors was the commonly held view that there should be a greater sense of fairness and equality, for the sake of our national well-being. **Figure 1** illustrates the main themes based on the frequency of their reference by participants in the debate. These themes resonate with current research on well-being. However, there were considerably more contributions concerning belief or religion, in particularly Christianity, than we had expected. Also, we expected people to talk about the environment, but the majority of comments about this were focussed on the importance of access to good quality local green spaces rather than wider environmental issues. Many of the participants mentioned that community spirit was very important, but lacking. Government was referred to by many participants, who often stressed the importance of democracy and having accountable, trustworthy politicians.

'Work life balance, more free time to relax, enjoy, think and create'

Figure 1 **Commonly used words in the national well-being debate**



Source: Office for National Statistics

While the debate revealed that there are some themes which are important to nearly all of us, it also helped to highlight differences between different groups and age ranges in society, for example:

- children who contributed to the debate through events in schools said eating breakfast in the morning, playing on computer games, playing with dolls and push-chairs, celebrating Christmas and birthdays were some of the things that matter most
- some young adults included make-up, good clothes, alcohol, music and fast food on their list
- some older people were concerned about the loss of a sense of community

All the age groups highlighted the importance of family, friends, health, financial security, equality and fairness in determining well-being.

The debate and the ONS programme cover all ages and groups in society. The debate recognised different life stages and especially underlined the importance of measuring children's and young people's well-being. Through feedback at events and from online responses from individuals and relevant organisations, there was a strong feeling that ONS should include this area when measuring national well-being. The debate not only highlighted the need to capture children's and young people's well-being in its own right but also because of the impact that it has on parents' well-being. As one debate participant put it, 'A parent is only as happy as their saddest child'. In addition, allowing children themselves the ability to have their voices heard is an important aspect.

Overall, the different themes and points of view expressed in the debate reinforce the view that well-being – both national and individual – is a complex, multi-dimensional issue. This is consistent with Defra's earlier work on well-being and with ONS's review of existing theories and frameworks

'Creating a society that we are proud to hand on to our children and grandchildren'

of well-being. The review highlighted that there is no clear definition of well-being and that it is a broad term that covers a range of things.

Developing a framework for understanding national well-being

To make best use of the information received through the debate and available from many other sources, a framework for understanding and measuring national well-being is being developed. The framework will bring a sense of coherence to the various components of national well-being and help to define how various constituent parts might 'add up' to a more complete picture. The framework is being developed to be of use to a wide range of policy makers and researchers interested in a variety of analyses. These could range from overall descriptions and monitoring of national well-being to precise assessments of particular policies. The framework is being developed by examining responses from the national debate, including responses from organisations such as the new economics foundation (nef, 2011), and reviewing the well-being literature, including international literature such as the report from the Commission for the Measurement of Economic Performance and Social Progress (CMEPSP, 2009) and OECD compendium of well-being indicators (OECD, 2011).

Although there are a wide range of opinions about what constitutes national well-being, there are also some common themes. A framework to understand national well-being should reflect the following:

- individual well-being is central to an understanding of national well-being. It includes objective circumstance, for example an individual's employment status; and subjective well-being which includes the individual's experiences and feelings
- national well-being is affected by how these circumstances, experiences and feelings are distributed across society, and how well current levels of well-being can be sustained into the future or between generations
- a set of domains, such as health, and education will need to be established to help capture the individual measures which together determine national well-being
- local factors are also relevant to well-being, e.g. access to green spaces and strength of community involvement

ONS has already started work to identify a small set of domains in which to measure different aspects of well-being. The domains will then be populated with a series of well-being measures to be published by the ONS in late 2011. Chapter 3 explains how ONS will take this forward.

'Happiness has to be about more than finance, it has to look at wider social issues and what enriches life'

Chapter 2: Why measure national well-being and who will use the measures?

Measuring national well-being will provide a more coherent measure of 'how the country is doing' than standalone measures such as GDP. It has long been argued that the progress of the country should not be measured by looking just at growth in GDP (see box below). For a full picture of how a country is doing we need to look at wider measures of economic and social progress, including the impact on the environment.

Measuring economic well-being

In the post-war developed world, one of the principal concerns of governments has been to ensure economic growth, as measured by GDP. GDP is the value of the goods and services produced by all sectors of the economy: agriculture, manufacturing, energy, construction, the service sector and government. If the GDP measure is higher than the previous three months', the economy is growing. If it is lower, the economy is contracting. GDP is measured to internationally agreed standards so provides an idea of the relative performance of different countries' economies. Economists and statisticians, however, have always acknowledged that GDP does not capture everything that determines society's well-being, and was not designed to do so.

One criticism of GDP as an indicator of the economic well-being of the population is that GDP does not capture the economic well-being provided by the goods and services households produce for themselves. For example, when a man does his ironing, it is not recorded in GDP, but if the man pays someone else to do it, it would be recorded in GDP. Previous estimates by ONS (www.statistics.gov.uk/hhsa/hhsa/Index.html) have shown that the value of home production is around the same size as conventional GDP; this may change over time. Similarly, fuel consumed waiting in traffic jams adds to GDP but is unlikely to add to economic well-being. GDP also imperfectly captures the impact on economic well-being of public services.

GDP also says nothing about the distribution of income at a point in time nor about the distribution of income over time. Moreover, GDP is an income measure, but people's economic well-being is also determined by their wealth, including financial wealth. There is increasing recognition that the environment and the skills of its workers are also important determinants of a nation's future economic well-being but are not adequately represented by existing economic statistics.

Recognising these deficiencies, there has been widespread interest in developing additional measures of economic wellbeing. These measures, broadly classified into monetary measures and synthetic indices, are discussed further in the supplementary paper on economic well-being measures.

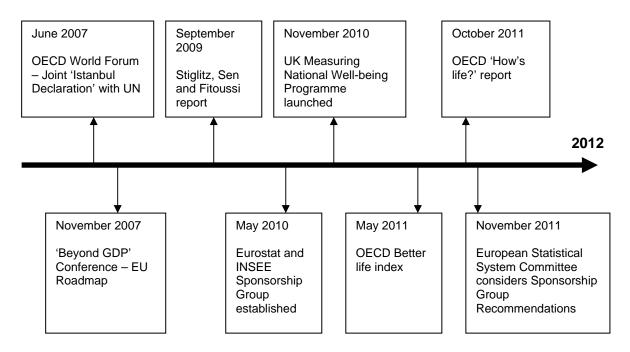
These arguments are fundamental to several international initiatives set up to measure national well-being and progress, most notably the Organisation for Economic Cooperation and Development's (OECD) 'Measuring the Progress of Societies' initiative (see below). Within the UK, there is a commitment to developing wider measures of well-being so that government policies can be more tailored to the things that matter. The debate has also revealed an appetite among the public for well-being measures so that we understand the long term implications of our current activities. More detail is provided in each of the three sections below.

We need to capture the essence of what gives people a sense of purpose, a reason for being. In many cases, their lives may be dominated by just getting through, putting bread on the table'

International requirements

There are several international initiatives on measuring national well-being (see **Figure 2**). At the <u>OECD World Forum on Statistics, Knowledge and Policy in 2007</u>^v, a declaration was issued calling for the production of high-quality facts-based information that can be used by all of society to form a shared view of national well-being and its evolution over time.

Figure 2 International timeline



This agenda gained momentum from a landmark report in 2009 to President Sarkozy from his Commission on the Measurement of Economic Performance and Social Progress (CMEPSP, 2009). The report was written by a team led by Joseph Stiglitz, Amartya Sen and Jean-Paul Fitoussi. It concluded that 'the time is ripe for our measurement system to shift emphasis from measuring economic production to measuring people's well-being'.

Building on this momentum, international organisations have taken forward their programmes to develop their own measures. On 24 May 2011 the Organisation for Economic Co-operation and Development (OECD) published an experimental set of measures comparing international evidence on well-being in developed countries and selected non-member countries as well as an online interactive instrument <u>'Better Life Index'</u> ^{vi}. This allows users to measure well-being across countries, to build and customise their own indexes. The set of well-being indicators contained in the report represent an attempt to go beyond the conceptual stage, helping give a more accurate picture of the needs of citizens and policy makers. Later this year the OECD will publish a more indepth analysis, 'How's Life'. The EU Sponsorship Group on 'Measuring progress, well-being and

'We need to develop a narrative that champions success as being part of a loving, supportive family/ community, contributing to the social capital of your neighbourhood, and being productive, rather than being 'healthy, wealthy and wise"

sustainable development' composed of 15 EU member states including the UK, will also report its findings and recommendations for taking this agenda forward. ONS is working closely with the European Commission's 'GDP and beyond' project (European Commission, 2009) and the OECD's global project on 'measuring the progress of societies'.

Recent developments rest on a wide range of previous work. Sustainable development indicators, which some consider to be synonymous with measuring progress and well-being and indeed quality of life, have been long established in many countries and by international institutions, and these have implicitly – and in many cases explicitly – been considered to be measuring well-being. In 1996 the UK was the first country to establish a national set of <u>Sustainable Development</u> <u>Indicators</u> ^{vii}. Revised indicators were produced in 1999 and 2005. Defra leads this statistical programme, including cross-government work that resulted in the inclusion of well-being measures in the sustainable development indicators set from 2007.

The UK's experience with sustainable development indicators has strongly influenced work in this field internationally and now we have an important role to play in the more recent international developments. This was one of the issues discussed at the first meeting of the National Statistician's Advisory Forum in January 2011 where representatives from INSEE and Eurostat (statistical offices of France and Europe) spoke on international progress and the need for standardised measures. In line with the UK's <u>Code of Practice for Official Statistics</u>^{viii}, ONS sees it as a priority to work collaboratively with international partners to achieve, where possible, consistency with international standards and guidance under development.

Several countries have also started to measure well-being explicitly, instigated by their own governments and official statistical institutes. For example, in Europe, France is independently implementing the recommendations from the CMEPSP report and the Italian statistical institute together with the National Council of Economy and Labour are establishing a steering group on the measurement of sustainable progress in Italian society. Beyond Europe, the Treasury Board of Canada produces and submits an annual report to parliament entitled 'Canada's Performance'^{ix} and the Australian Bureau of Statistics releases statistics entitled 'Measures of Australia's Progress'^x. ONS will continue to share developments and learn from others on approaches to measuring well-being. One of the key research aims will be to understand the cross-cultural comparability in measures of well-being.

Policy requirements in the UK

In November 2010, at the launch of the ONS programme, the UK Government signalled the importance of, and its commitment to, using wider measures of well-being when Prime Minister David Cameron said that there was a need to 'take practical steps to make sure government is properly focused on our quality of life as well as economic growth' and asked ONS to devise a new way of measuring well-being in Britain, as 'a re-appraisal of what matters' that would 'lead to government policy that is more focused not just on the bottom line, but on all those things that

'Overall any measurement for national well-being must have a purpose that can then be actioned in some way and help inform policy makers and decision makers for the future, and not just another measurement that shows where we are in an international or global league table' make life worthwhile' (Number 10, 2010). He re-stated the importance of well-being to the Coalition Government in his speech on the Big Society in May in Milton Keynes.

Cabinet Secretary and Head of the Home UK Civil Service Sir Gus O'Donnell confirmed the need for constantly 'developing new and better ways to understand how policy and public services affect well-being', indicating a clear commitment from Whitehall at the outset to make real policy change. He is overseeing a programme of work to ensure well-being becomes fully embedded in the policy process across Government, so that departments are fully ready to take account of the new measures when they become available. For example, the Social Impacts Taskforce, of which ONS is a member, is developing supplementary guidance that will provide practical advice to departments.

Experts also highlighted the role of subjective well-being measures in the policy-making process. The new economics foundation, in its contribution to the well-being debate in February 2011, argued that decisions made across a range of policy areas are likely to have a measurable impact on levels of subjective well-being and set out a number of ways in which measures could be used to shape policy. Dolan et al. (2011) made recommendations for specific subjective well-being measures to be used for three elements of policy making: monitoring progress; informing policy design and policy appraisal.

During the debate ONS met or corresponded with many expert groups, individual academics and other organisations. They gave information about existing work and its policy relevance. Some examples are in the table below.

Policy area	Examples of evidence
Children and	The Children's Society has carried out a number of surveys of childhood well-being
young people	and recommend that by understanding the causes of variances in children's own
	subjective well-being it is possible to 'identify messages for policies that can be used
	to enhance people's lives'. The UNICEF well-being report, 'An overview of child well-
	being in rich countries' (UNICEF, 2007) looks at international comparisons and
	suggests that levels of childhood well-being are not inevitable but policy susceptible.
	They go as far as to suggest that 'the true measure of a nation's standing is how well
	it attends to its children'. The Department for Education has looked at childhood well-
	being as a driver of educational attainment and how social outcomes are important
	determinants of educational attainment. It highlighted the importance of early years
	and families policy that help to set the right conditions for lifelong economic and
	social well-being.

'It should not be used by Government as a justification of its policies, but as a genuine learning experience'

Inequalities,	The Oxford Poverty and Human Development Initiative (OPHI) is concerned with
deprivation and	multi-dimensional measures of poverty, well-being and inequality. They promote
poverty	capturing the full complexities of poverty in order to better inform policies to relieve it.
	The Human Development and Capabilities Association has been promoting the
	analysis of links between policy and well-being, impoverishment and justice for many
	years. The Indices of Deprivation are produced for each of the four countries of the
	UK and show the combination of factors that influence the distribution levels of
	deprivation. The indices assess levels of deprivation and inequality across domains
	such as health, education and the living environment, and overlap with the areas
	identified in the debate as being those that matter for well-being, both at the local and
	national level. Globally, the United Nations 'Human Development Index'xi examines
	patterns of human development, focussing on equality and sustainability issues. Their
	most recent report (UNDP, 2010) suggests 'putting equity and poverty at the forefront
	of policy and designing institutions' in order to 'further human well-being'.
Health	The work of the pan-London NHS group on measuring mental well-being (Thomas
	Coram Research Unit, 2007) was sent to us. The group has been working on
	research into the mental health and psychological well-being of children and young
	people. 'The Marmot Review: Fair Society, Healthy Lives' (Marmot, 2010) is another
	example, where the drivers of health inequality were identified and the impacts these
	have on the lives the individuals were able to lead were outlined. Researchers at
	Warwick and Edinburgh universities developed a new mental well-being scale which
	has since been used in government surveys to comprehensibly assess positive
	thoughts and feelings and measure mental well-being, both in Scotland and England.
Work/life balance	The Leisure Studies Association emphasised how a measure of well-being needs to
	capture an understanding of this work/life balance. Similarly, the 'Taking Part' survey
	(by the Department for Culture, Media and Sport) showed links between partaking in
	cultural and sporting activities and improving well-being.

Public interest

Responses to the debate question 'How would you use measures of national well-being?' suggest there is support from the public to develop measures to help understand the longer term implications of our current activities, and to allow for comparisons of different groups of people and areas of the UK. Many people who responded to the question said they would use the measures to inform or assess policy design. Others said the measures would be useful to make environmental assessments or for further research. Several people gave responses showing they were pessimistic about use of the measures, but the majority of comments were in favour of further developments. A number of comments made clear that individuals find that the process of thinking 'what matters to me?' has made a difference in their approach to every day decisions or future

'My children matter to me most of all - their wellbeing and future prospects are the single most important thing in my life. If they are happy and well cared for, I am happy'

expectations. ONS aims to ensure new measures engage wide public interest as well as being of interest to policy makers and experts.

'A difficult issue to quantify, but well worth the effort'

Chapter 3: Measuring national well-being

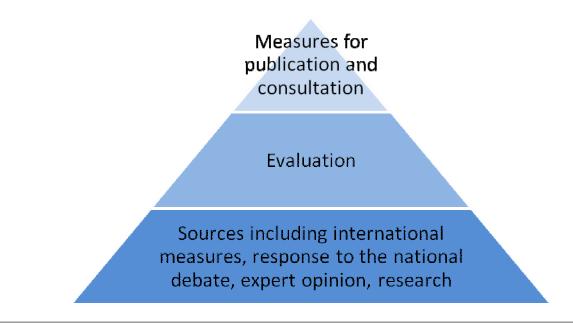
During the debate ONS received a wealth of information on different approaches to measuring well-being. These are summarised in detail in the supplementary paper on the debate findings and range from methods for creating indices (creating a single figure), economic measures such as Green GDP and measuring subjective well-being. ONS has also published a number of articles and papers in this area since 2009 which are available on the <u>Well-being Knowledge Bank^{xii}</u>.

Drawing on this material this Chapter explains how ONS is developing a set of measures of the well-being of the UK, and how it changes over time, building on the national well-being framework concepts outlined in Chapter 1. The Chapter then explains the new steps taken to measure subjective well-being, discusses the issues on measuring children's well-being and describes current work on environmental and economic indicators. ONS will be publishing interim proposals in all these areas in order to have further iterative consultation on the details in different areas and the way they build up to an overall framework.

How we will select measures

In order to develop a set of national well-being measures that cover all the aspects and domains of national well-being, a number of steps need to be taken. As shown in **Figure 3** the first step will be to collate potential measures of well-being from existing sources. Sources will include the <u>Equality</u> <u>Measurement Framework</u>^{xiii} which was established by ONS in partnership with other bodies, Defra's Sustainable Development Indicators, measures used by the OECD, quality of life indicators as currently being developed by Eurostat, all those measures suggested in the national debate, potential measures under development and the measures discussed later in this Chapter.

Figure 3 **Developing a set of measures of national well-being**



'The conditions that other people, who may not have had the life opportunities that I have, live in and how they are treated by society' The set of measures will be sorted according to the measurement framework currently under development and will undergo an initial editing process to produce an evaluation list.

ONS will evaluate the individual measures to decide whether they are:

- robust that is they meet the standard statistical requirements of accuracy, reliability and validity
- comparable internationally
- available for a past time series of reasonable length
- relatively up-to-date
- likely to be available in the future
- capable of disaggregation for specific groups of people and geographical areas
- considered to be acceptable by experts in the area

The measures will then be subject to further selection to produce a shorter set for consultation. We are likely to use the following criteria to assist our selection:

- effective coverage of the domains to be identified in the framework; without overlap or duplication
- provision of a coherent and consistent picture within the domains
- relevance for measuring well-being or an aspect that can be shown to be related to well-being
- relevant stakeholder endorsement (see Chapter 4)
- they are rated highly against other potential measures for measuring well-being
- the ability to be analysed across priority areas such as different geographies or sub-groups of the population
- sensitivity to effective policy interventions without being readily susceptible to manipulation
- · receive public acceptance, interest and understanding

At this stage gaps will be identified which may require further research.

Presenting the information

More than one third of participants in the online survey felt that a small selection of measures would be the best way to give a picture of national well-being. However, more than one quarter felt that a large set of measures would be appropriate. Less than a fifth thought that the information should be combined into a single number. There were some suggestions that these measures should be accompanied by further information and analysis. ONS will be developing different ways

'Education is a tricky measure - I don't think we prove that our society is flourishing by showing that we all go to college - people need access to a basic level of education, but they need opportunities to thrive outside of the academic world from a young age, so that the young don't feel disengaged/ disenfranchised too early' of presenting and explaining the information such as interactive charts and podcasts, as well as straightforward data tables.

The draft set of measures will be published before the end of this year. This will be for consultation and iteration: that is we will be seeking feedback on whether they effectively measure well-being and change over time in the UK. At the same time a paper will be published explaining how these indicators were evaluated and selected and what was included in the evaluation list. We will then continue to revise and refine the measures and their presentation.

We will also publish a more contextual analysis of the draft measures of national well-being. This is likely to use international comparison to further explain measures of national well-being and how they relate to each other within and across subject areas.

Measuring subjective well-being

Four questions asking respondents to assess their own well-being (subjective well-being questions) were included on ONS's largest household survey, the Integrated Household Survey (IHS) from April this year. This initiative was taken quickly because subjective well-being is not currently measured in large-scale UK-wide datasets, and there was recognition that the life satisfaction and happiness of individuals is an important component of national well-being. The four questions are:

- overall, how satisfied are you with your life nowadays?
- overall, how happy did you feel yesterday?
- overall, how anxious did you feel yesterday?
- overall, to what extent do you feel the things you do in your life are worthwhile?

Each is measured on a scale from 0 to 10. These questions will be asked of around 200,000 adults (aged 16 and over) each year. The first annual datasets for these questions will be published in July 2012; some information will be published on an interim basis before that. Statistics from these questions will be classed as 'experimental' to allow for further refinement and development.

ONS is also undertaking further testing and development of subjective well-being questions, including further questions on the ONS monthly Opinions Survey and will publish the first set of results in November 2011. This work will investigate aspects of well-being that were identified as strong themes in the national debate, such as a sense of purpose and fulfilment, relationships with family and friends, leisure time, job satisfaction, and a sense of community.

The design of these questions has drawn on subjective well-being questions that are already asked on other surveys, both in the UK and internationally. Additionally, ONS commissioned research looking into the role of subjective well-being and public policy to help inform the design of the questions. The subject was discussed at both the National Statistician's Advisory Forum and the Technical Advisory Group. These groups consist of a range of experts including

'This survey/debate will bring the subject of national well-being to the fore. That awareness is the crucial next step towards getting individuals to focus on what is important to them and to make changes if the current results in their lives are not what they want' representatives from the OECD, Eurostat (the statistical office for the European Union), other government departments, think tanks, academics, and related market research experts. Both these groups were consulted during the development of the four IHS questions. There is now opportunity for ONS to work with other organisations to include the four questions on non-ONS surveys, for example, employers' surveys of job satisfaction. Further information can be found in the supplementary paper on measuring subjective well-being.

This builds on work initiated by Defra as part of its cross-government responsibilities for sustainable development indicators, which included subjective well-being questions in surveys annually since 2007. Results for 2007 to 2011 were published in April this year (Defra, 2011a).

Measuring children's well-being

In 2009 prior to the national debate ONS had undertaken work in this area and published a report 'Current Measures and the Challenges of Measuring Children's Wellbeing '(ONS, 2009) which provided a better understanding of the issues associated with children's well-being and highlighted potential problems in measuring it successfully. It was with that in mind that the decision was taken to visit schools, colleges and universities and mother and toddler groups, and to consult with charities working with children and young people as part of the national debate. This was also a catalyst for ONS commissioning research from Cardiff University's Centre for Business Relationships, Accountability, Sustainability and Society (BRASS) and Techniquest to ascertain what well-being meant to young people in South Wales as part of the wider 'contemporary science debates' initiative in Wales which was also carried out during the debate period.

During the debate the Children's Society reminded ONS of the work they had undertaken on developing a children's subjective well-being index where children are able to make an assessment of their own well-being. Further information can be found in the supplementary paper on measuring children's and young people's well-being.

Measuring economic well-being and sustainability

The starting point for measuring the UK's economic well-being is the National Accounts, which provide a rich source of information on a country's economic performance. As well as the more commonly used national income measures such as GDP, the national accounts also contain information on household income and consumption, which may provide better measures of citizens' material living standards. ONS has already attempted to build on these existing measures, by extending measures of household income and consumption to reflect 'in kind' services provided by government, such as subsidised health care and educational services and also to estimate the value of the goods and services that households produce for themselves.

People's economic well-being is determined by their wealth as well as their income. ONS launched the Wealth and Assets Survey to estimate household and personal wealth in Great Britain. In recent years, there has also been increasing recognition that financial wealth is not the only indicator of a nation's future prosperity. Responding to this, every year since 2002, ONS has

'This exercise is crucial if our decision makers are to have real appreciation and understanding of the feelings of those living life at 'ground-level"

published environmental accounts showing data on the environmental impact of UK economic activity and the use of the environment by the economy. Moreover, in 2010, ONS published its first estimates of the value of the knowledge, skills and talents of the UK's workers.

The national well-being debate emphasised that 'fairness' and 'equality' are important to people. ONS regularly produces measures of income inequality such as the Gini coefficient and has also begun to look at inequality between generations though its developmental work on the generational accounting approach to public finances in the UK.

The debate highlighted that the present and future conditions of the environment matter to people and ONS is working towards commitments in the Natural Environment White Paper (Defra, 2011b) published on 7 June 2011 to 'fully include natural capital in the UK Environmental Accounts, with early changes by 2013' and in 2012 'ONS will publish a roadmap for further improvements up to 2020'. Direct reference is made in the White Paper to measures of national well-being reflecting 'our dependency on the natural environment for the quality of our lives'.

To help address data needs for specific policy areas as well as maintaining a consistent approach to the measurement of national well-being, it will be important to work with the Government Statistical Service departmental heads of profession. ONS already works closely with Defra on sustainable development. Measuring progress in terms of national well-being overlaps with the long-established approach of measuring sustainable development, for which Defra has the lead UK role. Work at the EU level brings all this together as 'measuring progress, well-being and sustainable development' but there is still a need for greater clarity on what we mean by each of those words and how they fit together.

Sustainable development is about making sure that people throughout the world can satisfy their basic needs now, while making sure that future generations can also look forward to the same quality of life. Sustainable development recognises that the three 'pillars' – the economy, society and the environment – are interconnected. This is also the approach presented in the CMEPSP report and on which we are drawing for taking forward wider measures of national well-being and progress. ONS will continue to work with Defra and agree how the sustainable development indicators and measures of national well-being now under development are complementary and should be integrated.

'Nature and the environment has to be at the top of the list. Without it none of us live. And for me personally it helps make my life worth while. Nature is healing inspiring and a good balance for what is important in life'

Chapter 4: Partnerships and next steps

Through the national debate, ONS has learned about what matters, and why, in measuring national well-being. The task now is to continue to consult and engage with interested parties, throughout the development of a set of national well-being measures which are firmly based, trusted and accepted.

The debate confirmed that measuring national well-being is a complex area. At the same time, there is an appetite for the ONS programme to start delivering measures, on an experimental basis. This chapter summarises how we will engage and consult with users of national well-being measures, statistical producers and experts, to ensure that the measures are well-founded and relevant. A high-level timeline is provided at the end of the chapter.

Consultation and engagement

Policy makers

One of the questions asked most frequently during the national debate was along the lines of 'What actually will happen in government as a result of ONS publishing these new measures? This question relates to the CMEPSP observation that the aim is better decision making by government, markets and the public (see Chapter 2). As that report notes, policy makers and others had, perhaps, not been focussing on the right set of statistical indicators in recent times and that a broader set of measures are needed to steer our economies better through and out of crises, including 'facing a looming environmental crisis'.

In addition, the Prime Minister, at the launch of the national well-being measurement programme, spoke of how 'this information will help government work out, with evidence, the best ways of trying to help to improve people's well-being' (Number 10, 2010). Many responses during the national debate wanted to hear more about what this all means in practice and how policy makers will use well-being data more fully.

To address this ONS will:

- continue our engagement with policy departments so that the ONS programme is informed by emerging policy requirements and that policy makers are aware of the well-being data
- work jointly with Cabinet Office to provide appropriate tools to support the design and evaluation of policy
- work closely with the Devolved Governments to ensure that measures for the UK as a whole fit with their responsibilities, for example, Measuring Scotland's Progress

International initiatives

International organisations such as the OECD and Eurostat, the statistical office of the European communities, are increasingly working together to develop wider measures of progress, well-being and sustainable development that can be aggregated for all their member countries, also allowing meaningful comparisons between countries. This includes the 'one-off' module of well-being to be

'Anything which can be done to improve and raise our standard of living is good, provided it does not do so at the expense of other people and countries'

added to the EU Survey of Incomes and Living Conditions (EU-SILC) in 2013, as well as the development of indicators for monitoring progress over time.

The challenge is to get the right balance between meeting international needs and the need for better statistics on the UK's progress as a country in terms that are defined as a result of the UK national debate. As part of this, ONS recognises that the devolved governments within the UK have responsibility for the well-being of their people. The common thread is where there are requirements for the UK as a whole, and to compare either the UK or parts of it with other EU or OECD member states.

ONS will continue to seek to influence the international agenda, through active engagement in particular with the OECD's Measuring Progress initiative and with the EU Sponsorship Group on Measuring Progress, Well-being and Sustainable Development. In partnership with other government departments, notably Defra, ONS will also continue to take part in international task forces, on wider measures and on subjective well-being, as well as relevant international conferences and workshops.

Public and the media

The national debate has tapped into considerable interest by the public and in the media about our quality of life, our culture and our values. All these are seen as important in assessing 'how the UK is doing'. ONS will continue to communicate and engage with interested parties on the programme of work to measure well-being and will develop a communications strategy that addresses each of the groups discussed in this chapter.

Local government

The Local Government Act 2000 gave local authorities in England and Wales the power to promote social, economic and environmental well-being in their areas. A number of authorities developed local well-being measures, particularly under an initiative led by the <u>Young Foundation</u>^{xiv}. These largely drew on the national indicators that were then collected from all local authority areas, but which are no longer available.

During the national debate ONS was in contact with a number of authorities who are now reviewing their needs for well-being data. We are also aware that the new health and well-being boards may have data requirements, including for national comparative data.

Business

The debate highlighted that well-being is important to business in a number of different ways, for example: well-being at work; the importance of work and workplace in people's lives; social and community responsibility; and the value of recognising the importance of well-being in the lives of consumers and customers. The Advisory Forum emphasised the value of engaging with businesses.

'Having family around brings esteem, value, hope and love, and being healthy enables us to do good'

Academia and research centres

There is considerable academic interest and research into happiness and individual well-being, including in research centres such as the new economics foundation's Centre for Well-being. There are many approaches to the measurement of individual well-being, drawing on a range of disciplines and leading to a number of measurement vehicles and a host of existing social surveys measure subjective well-being.

The Economic and Social Research Council (ESRC) has indicated a strong willingness to support work on national well-being and progress, including knowledge transfer from established academic centres and disciplines. ONS will continue to work with academia and the research centres, including on an ESRC conference in early 2012 to enable in-depth discussions of issues around the definition and measurement of national well-being.

Charities, voluntary organisations and other third sector

During the debate we engaged with many charities, voluntary organisations and other third-sector organisations that made valuable contributions. These organisations highlighted the importance of different issues to well-being including mental health, the environment, improvements in technology and poverty. ONS will continue to engage with these and other third sector organisations as this work programme moves forward.

Advisory Forum

Following the launch of the programme, the National Statistician convened an Advisory Forum to engage directly in the debate with key stakeholders, including policy makers, analysts, business leaders, academics, the third sector and other influencers in the UK and abroad. There are now over 40 members of the forum and it has met twice so far. The objectives of the forum, and of a technical advisory group looking at more specialist issues such as the subjective well-being questions and presentation, are to provide advice to the National Statistician, to deliver credible measures of subjective well-being, and of wider national well-being, to meet policy and public needs. ONS will continue to seek advice from the Forum as we develop measures of well-being.

Timeline for the programme

The programme started formally in late 2010 with launch of the national debate, after funding had been secured from the Spending Review 2010. The debate will be followed by the development of measures of national well-being that include – but go beyond – measures of economic performance such as GDP.

Work also started in 2010 to develop questions on subjective well-being (people's self-assessment of their well-being) that were added to ONS household surveys from April 2011. These questions are experimental. Further development work is being undertaken during 2011/12, to confirm the questions to be included from 2012/13 onwards.

ONS has planned its work with four broad phases over the Spending Review period, one of which is already completed. There will be further intensive developments up to March 2012 to take forward the plans in this paper, testing them with our partners and users. From April 2012 onwards, ONS will publish measures of well-being on a dedicated area of the ONS website. These will be

'Spending time with my family is what makes me the happiest'

improved progressively and consulted upon, drawing on regular updates on the subjective wellbeing survey results and analysis of different areas of well-being. Further developments will be needed to contribute to international initiatives, especially in comparability.

The following key milestones have been identified up to 2013:

Date	Milestone
October 2011	Set of national well-being indicators published and start iterative consultation to test and refine indicators
November 2011	Publish first set of results from the Opinions Survey (April to August) and consult on the presentation of subjective well-being data
November 2011	Publication of European Statistical System Committee position on measuring progress, well-being and sustainable development. Start of the process to roll recommendations out across the EU.
December 2011	Agreed harmonised subjective well-being measures in an international framework (OECD, Eurostat)
February/ March 2012	ESRC conference on national well-being
July 2012	Publication of first subjective well-being annual experimental results
Summer 2012	Publish guidance for using subjective well-being data and questions at local authority level
December 2012	Publish a roadmap for valuation of natural capital in the Environmental Accounts and delivering on environmental sustainability measures (commitment in Natural Environment White Paper)
2012 - 2013	Further publication of the refined version of the set of well-being indicators and continued consultation including working with key user groups (policy, local government/health and well-being boards, commerce, media, academia etc)
2013	Article on valuing natural capital in Environmental Accounts and first review of progress against roadmap to 2020 (commitment in Natural Environment White Paper)
2013	EU Survey of Income and Living Conditions (EU-SILC) module on well-being

'Facilities that allow people to excel and inspire others'

References

- CMEPSP (2009). Report by the Commission on the Measurement of Economic Performance and Social Progress. Available at www.stiglitz-sen-fitoussi.fr/documents/rapport_anglais.pdf
- Defra (2011a). *Life satisfaction and other measures of well-being in England, 2007 to 2011.* Available at www.defra.gov.uk/statistics/files/Statistical-Release-13-April-2011-wellbeing.pdf
- Defra (2011b). Natural Environment White Paper. Available at www.statistics.gov.uk/cci/article.asp?ID=2371
- Dolan, P., Hicks, S., Layard, R. and Metcalfe, R. (2011). Measuring Subjective Well-being for Public Policy. Available at <u>www.statistics.gov.uk/cci/article.asp?id=2647</u>
- European Commission (2009). Communication from the Commission to the Council and the European Parliament - GDP and Beyond: Measuring Progress in a Changing World. Available at www.beyond-gdp.eu/
- Marmot, M. (2010). The Marmot Review: fair society, healthy lives. Available at www.marmotreview.org/
- nef (2011). *Measuring Our Progress*. Available at <u>www.neweconomics.org/publications/measuring-our-progress</u>
- Number 10 (2010). PM speech on well-being. Available at www.number10.gov.uk/news/speeches-and-transcripts/2010/11/pm-speech-on-well-being-57569
- OECD (2011). Compendium of OECD well-being indicators. Available at www.oecd.org/document/28/0,3746,en_2649_201185_47916764_1_1_1_1,00.html
- ONS (2009). Current Measures and Challenges of Measuring Children's Well-being. Available at <u>www.statistics.gov.uk/cci/article.asp?ID=2371</u>
- Thomas Coram Research Unit, (2007). *The Emotional Well-being and Mental Health of Young Londoners*. Available at <u>www.londonhp.nhs.uk/wp-content/uploads/2011/03/The-Emotional-Well-Being-and-Mental-Health-of-Young-Londoners.pdf</u>
- UNDP (2010). Human Development Report 2010. Available at http://hdr.undp.org/en/reports/global/hdr2010/
- UNICEF (2007). An overview of child well-being in rich countries. Available at www.unicef.org/media/files/ChildPovertyReport.pdf

'We need to get away from regarding economic indicators as the be-all and end-all'

Notes

i National Well-being debate website available at http://webarchive.nationalarchives.gov.uk/20110422103457/http://well-being.dxwconsult.com/

ii Netmums' Coffee House Debate available at www.netmums.com/coffeehouse/real-parenting-revolution-641/real-parenting-well-being-debate-724/

ⁱⁱⁱ List of Advisory Forum members available at <u>www.ons.gov.uk/well-being/advisory-forum-members/index.html</u>

^{iv} Information about the Technical Advisory Group available at <u>www.ons.gov.uk/well-being/technical-advisory-group/index.html</u>

^v OECD World Forum webpage available at www.oecd.org/site/0,3407,en_21571361_31938349_1_1_1_1_00.html

vi OECD Better life index available at <u>www.oecdbetterlifeindex.org/</u>

vii Sustainable Development Indicators available at http://sd.defra.gov.uk/progress/national/

^{viii} Code of Practice for National Statistics available at <u>www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html</u>

^{ix} Canada's Performance available at <u>www.tbs-sct.gc.ca/reports-rapports/cp-rc/index-eng.asp</u>

^x Measures of Australia's Progress available at <u>www.abs.gov.au/AUSSTATS/abs@.nsf/mf/1370.0</u>

^{xi} Human Development Index available at <u>http://hdr.undp.org/en/statistics/</u>

^{xii} Well-being Knowledge Bank available at <u>www.ons.gov.uk/well-being/wellbeing/index.html</u>

xiii Equality Measurement Framework available at www.equalityhumanrights.com/key-projects/equality-measurement-framework/

^{xiv} Information on the The Young Foundation's Local Well-being Project available at <u>www.youngfoundation.org/our-work/networks-and-collaboratives/the-local-well-being-project/local-well-being-project</u>

'I would like to know if people feel secure, happy, loved, supported and valued. Whether they feel they have an opportunity to flourish and achieve what is important to them as individuals'